Final Program Report

ProMedia II/Serbia Program
(Cooperative Agreement No. CA#169-0022-A-00-9101-00)

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I. EXECUTIVE SUMMARY

The USAID-funded ProMedia II/Serbia program began in October 1999 as a follow-on to the ProMedia I program. It concluded on June 30, 2007. During this eight-year period in Serbia, the political context was a roller coaster for the media sector. Under Milosevic, the independent media was severely repressed. The Public Information Law was used as "legal" justification for confiscating equipment, imposing unrealistic fines, closing down media outlets and sending journalist and editors to prison. Immediately following the end of the Milosevic regime in October 2000, it was thought that more democratic laws that provided for access to information, a right to free speech, fair allocation of frequencies and license would be enacted. However, the newly elected government was not as supportive of media freedom as was anticipated. The independent media suffered severe economic pressures, a lack of a legal framework, political pressures and social pressures between 2001 and 2007. In addition, the media also had to learn how to appeal to audience needs in order to become sustainable businesses rather than serve as tools for political opposition. Despite these difficulties that continued at the time of this writing, it is apparent that the Serbian independent media is resilient and dedicated to providing professional and objective information to the Serbian public of all political and ethnic backgrounds.

In response to the need for Serbian citizens to have access to indigenous information regarding the status of their country and to garner support for democratic reforms in Serbia, USAID designed the program with the overall goal that ***independent and sustainable media provide citizens with objective news and information***. To achieve this goal, the ProMedia II program did the following: help independent media develop beyond merely re-establishing themselves in the new democratic environment and move them towards economic self-sufficiency; contribute to developing their capacity to employ professional staff; help rebuild the business sector in Serbia through their editorial content and programs and provide up-to-date and relevant information for entrepreneurs and small businesses; support the institutional media infrastructure within the framework of new licensing laws for media; help with the drafting and implementation of those laws so that media have access to information and can operate in a fair environment; and provide journalists and media managers with the skills and resources necessary to move towards increased professionalism, especially when covering topics that go beyond the Serbian media's traditional political coverage, such as economic, legal, ethical and social issues.

Throughout the program, IREX worked with media partners so that they could provide Serbian citizens with objective, fact-based, and useful information. ProMedia II has completed some of the major steps toward facilitating a fair and independent media in Serbia and provided basic training and professional development for media outlets. IREX also worked to strengthen the media organizations and give them the tools to survive in an uncertain market and regulatory environment. Many of the media outlets with which IREX worked are either 100% or nearly sustainable. Specifically, these stations can support their operational costs and rely on donor funding mainly for special programming. Important examples of sustainable outlets are RTV B92, BETA news agency, Radio City, Radio 021, and Radio OK. See Annex 5 for a list of IREX media partners.

The overall impact of the ProMedia II program is that it was able was to facilitate media development so that television and radio outlets contributed to democratization in Serbia. Today, there are dozens of media outlets in both urban and rural regions that produce objective and professional content. This independent content significantly influenced the political situation in the nation in 2000 and it is widely accepted by local media experts and the international community that the media played a significant role in ending the Milosevic regime.

Media experts agree that today the content of the news media is more moderate, supportive of democracy, and willing to tackle difficult and previously under-examined topics including the war, the crimes of the Milosevic regime, and corruption. The Serbian people have better information than they did before. Additionally, the public has more high quality programming that includes investigative reporting, balanced news coverage, and special topic programming that is moving the nation toward democratization and EU ascension.

II. INTRODUCTION

For Serbia's independent media, 1999 and the beginning of 2000 demonstrated the Milosevic regime's continuing efforts to keep the independent media weak and fearful. At the end of 1999, in a rare interview to domestic media, Yugoslav President Slobodan Milosevic indicated that he was particularly displeased with what he characterized as "lax implementation" of Serbia's Public Information Act despite the several millions of dinars in fines levied against the media in 1999. In 2000, the government stepped up its efforts against independent media: Studio B and B-292 had key transmission equipment stolen, ABC Grafika, the only independent printing house in Belgrade, was forced into bankruptcy due to fines imposes by the regime and *Vecerne Novosti* was taken over by the state when it began critical coverage of the regime. To judge by the words of Milosevic, who singled out the impudent behavior of the independent press as one of his most pressing political concerns, the Serbian government clearly continued to see the independent media as the main threat to its continued power and authority in the year 2000.

This illustrates the tremendous change Serbia's political climate has undergone in the period that followed NATO's air strikes, which ended in June 1999. During the 88 days of NATO bombing, all media in Serbia were subjected to stringent state censorship, and state officials pronounced themselves satisfied with even the independent media's patriotism. Less than a month after the lifting of war censorship, the regime went back to its favorite political sport of calling the free press "treasonous," "quisling" and "fifth-columnist," a sell-out to the Western aggressor and NATO-press.

Simultaneously, the regime applied additional pressure on the independent media through speedy trials under the Public Information Act, convicting journalists and editors to huge fines for merely reporting on leading opposition parties' public statements. The most notorious examples are the three December 1999 trials of dailies Blic and Danas and TV Studio B, for reporting on the Serbian Renewal Party's accusations against state officials in the case of an apparent assassination attempt against its president, Vuk Draskovic. Accurate reporting of public statements by opposition parties was no shield against the arm of the state and the Public Information Act was used as the regime's principal weapon against an independent media. The harassment of journalists and editors took many forms, but the laws on the books at the time clearly served another short-term purpose besides political repression and discrimination, they aimed for financial ruin of select media organizations. The most striking example of such ruin was the demise of two publications in 1999, the magazine *Evropljanin* and the daily *Dnevni Telegraf*. Few people in Serbia have forgotten that Slavko Curuvija, the publisher and owner of these publications, was gunned down in front of his house on April 11, 1999, and that the police investigation failed to produce suspects, indictments or plausible explanations of this apparent political crime until the government was pressured in 2004 to fulfill its obligations to investigate the case and bring the perpetrators to justice.

Both the independent print and broadcast media play an important role in keeping the citizens of Serbia informed and providing professional journalism. Although they are costlier than state publications, the independent print media regularly outsell the state dailies. State media long ago lost the race with the independents in the political weeklies domain, a traditionally influential and important media sector in Yugoslavia and Serbia.

The leading political weeklies in Serbia are *Vreme* and *NIN*. During the Milosevic era the leading opposition dailies were *Blic* (over 200,000 copies a day) and *Glas javnosti*, which used to print over 70,000 copies but found itself under heavy government attack along with its patron printing and publishing company, ABC, for printing a daily bulletin of the key opposition group, Alliance for Change, and both faced bankruptcy as a result of the fines imposed. Another independent daily, *Danas* has a pronounced liberal editorial stance, and had a good record as critic of Serb nationalism and critic of Serb forces' behavior in Kosovo before and during the war with NATO. Its weekly edition outsells the daily one by 2:1.

Serbia's most famous electronic media organization, B92, overcame the tremendous obstacles put in its path by the government just prior to the start of the ProMedia II program and now successfully operates a

national TV station in addition to its long-standing radio station. The original B92 radio station was taken over by the regime in the summer of 1999, but was soon back on the airwaves on another frequency as "B2-92" courtesy of Radio and Television Studio B, which was controlled by Belgrade's city hall. B92 quickly resumed programming and built up its listenership despite the odds to become the most listened to radio news source in Belgrade and Serbia today. Beginning soon after the fall of the Milosevic regime, utilizing the ANEM network and substantial financial assistance from USAID, IREX and other international donors, B92 also quickly developed into a national TV station that was ranked the highest in political affairs coverage and as the number one source of information for Serbians in audience research conducted in May 2007.

Serbia has two independent wire agencies, Beta and FoNet, both of which have played a very important role in the strengthening of the independent media sector in the country. Beta is the stronger and more resourceful of the two, while FoNet has specialized in a photo service and has started a broadcast news service. These two agencies have completely superseded the state agency, Tanjug, and continue to be a vital part of the Serbian media sector. Since locally produced news is so important, local media rely on these agencies for their national and international news, without which many citizens outside of Belgrade would have less exposure to important national political and economic developments.

At the beginning of the ProMedia II program, Serbia was an isolated, blockaded and economically impoverished country. Although independent media were surpassing their state rivals in terms of influence and circulation, particularly print media, they were nevertheless affected by the difficult economic conditions in the country. Unlike the state media, independent media were additionally burdened by the sustained economic warfare waged against it by the Milosevic regime and required sustained and emergency assistance in order to withstand the attacks.

Over the course of the ProMedia II program, IREX saw a steady increase in editorial quality among the media outlets with which it worked and believes that having a limited group of organizations on which to concentrate its efforts has proved to be a successful approach. Standards of accuracy, quality of presentation, awareness of planning and adherence to basic principles of fairness have all improved the reputation and viability of many of the stations and publications that IREX has targeted.

As IREX's work with the Serbian media progressed, the core training activities shifted away from basic journalism skills, as there appeared to be a better understanding of basic journalistic standards within the industry as a whole, and IREX began to place greater emphasis on specialist skills, such as investigative journalism, legal reporting, effective crime and corruption coverage and business news. The new training courses offered on these topics helped improve the diversity of sources presented in news articles and programs, so as to provide greater inclusion of minorities in main news stories. The focus of IREX training also gradually moved toward improving the capabilities of media managers, particularly those involved in newsroom management, and activities began to concentrate on increasing the business potential of media outlets.

In view of the legal requirement to privatize municipal stations, IREX established an expert team of consultants which assisted individual stations with all aspects of the privatization process. The privatization team also provided indirect support and expert opinion to media associations, managers, municipalities and government ministries in regard to this complex issue. In addition, IREX supported ANEM's legal department in its wide-ranging legal efforts to assist the association's member and affiliate stations throughout Serbia in matters of privatization, frequency allocations, access to information, and freedom of the press.

Within the area of media development, IREX sought ways to work with other USAID implementers, as well as other international and domestic organizations, so that journalists could develop a greater understanding of legal, economic and social issues that are important to Serbian citizens.

Soon after Slobodan Milosevic's demise, it became apparent that ten years of fighting state propaganda had not been adequate preparation for the daily work required to help citizens make informed decisions in

a democracy. In the Milosevic era, Serbian independent media proved their commitment to "professional journalism impervious to political pressures," which was the battle cry of the day. After Milosevic, it soon transpired that the same media were not impervious to the different political interests and pressures of the successive democratic coalitions ruling Serbia. All member parties in those coalitions had fought against Milosevic; all are well versed in political warfare. With their common enemy gone, they turned on each other, almost bent on mutual self-destruction. All have contacts and interests in the leading media organizations in the country, acquired during their ten-year joint battle against the old regime: they are doing their best to exploit those contacts for political advantage. With Milosevic gone, they are using the old, ruthless methods of political combat against each other. The media are used as weapons in this war, just as they were in old times.

Serbian media reflect this political miasma, which is a perfect breeding ground for intrigue and backbiting. Against this political background, the media market is being flooded by down market publications designed to undermine political players and change the balance of forces on the political scene by spreading rumors and libelous allegations to smear political candidates, rather than to inform the public. Political coverage is replete with unsubstantiated and often venomous quotes from anonymous sources, and journalists routinely and willingly engage in other, more insidious forms of corruption (e.g., free trips, free lunches, and puff pieces on shady but generous business partners or donors).

The struggle to build and promote professional standards in Serbian journalism still falls largely on independent media alone. Not only is Serbia's public not sophisticated enough to demand high journalistic standards; Serbia's media audience lost its political innocence under a string of governments which cynically abused the media for political gain. It is quite disturbing to realize the extent to which Serbian media are ready to lend credibility to sources whose political sympathies accord with their own. Too often the media's responsibility to the public seems to come second to an individual outlet's political agenda. Media organizations more or less openly align themselves with particular interests. No wonder the population is disaffected and in many cases bitterly disillusioned with democracy.

The average Serb believes every government uses the press to its own advantage; the average Serb also believes, based on past experience, that the government is entitled to such abuse of public services. That is why the Serbian public does not turn its back on publications or radio and TV stations even after being lied to by those media outlets and that is why journalists are confident that they can outlive the loss of their professional credibility and survive the death of their readers' trust in them. Serbia's media audience does not fully know, or believe, that it has the inalienable right not to be lied to. That, too, is Milosevic's legacy in Serbia.

The disastrous distortion of the economy during the Milosevic era is still being felt in Serbia and this still has a significant bearing on the viability of media businesses around the country. The economic situation in the Serbian media market has not improved greatly over the past few years. A majority of independent stations and publications, which survived the Milosevic period with the aid of foreign donations, are still far from being economically self-sustainable. Although frequency allocation and privatization will eventually decrease the number of media operating in the market, the professional media in Serbia are still facing a leaner future and will need to adapt their skills to the needs of the market and improve their levels of self-sustainability as donor support and/or government funding diminishes. It is also essential that the Serbian government effectively regulates the broadcast market and forces unlicensed media to close, which will allow professional businesses to plan and flourish in a more controlled environment.

MEDIA SUSTAINABILITY INDEX AS AN INDICATOR OF SUCCESS

IREX's Media Sustainability Index (MSI) provides in-depth analyses of the conditions for independent media in 38 countries across Europe, Eurasia, the Middle East, and North Africa. Since the Eurasian MSI was first conceived in 2000, in cooperation with the United States Agency for International Development (USAID), the MSI has evolved into an important benchmark study to assess how media systems change over time and across borders. Policymakers, development specialists, and civil society leaders and professionals in transitioning countries increasingly recognize the state of media as a key element of the

development agenda, not only in the democracy and governance sectors but also in such fields as economic growth, poverty reduction, health, youth, and gender. The MSI is designed to assist in advancing development in all these areas by analyzing the elements of each country's media system and highlighting where intervention can be most effective in promoting a sustainable and professional media system. (2006 MSI results for Serbia are available at www.irex.org/programs/MSI_EUR/2006/serbia.asp)

Serbia's scores for the MSI objective on free speech have been on a roller coaster ride since 2001. The expectations for implementation of new media laws have not been met. As a result, Serbia's score for objective 1 has both increased and decreased sharply twice in the past six years, dropping from an all time high of 2.39 in 2005 to 2.11 in 2006. Although most norms defined by laws were suitable and free speech was guaranteed by the regulations, the laws were not put into practice effectively. The Republic Broadcasting Agency's activities in the licensing process for the national frequencies were controversial, and freedom of expression protections have been misused to defend or justify hate speech, especially against minority groups, with ineffective sanctioning of such practices. There were a number of serious crimes against journalists, but the state systematically ignored the attacks, serious threats, and break-ins at editorial offices. There is still strong interference by state structures into media, and media privatization has not fully proceeded. Politicians choose managers and editors-in-chief at the more than 100 state-owned media in Serbia, and the state news agency Tanjug is financed from the state budget. Libel remains under Serbia's Criminal Code; however, the newly introduced criminal law abolished imprisonment and introduced financial penalties, which may turn out to be worse for journalists with limited financial resources. The implementation of the Law on Free Access to Information of Public remains problematic. Despite recent decreases in this objective, and although the scores have gone up and down over time, the 2006 MSI score demonstrates that the freedom of speech in Serbia has improved since the beginning of the ProMedia II program.

2001 MSI Score for Free Speech: 1.72
2006 MSI Score for Free Speech: 2.11

The professionalism of journalists has generally received the lowest overall rating for any objective in the MSI for Serbia. For 2004 and 2005, the ranking was the same at 1.75. This year, marginal improvement was observed, with a rise to 1.88. Lingering problems remain: no quality specialist journalism, very low salaries, aggressive "tabloid" journalism, and lack of coverage for some important themes. A large percentage of working journalists are not educated in spite of a number of active journalistic faculties, schools, and professional-development options. Lack of professionalism in media also produces vulnerability to political or other pressures, and journalistic ethics in a number of cases are ignored due to ideological prejudices, neglecting of responsibility, corruption, or general lack of professional competence. Economic conditions at media outlets and among journalists themselves also negatively impact professionalism in the media. Of all MSI objectives, the professionalism of journalists has shown the least amount of improvement over time, never reaching above the score of 2. The numbers do show, though, that professionalism has improved since the beginning of the ProMedai II program.

2001 MSI Score for Professional Journalism: 1.43
2006 MSI Score for Professional Journalism: 1.88

The plurality of news sources available in Serbia was diminished by a number of factors, including a decline in scientific and educational programming, the cost of news agency services, nontransparent ownership in most media, the very low economic potential of local broadcasting media to produce good programs, and the unresolved question of long-term financing of media in minority languages. This has contributed to an ongoing decline in the overall rating for objective 3 to 2.50 in 2006. Most highly assessed for this objective were the affordability of news sources, the unrestricted access to media, and the performance of independent news agencies. The lowest mark reflected the lack of transparency of media ownership. Unquestionably, there is plurality in the affordable public and private news sources in Serbia. There are no restrictions on domestic or international media, although the relatively low circulation of print media is a consequence of the circumscribed buying power of citizens. The quality of news and information produced by independent news agencies BETA and FONET is high, but many media outlets

are unable to pay for agency services. Independent national broadcasters are also producing high-quality news programs, but local media in the regions are more often producing low-quality news programs under the heavy influence of local authorities. Serbia attained an all-time high score of 3.10 for the plurality of news sources in 2003, but has consistently decreased each year since then. Overall, however, the plurality of news sources has increased since the beginning of the ProMedia II program.

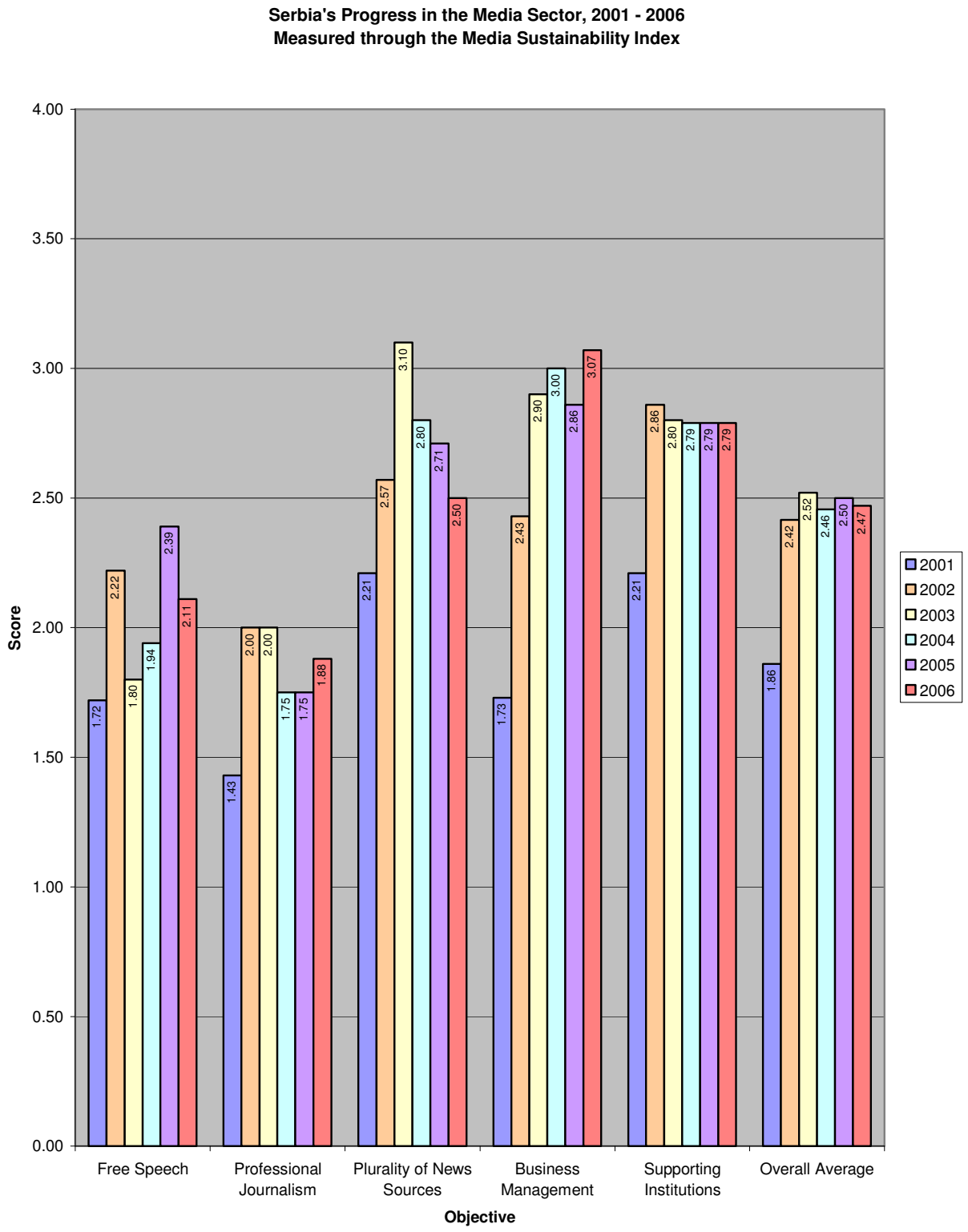
2001 MSI Score for Plurality of News Sources: 2.21
2006 MSI Score for Plurality of News Sources: 2.50

Serbia's media sector is showing significant improvement in its business-management practices, and the the MSI rating for objective 4 increased to a high of 3.07 in 2005. About 15 percent of the country's media outlets are public-service and state-owned; the remaining private media are showing improved results, and the competitiveness of the market is growing. There remain some private media that do not have independent editorial policy and depend heavily on the subsidies of an interested backer, with the related drop in professional standards. But for the most part, the private media market is maturing, and income from the media business is growing steadily. The marketing activities of advertising agencies are expanding, especially in urban centers. Research on the performance of media outlets in terms of reach and audience share, supported through media-development programs for eight years, has became an instrument of media management used equally by media managers and advertising agencies. Despite the weak economy during the ProMedia II program, the MSI scores for business management increased sharply in 2002 and again in 2003, remaining at high levels with onlt slight variations for the past three years. This objective has shown the greatest improvement over the course of the ProMedia II program.

2001 MSI Score for Business Management: 1.73
2006 MSI Score for Business Management: 3.07

The functioning of the supporting institutions for Serbia's media sector continues to be stable, with the MSI rating for objective 5 unchanged from the three previous years at 2.79. The education of journalists is improving, although it is far from perfect and still in need of serious reform. There are several efficient organizations that supply media with different services, such as legal help, professional education, and marketing services. Several associations, including ANEM and the Independent Association of Media (NUNS), are seriously lobbying for media interests, improved legal provisions, and prevention of monopolization. Another positive trend observed by panelists is that media are pushed into associations more to protect their common economic and industry interests than for political reasons. There is no apparent discrimination in newsprint supply or in printing services, and there are many sources of both. Channels of distribution are functioning on market criteria, except where there is a state or business monopoly. RTS continues to dominate transmission of broadcasting through its infrastructure, with continuing concern over this state of affairs. Although the initial 2001 MSI score for supporting institutions was at a relatively high level (due mainly to the effectiveness of the Serbian media associations during the Milosevic era and in the immediate post-Milosevic period), and experienced a respectable increase in 2002, the scores have since plateaued. Nonetheless, the numbers do show an overall improvement since the beginning of the ProMedia II program.

2001 MSI Score for Supporting Institutions: 2.21
2006 MSI Score for Supporting Institutions: 2.79


Serbia's Progress in the Media Sector, 2001 - 2006
Measured through the Media Sustainability Index
Score
4.00
3.50
3.00
2.50
2.00
1.50
1.00
0.50
0.00
1.72
2.22
1.80
1.94
2.39
2.11
1.43
2.00
2.00
1.75
1.75
1.88
2.21
2.57
3.10
2.80
2.71
2.50
1.73
2.43
2.90
3.00
2.86
3.07
2.21
2.86
2.80
2.79
2.79
2.79
1.86
2.42
2.52
2.46
2.50
2.47
Free Speech
Professional Journalism
Plurality of News Sources
Business Management
Supporting Institutions
Overall Average
Objective
2001
2002
2003
2004
2005
2006

III. PROMEDIA II/SERBIA PROGRAM RESULTS FRAMEWORK

GOAL: Independent and sustainable media provide citizens with objective news and information

PURPOSE: To help independent media develop beyond merely re-establishing themselves in the new democratic environment and move towards economic self-sufficiency; to contribute to developing their capacity to employ professional staff; to help rebuild the business sector in Serbia through their editorial content and programs and provide up-to-date and relevant information for entrepreneurs and small businesses; to support the institutional media infrastructure within the framework of new licensing laws for media; to help with the drafting and implementation of those laws so that media have access to information and can operate in a fair environment; and to provide journalists and media managers with the skills and resources necessary to move towards increased professionalism, especially when covering topics that go beyond the Serbian media's traditional political coverage, such as economic, legal, ethical and social issues.

OBJECTIVES: Under this extension, IREX will work toward five key objectives (intermediate results):
1. Journalists provide citizens with objective, fact-based and useful information.
2. The institutional infrastructure allows for efficient production and distribution of news and information in an ethical manner.
3. The legal and regulatory framework supports free speech.
4. Publishers and station managers effectively manage media enterprises and privatize local state owned outlets.
5. Indigenous Serbian media cover the ICTY in The Hague.
6. Serbian media assist ethnic reconciliation efforts

IR 1: Journalists Provide Citizens with Objective, Fact-Based, Useful Information

IREX worked to improve the quality of journalism, while also developing local training capacity. Because quality journalism forms the core of a healthy media system that promotes and supports democratic principles, IREX developed a strong core of professional media outlets and journalists who produce objective and balanced news and information. These media cover not only politics, but also economics and business news, important social issues, local and regional issues, and Serbia's role in the post-conflict international system.

IR 2: The Physical and Institutional Infrastructure Supports the Efficient Production and Dissemination of News and Information

In order for citizens to benefit from independent journalism, they must have access to a variety of sources of news and information – professional radio, television and print media. These outlets must provide news in an ethical manner, ensuring that a wide diversity of opinions is presented to their audience or readership. IREX helped to improve the broadcast infrastructure within the framework of the new licensing and frequency laws, increased the ability of news agencies to serve their clients, and worked with other donors to improve the printing and distribution capacity throughout the country. IREX also supported the development of the institutional infrastructure, associations and NGOs, which will help ensure the continuing development of media and support for free speech.

IR 3: Legal and Regulatory Framework Supports Free Speech

IREX, with *pro bono* legal assistance from the US-based law firm Covington & Burling, helped shape media legislation in Serbia and helped strengthen indigenous organizations that promote fair media regulation and support free speech. Although several new laws have been passed, many regulations still have not been adopted or implemented and there have been significant delays surrounding the distribution of broadcast licensing and the privatization of municipal and state-owned media. IREX combined direct consulting on media law reform with support to develop the local capacity to lobby for

reform, defend the rights of journalists and assist with legal issues. The independent media in transitional countries such as Serbia play a vital role in the transition to democratic and free-market principles. For the long-term viability of the independent media, the legal and regulatory framework must protect free speech, fair and transparent licensing of broadcast media, equity between public and private media and the commercial rights of private media.

IR 4: Publishers and Station Managers Effectively Manage Media Enterprises

IREX focused on managing media outlets as businesses. While Serbia's economy remains week, independent media must move towards financial sustainability. State and pro-government commercial media have the benefit of subsidies while independent media have relied on foreign donors and limited money generated from the newly emerging advertising market. The managers of many independent media have now learned and adopted sound management principles in order to take advantage of improvements in the economy and in preparation for the inevitable end of foreign assistance. IREX provided training and consulting to develop the management expertise necessary to ensure sustainability and enable them to create a viable employment market for media professionals, with technical, production and editorial skills. Initially, IREX focused on strategic management issues, but efforts gradually shifted to more detailed business management issues that could improve the capacity of media to move towards financial sustainability. Most importantly, however, IREX changed attitudes and helped managers plan their companies' futures.

IR 5: Covering the International Criminal Tribunal for the Former Yugoslavia (ICTY)

IREX supported indigenous Serbian reporting on the International Criminal Tribunal for the Former Yugoslavia (ICTY) in order to allow the Serbian public to follow, understand, and judge the war crimes trials being conducted in The Hague themselves. To help with reconciliation and to assist a nation to overcome the years of repression, it was important that Serbian media had the ability to cover the ICTY – not just the Milosevic case but the trials of other indicted war criminals from Bosnia-Herzegovina, Croatia and Kosovo. IREX believes it has helped Serbian citizens come to grips with their country's past and its post-conflict future by supporting Hague-based coverage by Serbian indigenous media.

IR 6: Truth and Reconciliation Program

IREX produced a series of programs aimed at a young adult audience with the objective of helping these new Serbian voters understand that the conflicts of the 1990s have yet to be successfully resolved and still require a deeper understanding of the causes of the wars in former Yugoslavia. This special project came out of concern that young people appeared to be attracted to more extreme political parties that seemed to exploit the lack of knowledge about the recent past and the growing resentment to other ethnic groups in the region. Young adults appeared to ignore independent media news reports and have become more isolated from conventional forms of information. IREX hired a local production team to develop this series of programs examining the failure of leaders and individuals to stop atrocities happening in the name of Serbia.

Key accomplishments of the ProMedia II/Serbia program include:

- **Serbian Media Provide Professional and Relevant News IREX** media partners cover a wide range of topics in their news coverage as well as in their special productions. One of the most obvious accomplishments of IREX media partners is their focus on local and regional news. Local and regional media are very clear about their important role in bringing relevant, localized news to their audiences. Radio and television stations focus their news coverage on issues in which the public is interested and about which they need to know to make decisions.

- **Local Serb Trainers and Organizations Provide Training to Serbian Media Outlets IREX** worked through local training organizations such as INVISION, the ANEM Training Center, the

Belgrade Media Center and others to train over 2,000 media professionals in Serbia during the ProMedia II program. With the experience gained from conducting IREX training, these organizations are prepared to further media development in Serbia. In addition, at the end of the ProMedia II program, IREX had phased out its international consultants and was using local Serbian trainers and consultants to provide on-site news production and management training at local television stations. By training these consultants during the course of the program, and having them work side by side with IREX staff and international consultants, they are now equipped to continue training efforts on their own.

- **RTV B92 is a Sustainable, Nationally Licensed Radio and Television Station At** the beginning of the ProMedia II program, B92 had to borrow another station's frequency in order to remain on the air, its offices and studios were scattered across Belgrade, and the station survived almost entirely on funding from international donors. Today, B92 has a highly skilled staff and state of the art equipment operating out of a recently renovated building that has enough space for several TV and radio studios. Both the TV and radio station received a national license in April 2006 and recent audience research indicates that B92 is the main source of information in Serbia.

- **BETA and FoNet News Agencies Provide Valuable Services and Information to Serb Media** Both BETA and FoNet news agencies are successful, profit-making organizations that now provide all manner of services to their clients. Among its services, BETA offers sports news, the economic BetaMonitor and police wire Betadefense, daily news reviews in five languages, around-the-clock news reports and a photo archive. FoNet offers audio and video clips, a photo archive, detailed election news, and in-depth coverage of current events in Serbia, most recently of the Kosovo status talks in Vienna. FoNet was the only indigenous news agency reporting from the talks. IREX provided both financial and technical assistance to both news agencies to ensure that media outlets across Serbia had access to the best information and news services possible. BETA products now reach over 600 subscribers in Serbia and abroad, including media, business companies, financial institutions, public authorities and civil society organisations, and over 100 domestic radio and TV stations, newspapers and weekly magazines use FoNet's written, audio, photo and TV services.

- **IREX Privatization Team Assists Media Outlets in Efforts to Privatize Although** the privatization of state-owned media in Serbia has been significantly delayed, the IREX privatization team made substantial contributions toward making the process easier for all involved. To ensure that the knowledge gained about the media privatization process was accessible and understandable to all media managers and possible investors, IREX published a manual that includes guidelines on media privatization and is designed to be an easy-to-read handbook to privatization with sample forms and easy to follow instructions for completing them. This was an important contribution to the media privatization process in a country not used to presenting business plans and financial statements, as it plainly explained how to properly complete and submit these important documents.

- **Media Utilize Audience Research to Make Strategic Decisions** The audience research commissioned by IREX has helped stations better manage their growth. Most print and broadcast outlets recognize the value of audience research and now use the ratings data to adjust programming schedules to increase market share, plan future projects, create promotions and marketing campaigns to attract more viewers/listeners/readers, and develop sales strategies to increase advertising revenue.

- **Serbian Citizens are Better Informed about the International Criminal Tribunal for the former Yugoslavia Before** IREX support for live coverage of the International Criminal Tribunal for the Former Yugoslavia (ICTY) in The Hague, Serb media carried few reports and those they did have were inconsistent, told by foreigners, and did not carry weight with the people in Serbia.

Since 2001 Serbian journalists reporting directly from the Tribunal have provided thousands of live TV and radio broadcasts and print stories to appear in Serbian media. Stories about Serb events told by Serbs and prominently featured during daily new casts and on front pages brought home the trials to citizens across Serbia. With consistent and objective information from The Hague, Serbs who at first were wary of the international community's intentions openly began to display their trust in the proceedings and push their government to comply completely with ICTY demands to turn over indicted war criminals in over to move forward and put the wars of the 1990s behind them.

IV. PROMEDIA II/SERBIA PROGRAM ACTIVITIES

IR1: Journalists Provide Citizens with Objective, Fact-Based, Useful Information

IREX sought to improve the quality of print and broadcast journalism so that the media would provide objective, balanced and useful news and information to as many citizens as possible. IREX combined training and consulting with the financial support necessary to bolster media during this transition period, in addition to improving the journalistic and technical competence of journalists.

IR 1.1 Journalists Attain a High-Level of Professionalism

1.1.1 Journalists Follow Recognized and Accepted Professional Standards for Reporting

IREX training under ProMedia II built upon successful models and courses used in previous programs in Serbia and the region, and many training activities were developed and conducted in cooperation with ANEM, INVISION, the Center for the Professionalization of Media, the Novi Sad School of Journalism, Syllabus and other local organizations. The ProMedia training courses and seminars focused on developing the skills of a pool of journalist, editors and other media professionals that would help to ensure that professional, objective news is widely distributed to the Serbian population. Over the course of the ProMedia II program, IREX trained well over 2,000 media professionals through a mixture of general classroom sessions, practical workshops and on-site training for selected media outlets.

Radio news training: In cooperation with the ANEM Training Center (ATC), IREX conducted 66 radio journalism courses during the eight-year ProMedia II program for approximately 623 media professionals from state-owned, public and private radio stations. ATC received numerous subgrants and purchase orders between October 2001 and March 2005 to conduct the following courses:

- Basic Radio Journalism (9 courses)
- Digital Editing (18 courses)
- Technical Skills for Sound and Broadcast Technicians (5 courses)
- Online Journalism and Computer Assisted Reporting (3 courses)
- Investigative Reporting (8 courses)
- Creating Radio Spots (6 courses)
- Radio Marketing (11 courses)
- Radio Management (2 courses)
- Radio Host Presenting (4 courses)

Beginning in 2005 IREX strategy for radio training shifted away from the general ATC radio training courses for ANEM members and affiliates and became more focused on a key group of radio stations that consistently maintained high audience ratings and demonstrated editorial independence. IREX staff and consultants worked closely with these stations in order to concentrate on increasing their professional quality, particularly in the area of news presentation, reporting techniques and combining contemporary program formatting with speech-based informative shows. IREX's key partner stations included Radio 021, Radio Ozon, OK Radio, Radio Patak, Radio City, Radio Luna and Radio Boom 93.

ATC provided two final courses on behalf of IREX in the late summer and fall of 2006. The courses were aimed at improving respect for other ethnic communities by teaching radio journalists to provide fair and appropriate coverage of stories on interethnic disputes in order to encourage tolerance through their reporting. The trainers focused on sensitizing journalists to the problems of prejudice and stereotyping, so as to increase the quality of reporting in their locality. The two courses were

- *Reporting on Conflict:* This course will be designed for 12 participants, working on the latest digital radio reporting and editing equipment. The trainers will provide instruction in dealing with conflict situations and discuss methods of ensuring that all sides to a dispute are fairly and accurately covered. These principles will then be applied to practical exercises that will be designed to result in reports that can be used on the participants' respective stations. Reports will therefore be complied which cover stories addressing conflicts in their own communities or elsewhere in Serbia. The objective is to ensure that the instinct to illustrate conflict is also tempered with responsible journalism and techniques that ensure that all sides are fairly heard.

- *Promoting Co-existence and Tolerance*: Although it is the job of a radio reporter to cover stories fairly and accurately it is important that issues relating to ethnic tolerance promote respectful co-existence. This course is designed for 12 participants from ANEM radio stations, predominately in areas where there is ethnic diversity. The objective is to ensure that ethnic minorities are heard and that their concerns are covered without being patronized or stereotyped. ANEM stations have a strong independent reputation in all their news reporting, so this course is designed to give them an extra edge in the quality of their news, providing frontline reporters with the skills to address the sensitive issue of tolerance in communities with ethnic diversity.

TV Training: IREX provided the majority of television training under the ProMedia II program in cooperation with INVISION, a local training organization established in 1997. Through a series of long-term subgrants and purchase orders from July 2000 to June 2007, INVISION conducted numerous standard news production courses at its facilities in Belgrade, organized additional training sessions with IREX staff and international consultants on a range of journalism topics, and arranged supplementary on-site training visits and follow-up consultation for key ANEM TV stations. IREX regularly monitored the results of all training, using those results as a pre-condition for further support. With IREX support, INVISION provided the following one- and two-week training courses in Belgrade:

- Correspondent Training
- Basic News Production
- Editorial Training
- Camera Training
- Picture Editing (Linear, Non-linear, Digital)
- Senior Producer Training
- Promotions Production
- News Program Running Orders
- Studio Directing/Set Design
- Specialized Training on Political or Economic Topics
- Anchor Training
- Program Director and Scheduling Training

Over time, IREX developed a core of partner stations in the main urban areas that consistently demonstrated editorial independence and are likely to be economically viable in future. As most were and are still owned by their respective municipalities, IREX encouraged and supported them in their drives towards privatization in order to ensure and maintain the professionalism of their station. IREX partner stations included TV Zajecar, TV Cacak, TV Kragujevac, TV Apolo in Novi Sad and Gradska TV in Nis. In 2004, IREX was forced to stop working with TV Kragujevac and TV Apolo due to changes in station management as a result of a change in the ruling political powers in their respective municipalities.

The IREX Senior Media Advisor, Russell Peasgood, also provided regular consultations to B92 on its news and current affairs output and also on its general program strategy. As the level of professionalism increased at B92, as it did amongst all partner stations, IREX concentrated on improving news production techniques and the overall news program style and format in order to increase the period of time viewers stayed with a program. Training also focused on long-term strategy and story planning.

In May 2005, IREX launched a news production training project for the national state-owned broadcaster, RTS, that substantially improved the content and style of its primetime news programming. Because RTS was no longer a blatant propaganda machine, and since it had a new chief editor who welcomed the idea of training, IREX was invited by RTS senior management to conduct a series of four two-week training sessions for reporters, picture editors and cameramen in professional news production techniques. IREX welcomed the opportunity to cooperate with RTS as it was still the news market leader and the vast majority of smaller TV stations in Serbia used it as a model for both working practices and production style. In addition to the training at the INVISION facilities, the IREX/INVISION training team also visited the station's newsroom at regular intervals to monitor the results of the training on-site and to offer additional guidance. The training resulted in genuine and tangible improvements to the news program, as acknowledged not only by the RTS management but also from the management of rival stations.

In conjunction with INVISION, IREX implemented a two-week news production training at B92 for a group of five newly hired reporters, two cameramen and two picture editors. The two-week training started in March 2006 but was interrupted because of the death of Milosevic, which meant that all news staff was needed at the station. The training resumed and was completed later that spring. This was an especially important time for the further development of B92 as it now had to compete for audience share with an international media company that was awarded a national broadcast license in April 2006. IREX supplemented the training at the INVISION facilities with ongoing on-site training to B92 newsroom staff for approximately one week each month, and additional consultation on its news and current affairs programming.

IREX and INVISION began a long-term training of trainers (TOT) program in 2004 in order to develop a pool of journalism and management trainers that could provide training to local and regional television stations. IREX selected a group of senior managers from key partner stations that regularly participated in training workshops in Belgrade and equipped them with the skills required to provide training on behalf of IREX and, later, to continue training efforts after IREX and other international trainers have left Serbia. Although the local trainers are senior editors and managers, IREX believed they would be more effective in their roles as consultants if they were skilled in all aspects of TV news production, including digital, non-linear editing and basic technical skills and techniques for editing sequences and full TV packages. Over the course of the two-year TOT program, the trainers had gained practical experience in all aspects of news production and station management.

In July 2006, IREX began utilizing three main local trainers to deliver training modules: Goran Karadic, the former manager of TV Apolo in Novi Sad; Svetlana Kojanovic, director and editor in chief of TV Cacak; and Nenad Jankovic, the former director of RTV Kragujevac. IREX technical advisor Sanjin Perisic and INVISION director Radmila Dulovic worked closely together with the three new trainers to offer a comprehensive program of on-site news production training and management consulting to several local TV stations around Serbia. During the period of July 2006 through June 2007, the IREX local trainers conducted one-week training programs for staff at the following stations:

- Sremska TV in Sid – training in July and September 2006, plus election assistance in January 2007
- TV YU EKO in Subotica – training in August 2006, plus election assistance in January 2007
- TV Spektri in Bujanovac. – training in September 2006
- RTV Zajecar – training in February 2007
- TV Novi Pazar – training in February 2007
- Super TV in Subotica – training in March 2007

- TV Aldi in Presevo – training in March 2007
- TV 5 in Nis – training in April 2007
- TV Pancevo – training in April and June 2007
- TV Jedinstvo in Novi Pazar – training in May 2007
- TV Raska – training in May and June 2007

Print media training: Over the course of the ProMedia program, IREX staff and consultants organized small training sessions for print media in cooperation with the Media Center, Ekonomist Magazine and other local organizations, for both general journalism skills and specialized topics, such as business and economic reporting, investigative and analytical reporting, and reporting for/on ethnic and religious minorities. IREX also offered support to publications that wish to develop investigative journalism and will therefore cover the cost of reporters carrying out detailed periods of research. Within this section, IREX will include the development of photojournalism skills.

One of IREX's key partners for training print journalists under the ProMedia II program was the Center for the Professionalization of the Media (CPM), which is a non-profit organization founded in early 2004 by the Danish School of Journalism (DSJ) and the Belgrade Media Center. CPM's mission is to implement and promote professional standards in journalism, as well as to provide content-oriented training for working journalists and other media professionals. By a joint decision of its co-founders, CPM's strategic and immediate goals were formulated in consultation with representatives of Serbia's leading print media and news agencies, who also serve as members of the organization's managing board along with distinguished representatives of civil society in Serbia whose work is closely related to the news media. Within a year of its existence, many of the major news companies in Serbia – *Politika* Newspapers and Magazines, *Blic-Press* d.o.o, Beta News Agency, *Vreme* Weekly Newsmagazine, and the Association of Private Media (APM) – joined the original founders as leaders of the organization, thus confirming its position as the leading national training center for print journalists. The CPM staff was recruited from among the most prominent Serbian journalists with strong ethical records and rich journalistic experience in both national and international media. In addition, other media experts also regularly participate in training programs and other projects as lecturers and/or trainers.

In cooperation with the DSJ, CPM trained its first generation of print journalism trainers and developed its own training materials, including a manual titled "Ethics in Journalism," which is a collection of local and international codes of ethics and other relevant documents. The manual was distributed free of charge to all CPM training participants, and IREX furthered the distribution of this important manual by printing additional copies and sending to print outlets and other media organizations. IREX also collaborated with CPM in the fall of 2005 and early winter of 2006 on a series of training seminars on specific topics in order to increase journalists' familiarity with these subjects and improve coverage of them in the media.

IREX awarded its first subgrant to CPM for a series of six one-day practical training seminars – four in Belgrade, one in Nis and one in Novi Sad – between September and December 2005. This training provided journalists with theoretical knowledge about the socio-political importance of the Law on Access to Public Records and presented practical instructions on the procedures for requesting public records and filing complaints in the case of a refusal. As part of the seminar an analyst from Transparency Serbia explained the significance of the law as one of the pillars of a democratic society and described its impact on the profession of journalism. Additionally, a representative of the Complaints Office (i.e., a public information ombudsman) explained how the office works (e.g., procedures, legal deadlines, jurisdiction and specific cases), identified the most common problems and presented some troubleshooting solutions. The one-day seminars also included practical instructions on filing requests for information at various institutions, filing complaints with the Complaints Office, choosing the right institution/level/person, and defining types of information to look for in the context of a particular story.

Also in the fall of 2005, IREX provided funds to CPM to organize two four-day training sessions on court reporting. These seminars provided journalists with theoretical knowledge and practical advice about court reporting. A total of twelve lecturers, including veteran crime and court reporters, judges, court

spokespersons, lawyers and experts from Transparency International and other legal non-governmental organizations, presented topical information to the journalists in attendance in order to increase their understanding of the judicial system in Serbia and improve their coverage of court cases and other crime-related issues.

Finally, CPM conducted two three-day training courses on photojournalism, focusing on a combination of theoretical knowledge and practical advice on ethical and professional standards and good practices. Journalists gained both theoretical knowledge of and practical skills in photojournalism from veteran crime and war reporters, editors, and lawyers.

General media and journalism training Beginning in 2001, IREX subcontracted the Syllabus School for Foreign Languages and Communication Skills Training (Syllabus) to deliver its *Training in Developing Professional Language Skil*ls program to selected journalists in order to build their English language proficiency and offer them practice in applying these skills in real-life situations. Since its establishment in 1991, the Syllabus School has primarily focused on organizing specialized language and communication skills training for various professions, such as banking, journalism, and law. This training is organized in small groups in a creative learning environment (fully equipped with cameras, computers, and a resource center), and utilizes the latest teaching methodologies.

The aim of the "English for journalists" program was to develop all four language skills – speaking, reading, listening and writing – and improve the general level of English language ability so that journalists could perform professional journalism tasks successfully in English (e.g., interviewing, note-taking, attending press conferences, participating in roundtable discussions, skimming and scanning texts) and effectively use foreign sources of information. The program was organized in modules covering the major aspects of contemporary journalism: news reporting, oral and written presentations, press conferences, debates, interviews, and contacting the international community. Instructors used a combination of timely, relevant sources (e.g., foreign dailies such as The New York Times, satellite news from CNN and the BBC, and the Internet), guest speakers, specialized vocabulary work, project work assignments, role playing, and evaluation/feedback in their training methodology.

Syllabus delivered this English language training to Serbian journalists from Belgrade, Novi Sad, Nis and Subotica for four years (8 semesters), with IREX actively participating in the preparation and participant selection phases. There was a great need to support this type of training as most Serbian media outlets faced financial difficulties and could not have otherwise sent their journalists to this type of training. IREX funding allowed approximately 60 students per semester to benefit from the Syllabus training courses held in from 2001 to 2004.

Syllabus also conducted a special training course for 34 staff members from RTV B92 from October 2004 to February 2005. The training was designed to meet the specific needs of B92 personnel and provided them with managerial, marketing, production and technical information. Syllabus worked on developing general language competency along with specialized terminology for each participant, using authentic materials and monitoring trainees' progress on a weekly basis. The training helped the professional development of B92 staff and enabled them to follow relevant international professional publications and technical developments thus helping the television station to improve its professional performance.

In addition to the Syllabus training courses, IREX also funded professional journalism education for journalism students and young working professionals at the beginning of their journalism careers through subgrant funding to the Novi Sad School of Journalism (SOJ). The Novi Sad SOJ specialized in academic and practical aspects of independent journalism and included a staff of over 60 trainers comprising both professors from the universities in Novi Sad and Belgrade and active media professionals working in Serbia. Under the ProMedia II program the Novi Sad SOJ conducted three journalism training programs and published two books – *Journalism Practicum* and *Functioning of Local TV* – which were used as training manuals for subsequent courses.

Beginning in September 2001 and continuing through July 2002, the Novi Sad SOJ conducted an 11-month journalism education program for 25 competitively selected students from the social sciences faculty of the University of Novi Sad and young journalists at the beginning of their carriers. Supporting this program allowed IREX to help develop a cadre of trained journalists in the second largest city in Serbia.

For the 2002/2003 school year, the Novi Sad SOJ focused on political journalism, as the administration of the school felt it was of vital importance for a transitioning country to have an established independent media equipped to critically view and report on the changing socio-political environment. IREX provided funding for the second semester of the academic program, which ran from January through July 2003. The program included 35 participants (25 students from Novi Sad and 10 from central and south Serbia) in the training, which taught them the knowledge and skills necessary for responsible and unbiased reporting and prepared them for various aspects of journalism such as conducting research, carrying out fieldwork, and working in a studio.

The Novi Sad SOJ also developed a three-month on-line publishing course that was conducted in the spring of 2002. As a new media, electronic journalism is one of the key elements of modern training for future journalists and this course was one of the first trainings for on-line publishing in the country. In addition to offering specialized knowledge for on-line journalists and editors, it also contributed to the modernization of journalism teaching techniques and methods. The full training consisted of 12 sessions, each divided into a “lab” that included lectures and a workshop in which students discussed various aspects of electronic media and completed on-line exercises and examinations assigned for that session. Rod Amis, on-line publisher from Boston, developed and implemented the course syllabus in collaboration with Dubravka Valic Nedeljkovic, who served as a local mentor to the students. As part of the course, students created their own electronic magazine, which was hosted on the Internet for a month. Following completion of the course, the full lecture series was placed on the Internet and recorded on a CD, so that it could be used as a manual for additional courses.

1.1.2 Small Grants to Improve Journalism and for Investigative Projects

Throughout the ProMedia II program, IREX maintained a small grants program to support projects focusing on improving the quality journalism and expanding journalists’ knowledge of specific topics. Subgrants were directed to support in-depth stories that require significant staff time or to support research tools that will enable journalists to write more accurate stories. Apart from focusing on issues prevalent during a period of transition, IREX also took into account the potential impact for sales or business development and applicants were asked o show how the planned activity would increase sales, improve circulation or develop an audience. In addition, projects were utilized for professional development purposes and improved the skills of journalists and other media professionals at the selected outlets. At various point in the program, subgrants focused on different topical areas such as ethnic reconciliation, gender and youth issues, business and economic reporting, local community issues, election coverage, European Union ascension and others.

One of ProMedia’s tacit goals has been promoting tolerance, acceptance, and eventually unity between minority groups in transitional Serbia. As such, IREX awarded several subawards for local program production and print articles highlighting ethnic minorities, gender issues, and youth. Examples of funded projects include:

- The daily newspaper *Danas* published a supplement about national minorities in the former Yugoslavia. The paper used a purely factual approach, providing facts and figures about populations and illustrating this information with reports featuring specific issues of concern to minorities in Serbia.

- Radio Luna produced 70 one-hour programs highlighting the two major ethnic and religious groups, Orthodox Serbs and Bosnian Muslims, in the Uzice region. Radio Luna designed the

show, "Zlatibor District, Region of Cultural and Ethnical Diversity and Opportunities," to remind the two groups of their history of cooperation and to promote continued neighborly relations.

- Radio Patak also received funds to produce twenty-four one-hour radio programs about the Roma population in Valjevo. The programs included in-studio discussions and interviews with prominent members of the Roma community and representatives of organizations that assist and support the integration of the Roma into the mainstream Valjevo community. In addition to the radio shows, Radio Patak also organized three public discussions on various Roma-related topics, each of which was attended by approximately 100 people, both Roma and non-Roma alike.

- RTV Zajecar also received IREX assistance to produce the six-episode series *Window*, which highlights the Vlach and Roma communities with the goal of reducing ethnic tension, prejudice, and xenophobia among the populations of eastern Serbia.

- Media Center in Nis worked on a series of six films, entitled "A View from the Other Side," funded by an IREX subgrant. The Media Center and an Albanian TV station in Gjilane co-produced the films, which examined in detail the lives of comparable families in both Serbia and Kosovo. This was a cost-share project enabling the Kosovo station to join on this groundbreaking cross-border effort. The six films were aired by television stations in both Serbia and Kosovo.

- Radio 021 in Novi Sad received a subgrant to support the production and promotion of a program designed to encourage greater participation of women in elections and civil society activities. "One Word of Support and Life Takes a New Course" consisted of several elements including program promotion, radio programs, panel discussions, and distribution of educational literature. At the end of the program Radio 021 discovered that the show sparked a lot of interest in their listeners. Women and men called into the station for more information, local media carried more stories about this particular topic than they had previously, and the station distributed an estimated 10,000 copies of the informational-educational flyers either by itself or through secondary organizations that specialize in women's issues.

- Radio Boom 93 also created women-focused programming. Its "Be Active, Be Resolute-Be Yourself" series consisted of sixty fifteen-minute radio shows which the station aired twice a day, Monday through Friday, for three months. Designed to promote women's role in society, particularly their advancement in politics, business and education, the show reached out to women to encourage them to be more resolute and decisive, open-minded, self-confident, independent, and courageous and to play a more active role in reforming society. Radio Boom 93 polled their listeners after the show aired and discovered that while many women had little knowledge about many of the highlighted topics before the show began, their enthusiastic response to the show, including calls into the station after the shows, revealed their interest in becoming more active in society.

- Radio Boom 93 tackled another minority group to which little attention has been given –youth. Radio Boom 93 launched a new show "Use Your Brain" which was geared toward a young audience (ages 18-35) and promoted open debate on the most important social, political and economic topics in Serbia today. The show encouraged young people to participate more actively and resolutely in the reform process. The show also had the hoped-for side effect of reminding listeners outside that age range that the youth of Serbia have a lot to contribute and that their thoughts for and about the country were worthy of consideration.

As part of its efforts to support domestic program production, IREX awarded subgrants to television and radio stations to expand and improve their production output. IREX encouraged partner stations to apply for subgrants with program ideas ranging from human interest, current affairs, economics, and other topics important to the local media audiences and was gratified by the enthusiastic response. Apolo TV,

RTV Kragujevac, and the Nis Media Center all created TV series/documentaries on human interest stories arising from Yugoslavia's recent and tumultuous history:

- Apolo TV's series, Stories from the former Yugoslavia, featured stories on each of the six former Yugoslav republics in an effort to offer Serbia's younger generations a new perspective on their neighbors: their history, culture, natural wonders, tourist attractions, cuisine and, most of all, traditional connections with Serbia. The series also addressed latest developments in these countries, particularly emphasizing the positive effects of transition and promoting understanding of the ongoing process in Serbia.

- RTK Kragujevac created a series comprised of six documentaries about eminent families, philanthropists and industrialists who lost their properties and factories during the communist appropriations during the 1940s. The films were widely acclaimed at a special screening in the National Museum.

- The Nis Media Center (NCM) produced a documentary film series based on the 10th anniversary of the street protests that eventually overturned Milosevic's fraudulent election results in cities around Serbia. The protests actually started in Nis and the NMC production team examined the events leading up to the elections, the way the results were fraudulently manipulated and the tumultuous events that followed. Using eye witness accounts from politicians, protestors and other key players, combined with archive pictures, the NMC production team compiled an historic perspective that received critical acclaim from both the press and key stakeholders. One of the highlights was an exclusive interview with the leader of Milosevic's SPS party in Nis from the time. The IREX subgrant provided funding to support the production of six episodes, though, given the wealth of material available, NMC was able to produce a seventh episode. The program was broadcast on Serbia's highest rated regional broadcaster, TV 5.

- The Belgrade-based DTV production house received IREX subgrant funding to produce a new children's series, which was launched on BK TV. The weekly series was a cross-border production with themed packages from Kosovo, Serbia, and Macedonia, was versioned in three languages and broadcast on stations in all three countries. Targeted towards an audience often neglected in the children's television genre, nine- to fourteen-year-olds, the show introduced the ordinary lives of children from the different communities to promote mutual understanding and tolerance among children.

- RTV Cacak tackled employment issues with IREX assistance. RTV Cacak produced a six-part documentary series about unemployment in Cacak and its consequences on the social fabric of the town. The series, which received significant viewer interest, examined in particular why a large number of Romanians and Bulgarians could find decent paying jobs in the town, but 17,000 local people were unemployed.

- Radio Luna and Radio Patak went a step beyond highlighting the problem with unemployment and tried to help people find jobs through their program "Brand" and "Business Club" respectively. Targeting the working population of people ages 20 to 50, "Brand" provided Radio Luna listeners with information to help them fin employment and training opportunities and covered covered topics such as unemployment, corruption and other economic issues. Radio Patak provided its listeners with positive examples of individuals and organizations doing their jobs professionally and connected unemployed workers with employers by providing job announcements for the region of Valjevo.

- Radio Ozon produced forty programs about various economic issues in Cacak. "Better Life" focused on three main areas of the economy: privatization, public services (i.e. gas and water works, etc), and the judicial system's treatment of high profile business deals, especially

construction. Radio Ozon hoped to spark public debate about these and other issues and help citizens of Cacak find a way to correct what was wrong in the local economy.

- *Vreme* produced in-depth features on 16 private businesses succeeding during the transitional period. The articles identified the characteristics that enabling these businesses to develop through times of economic hardship with a view to encouraging other would-be entrepreneurs to follow suit. Public approval for the stories, and interest from other (non-featured) companies in the area encouraged *Vreme* to continue with the series using their own funding.

- *Danas* published 25 articles under the heading "Developing Small and Medium Business Enterprises in Serbia" highlighting the work of various entrepreneurs and the difficulties they had to overcome to develop successful businesses, so others could follow by example. *Danas* also featured the opinions of business organizations, should as chambers of commerce, to help advise readers in how, when and where to invest capital, and how to overcome red tape when founding new enterprises. The editorial board of *Danas* commented that the series had helped expose the realities of the business environment in Serbia and had also shed some light on those responsible for obstacles in the development of small and medium businesses

- The Media Centre in Nis (MCN) received another subgrant from IREX to produce a pair of current affairs programs. The first program encouraged the community in Southern Serbia to confront the past; the second presented the lives of people living on either side of the boundary that divides Kosovo from the rest of Serbia. *A View Over the Other Side* successfully highlighted the lives of ten people, five from each side of the border, and emphasized the similarities between the peoples. The show, produced in cooperation with Kosovo TV station TV Vali, aired on seven television stations around Serbia and three in Kosovo.

- In addition to its subgrant to produce programming about employment, Radio Luna applied for and was granted a second subgrant for "Promises and Reality." The politically focused show reminded listeners of the past 10 years of turbulent political life in the region and highlighted the differences between what politicians had promised and what they had actually accomplished during their terms. The program, which targeted the voting population of people ages 20 to 79, tried to make politicians more accountable for their actions, combat the apathy they have toward the political process, and equip listeners to make informed voting decisions in the next elections.

In addition to funding program production and special print projects, IREX also awarded subgrants to local organizations promotional and training activities.

- *Vranjske* magazine redesigned itself and launched a successful promotional campaign, "Everyone Reads *Vranjske*" to increase the magazine's visibility. Management ran advertisement on TV, radio, public buses, and used fliers to attract new readers with a new look, more pages, and content appropriate for all readers rather than a small target niche group. As a result of the "Everyone Reads *Vranjske*" campaign, 63 new businesses purchased advertising space in the magazine and an additional 38 showed positive interest in purchasing space in the near future. During the 2007 election period, the magazine's circulation rose 14% over the previous year's estimates and after the elections circulation maintained a 5% increase.

- The Media Center developed and printed 1,000 copies of the journalism manual *Writing Skills and Journalism* which the Media Center's offered to the participants of journalist training courses and delivered free of charge to university faculties and libraries.

While the direct goal of the ProMedia II program was the development of independent, professional and self-sustainable media, IREX also promoted democracy in Serbia by encouraging its partner outlets to report extensively on elections and political campaigns and to produce election-related programming that would provide fair and balanced information on all candidates and encourage Serb citizens to vote for the

candidate of their choice based on the objective information presented. In all, IREX issued nearly eighty subgrants to nine TV stations, seven radio stations, five print outlets, the independent news agencies BETA and FoNet, and the Belgrade and Nis-based Media Centers to cover local, parliamentary, and presidential elections.

Supported outlets used the funding to provide expanded coverage of all campaign and election-related events, and to produce and broadcast specialized election programs and debates. To ensure maximum geographic coverage, IREX's criteria when selecting subgrantee projects factored in the outlet's location and audience share. In addition to broadcasting stories based on footage and sounds bites from campaigns, TV and radio stations invited candidates into their studios for interviews, discussions, and call-in shows. They also staged debates on topics important to Serbia at large, as well as to the local and regional communities, and invited representatives from each party to attend and speak on the selection topics. The programs, articles, news stories, and debates produced with the IREX subgrant funding, not only fulfilled the goal of the award but also had the added bonus of increasing the audience share and circulation of the media outlets thus helping their overall profitability.

Prior to the 2004 presidential elections IREX, the Belgrade Media Center and Radio Television Serbia (RTS) organized a televised debate between Boris Tadic of the Democratic Party of Serbia and Tomislav Nikolic of the Serbian Radical Party, the two candidates in the second round of the 2004 presidential election. The debate was broadcast on RTS, Politika TV, and BK television, as well as on the ANEM network and a host of other local stations, and captured over 26 percent of the audience share. People meter research indicated that 48% of the night's viewers watched at least part of the program. Despite criticism that the debate lacked any real fervor, polls the following day indicated that citizens found it valuable to see senior Serbian politicians conducting themselves with dignity and showing respect for their competitor.

IREX also worked with both Belgrade and Nis-based Media Centers for election coverage services, which included specialist polling analyses and a communications center for journalists. The center has traditionally served as a focal point for journalists in Serbia during elections, hosting journalists and providing an analysis of data on citizen turnout, recording irregularities in election procedures, providing up-to-the-minute results through local correspondents, who phone in to a bank of operators at the Media Center throughout the night, and offering initial indications of winning parties.

Related to the 2007 elections was a referendum on the new Serbian constitution. The Belgrade Media Center was turned into a hub to process information coming in from a network of correspondents at the polls around the country, with CeSID (Center for Free and Democratic Elections) hosting frequent press conferences with its team of experts analyzing results as they flowed in. The Media Center in Nis contributed to the press conferences with live link ups and national TV stations did live "two ways" with their reporters at the Media Center. The panel of experts and their analyses of the results were commonly held to be far more efficient and transparent than anything provided by the Republic Election Commission or other state bodies.

One of the many reasons IREX was so keen to fund election activities is that there was a general lack of interest in them and voter turnout was often depressingly low. In an attempt to combat voter apathy, IREX awarded a subgrant to B92 to organize a "get out the vote" (GOTV) campaign before the second round of the June 2004 presidential elections; the funding supported the production of three PSAs, two special half-hour documentaries on ultra-nationalist parties, and several short reports on the rights and responsibilities of the Serbian president.

Prior to the January 2007 presidential elections, USAID asked IREX to assist in the development of a PSA for a GOTV campaign which would run on a mix of broadcast, print, internet and outdoor media from the beginning of January. Although the funding for the PSA activity was part of USAID's agreement with the Institute of Sustainable Communities (ISC), USAID directed IREX to serve in an advisory role to the ISC as it does not have media experience. ISC retained responsibility for delivery of the activity while IREX staff provided advice, recommendations and media expertise.

IREX and ISC selected three independent creative teams to develop and present PSA ideas for consideration, which were then tested by Strategic Marketing and Media Research Institute (SMMRI) through focus groups in Belgrade, Nis and Novi Sad, the three main urban concentrations of potential non voters. ISC ultimately selected the local NGO Civic Initiatives (CI) to develop the PSA and conduct the GOTV campaign activity, although B92's submission formed the bedrock of the radio campaign.

One of the biggest challenges facing Serbia now at the end of ProMedia II is integration into the European Union (EU). Before Serbia can enter the EU they have many tasks to complete, not the least of which is full compliance with the International Criminal Tribunal for the former Yugoslavia (ICTY) and reaching a decision over the status of Kosovo. To help ready the media of Serbia on reporting these issues, IREX provided training and subgrants to seven radio stations – Radio Luna (Uzice), Radio Ozon (Cacak), OK Radio (Vranje), Radio City (Nis), Radio Patak (Valjevo), Radio 021 (Novi Sad) and Radio Boom 93 (Pozarevac)- to produce programming on EU integration. The programming was intended to improve the Serbian population's awareness and understanding of the advantages of integration into the European Union.

To begin this project, IREX first teamed with the European Movement to conduct research and develop a training plan and materials for the selected stations. A team from the European Movement conducted initial research to identify local people's attitudes toward EU integration and to define the main direction and structure of future radio programs on the EU. During this set-up period IREX and the European Movement held a consultative conference which enabled the consultants to identify the public's attitudes to the EU and to understand the way in which the stations want to cover this subject. Following the conference the consultants prepared a handbook for the radio stations that contained relevant and key information on the integration process and about the EU in general and acted as a guide to the radio producers who plan the regular weekly programs.

After consultation from the European Movement in Serbia and with handbooks to guide them, the stations produced and broadcast stories on a number of EU integration subjects including agriculture, transport, ecology, waste management, and air pollution. Most stations had three journalists working on the programs, all of whom reported an increased knowledge and awareness of EU issues as a result of the IREX subgrant. Two of the seven stations reported that they produced additional programs on EU issues using their own resources after completion of this special project. While each station involved in the program utilized its own approach and program formatting, they achieved common goals by broadcasting all the programs in primetime hours and with content contrasting EU standards in different aspects of life and employment with the realities in Serbia

IREX also collaborated with both Belgrade and Nis-based Media Centers on election night coverage for most presidential and parliamentary elections that took place between 2000 and 2007, as well as the constitutional referendum in October 2006. The Media Center has traditionally served as a focal point and communications center for journalists in Serbia during elections, providing analysis of citizen turnout and polling data, recording irregularities in election procedures, providing up-to-the-minute results from local correspondents who phone in to a bank of operators at the Media Center throughout the night, and offering initial indications of winning parties and candidates.

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For the January 2007 parliamentary elections USAID asked IREX to work with the Institute of Sustainable Communities (ISC) on another GOTV campaign. Although the funding for the campaign activity was part

of USAID's agreement with ISC, and not IREX's ProMedia II cooperative agreement, IREX served in an advisory role to the ISC for the development of a PSA, which ran on a mix of broadcast, print, internet and outdoor media until just before the elections on the 21st. ISC retained responsibility for delivery of the activity while IREX staff provided advice, recommendations and media expertise. IREX and ISC selected three independent creative teams to develop and present PSA ideas for consideration, which were then tested by Strategic Marketing and Media Research Institute (SMMRI) through focus groups in Belgrade, Nis and Novi Sad, the three main urban concentrations of potential non voters. ISC ultimately selected the local NGO Civic Initiatives (CI) as its partner for the television PSA, while B92 provided the majority of the radio campaign.

One of the biggest challenges facing Serbia now at the end of ProMedia II is integration into the European Union (EU). Before Serbia can enter the EU they have many tasks to complete, not the least of which is full compliance with the International Criminal Tribunal for the former Yugoslavia (ICTY) and reaching a decision over the status of Kosovo. To help ready the media of Serbia on reporting these issues, IREX provided training and subgrants to seven radio stations – Radio Luna (Uzice), Radio Ozon (Cacak), OK Radio (Vranje), Radio City (Nis), Radio Patak (Valjevo), Radio 021 (Novi Sad) and Radio Boom 93 (Pozarevac)- to produce programming on EU integration. The programming was intended to improve the Serbian population's awareness and understanding of the advantages of integration into the European Union.

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1.1.3 Obtaining Professional Books and Magazines

To supplement the training, workshops, seminars, and study tours for media professionals in Serbia, IREX purchased reference books and other materials for local media organizations, and also funded several projects to provide them with books and manuals in Serbian to deepen their understanding of journalism and media practices.

IREX published five hundred copies of the Serbian translation of Lucinda Fleeson's *Ten Steps to Investigative Reporting - Dig Deep & Aim High* based on the experience she acquired working in centers for independent journalism in transition countries such as Hungary, the Czech Republic, Romania, and Moldova. IREX distributed fifty copies each to the Media Center in Belgrade, the Novi Sad School of Journalism, and the ANEM Training Center, one hundred copies the Faculty of Journalism at Belgrade University. In addition, IREX gave three copies each to *Vreme*, *Danas*, *NIN*, NUNS, BETA, FoNet, *Ekonomist*, and the student magazine *Monopolist*.

In 2005 RTV B92 approved IREX and requested funds to translate and print the book "Bosnia-Herzegovina, the End of Legacy" by Neven Andjelic. The book's publication and distribution in Serbia attracted broad attention from those interested in politics and the events that led to the wars in the former Yugoslavia and served as a valuable source of information to journalists investigating the period leading up to the war and the conflicts that followed, particularly the IREX-supported journalists in The Hague. Publishing this book contributed not only to the amount and quality of professional books available to media professionals but also reflected the advances made by B92. Under this subgrant B92 issued a press release, arranged for interviews with the author to be covered by other print and electronic media, and organized promotional appearances for author Neven Andjelic in Belgrade.

1.1.4 Introduction to Reporting in a Democratic Society

Although IREX had seen significant improvement in professional standards amongst independent media outlets in Serbia, the media in areas of ethnic diversity, away from the main population centers, were still behind this trend. In July 2005 IREX advisers visited the Presevo Valley (the border area of Kosovo and South Serbia) to assess the training and production needs of the Albanian-speaking TV stations in the politically sensitive area, and to develop a training plan for the region which aims to assist the Albanian language stations to develop their local news coverage and to encourage cooperation between Serbian and Albanian media outlets. Limited activities began in the fall of 2005, with the majority of training seminars conducted in 2006 in southern Serbia and the Sandzak region to support the development of reporting standards in these areas and to encourage media owners to commit to fair and accurate news coverage for their ethnically mixed audiences or readers.

IREX began efforts in the Presevo Valley with RTV Spektri, an independent Albanian-language radio and television station in Bujanovac, at the request of USAID. IREX staff assisted Spektri Television by purchasing necessary equipment for news and program production and, once the television news equipment had been installed, providing on-site training for the station's news staff on basic production techniques and editorial standards, in order to prepare the station for daily news bulletin production. When IREX began working with Spektri, the station was not producing a regular evening news broadcast; however, IREX assisted Spektri with preparations for the news program and helped them audition technical staff. Since the station did not have much live news production experience, it was necessary to provide instructions in planning for the live play-outs, and to give direction on the basic layout of the set and the technical needs. With the benefit of IREX on-site consulting, the station began broadcasting a news program in early October 2005.

In the spring of 2006, IREX provided a two-week news production course in the Media Centre in Nis. Although IREX used the center's equipment, the training course was conducted INVISION's technical advisers with assistance from IREX's senior TV trainer, Russell Peasgood. The importance of conducting this training in South Serbia cannot be overstated. Although IREX had worked consistently with the Gradska TV in Nis since 2000, new private TV stations were emerging in the towns south and east of Nis with young news personnel in desperate need of professional training. Some of these towns are in areas rich in ethnic diversity, such as Prokuplje and Zajecar, while others further south border on the politically sensitive region of Presovo. Journalists from the towns of Vranje and Lesovac were included in this training as it is crucial that their small, private TV stations produce professional and impartial newscasts on a daily basis.

IREX and INVISION also conducted a two-week intensive news production course in Vranje, in southern Serbia, for both Serbian and Albanian media professionals. The aim was to increase professional reporting and production standards in the area with training heavily focused on impartial and independent coverage of political and ethnic topics. The course focused on teaching professional TV news production skills to reporters, cameramen and picture editors from the ethnically diverse region of South Serbia. Under the supervision of IREX and INVISION trainers, the participants produced daily news reports that met international production and editorial standards. Fourteen media professionals attended the training; eight trainees from the private Albanian-language station TV Spektri, based in Bujanovac in the Presevo Valley, and three trainees each from the ethnic Serbian stations RTV Vranje and RTV Leskovac.

IREX initiated news production training with TV and radio stations in the ethnically complex regions of Sandzak and southern Serbia through the Sandzak Summer School. The three-week summer school was held in Novi Pazar in August 2006 during the weeks of August 7-11, 14-18 and 21-25, and was the first training conducted by IREX in Sandzak for the region's private and municipal stations. The training program was part of an initiative to help bring the stations up to the level of stations in other parts of Serbia that have had far greater access to training opportunities and other technical assistance. It was also part of a program of training designed to ease tension between different ethnic groups, especially during the highly sensitive Kosovo status talks in Vienna, and to use journalism to help bring different parts of the community together. A crucial component of this training, therefore, was that media professionals from both the Muslim and Orthodox communities participated.

In cooperation with its local television training partner INVISION, IREX conducted two one-week training courses for journalists, camera operators and picture editors from both Bosniak and Serbian TV stations from the region. Eighteen media professionals from TV Novi Pazar, TV Jedinstvo (Novi Pazar), TV Raska and TV Tutin participated in the training. The training focused on teaching the media professionals to produce news coverage that is fair and objective, using techniques that eradicate racial stereotyping. During the TV training, the reporting teams produced news packages on sensitive themes such as the resettlement of Roma refugees from Kosovo from a tented encampment to more permanent housing and the signing of a document on readmission of Serbian immigrants from EU countries.

The ANEM Training Center (ATC) also provided a five-day radio course as part of the Sandzak Summer School for five Serb, Bosniak and Albanian journalists from Radio Raska, Radio Ema (Bujanovac), Radio 100+ (Novi Pazar), Radio Presevo, and Radio Spektri (Bujanovac). The training focused on the use of the latest digital radio reporting and editing equipment and the significance of independent, objective, accurate and responsible journalism. ATC trainers introduced approaches for covering conflicts and analyzing conflict situations, taught new skills and techniques for long-form programming and studio interviewing; and discussed ethical issues related to and encountered when reporting on ethnic minorities.

IREX and its television training partner, INVISION, also conducted two two-week training courses in conflict reporting for reporters in South Serbia and the Presovo Valley and in Novi Pazar in Sandzak. The first conflict reporting training was conducted in September 2006 in southern Serbia for both Serbian and Albanian TV stations. The training in Bujanovac was deliberately aimed to encourage Serbian and Albanian journalists and crews to work side by side, and Albanian media professionals from stations TV Spektri (Bujanovac) and TV Presevo were joined by Serbian media professionals from TV Vranje, TV Leskovac and TV Zajecar. The focus of the training was to teach TV crews – journalists, cameramen and picture editors – how to produce TV reports for news programs with a special focus on the type of stories involving religious and ethnic conflicts. Introducing professional production principles allied to fair, accurate and balanced reporting on sensitive issue was the main goal of the training. In total, 20 media professionals received training from the IREX/INVISION training team.

The second conflict reporting training session was conducted in Novi Pazar in November 2006 and was designed to help bring up the stations in the Sandzak region to the level of their counterparts in other parts of Serbia that have had far greater access to training, and to ease tension between different ethnic groups and to use journalism to bring together different parts of the community. A crucial component of this training, therefore, was the participation of media professionals from both Muslim and Orthodox communities. Given this initiative, the main feature of this training was to produce news that is scrupulously fair and impartial so as not to increase tensions. This objective was achieved by using the successful model of news production training that involves using three-member TV reporting teams with a reporter, a camera operator and a picture editor. The training was conducted by Radmila Dulovic-Rastovac and Dragomir Radovanovic from INVISION, in cooperation with IREX Technical Advisor Sanjin Perisic. Participating stations included:

- RTV Novi Pazar- Regional TV Novi Pazar

- RTV Jedinstvo – Novi Pazar
- RTV Raska – Raska
- SKY TV – Raska (a new private TV station still in the start up phase)
- RTV Tutin – Tutin
- RTV Aldi – Presevo (included in Sandzak session, unable to attend September session in Bujanovac)
- RTV Priboj – Priboj
- RTV Enigma – Prijepolje

Throughout 2006, IREX made a concerted effort to identify and help develop TV partners in South Serbia and Sandzak. Consequently, IREX developed and maintained partnerships with three Albanian stations in the Presovo Valley, a host of Serbian stations in South Serbia and a mixture of Bosniak and Serbian stations in the ethnically complex Sandzak region. Several of these stations received individualized on-site training from a team of local IREX consultants in the winter and spring of 2007, including TV Aldi in Presevo, TV Jedinstvo in Novi Pazar, TV Raska and TV Novi Pazar.

IREX awarded a subgrant to the daily newspaper *Danas* to publish 18 weekly supplements dedicated to the Sandzak region during the period from late November 2006 through March 2007. The objective was to introduce the value of a well-balanced and professional newspaper to the communities in this ethnically diverse region. As there is no large regional newspaper in Sandzak, the supplement would also increase *Danas* circulation and attract new advertisers. *Danas* assembled a special editorial team lead by an editor in Belgrade and one in Novi Pazar, and established a small but respected network of twelve correspondents in towns throughout Sandzak Each full color, eight-page supplement, which was wrapped around the outside of *Danas* as a novel marketing idea, contained opinion pieces, interviews with politicians and religious leaders, and stories on the election campaign, the economy, local culture, and sports, and has not shied away from controversy. The supplement also included information from municipalities in neighboring Montenegro, and in a separate initiative funded by Danas itself, the supplement was distributed in areas of Montenegro. *Danas* aimed to provide non-partisan coverage of the region, which is not always welcomed by political leaders. To date, the supplement has received positive feedback from the local population, community leaders and representatives of NGOs, as well as from the leaders of two main political parties, Social Democratic Party (SDP) and the Party of Democratic Action. The initial circulation was 2,300 copies but by March 2007 that figure had increased to more than 3,200. Due to the higher than expected circulation, *Danas* was able to continue the project on its own with the additional revenue earned.

1.1.5 Media Monitoring

One of the best ways to improve the professionalism of journalism is to have an objective analysis of media products. With media monitoring, media outlets can see how they rate in areas like balance and sourcing. Making the results of the monitoring public can help create pressure for better performance and increased professionalism.

One of the approaches IREX used to monitor media was through the Media Center in Belgrade, which coordinated with Strategic Marketing and Media Research Institute (SMMRI) to keep tabs on media actions. With funding from IREX, the Media Center produced biweekly qualitative and quantitative analyses of print and broadcast media coverage to assess what impact media had on society and to look for indicators which revealed the way in which the media, i.e., society at large, treated specific issues, editorial independence, social and political trends, and political affiliations. The Media Center monitored five relevant newspapers and two magazines published in Serbia – *Politika*, *Danas*, *Blic*, *Glas Javnosti*, *Vecernje Novosti*, *NIN*, and *Vreme* and calculated the number of stories about specified current events and news categories, and measured accuracy, objectivity, headlines, illustrations, captions, column width, and positioning.

The Media Center also monitored 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, focusing

on qualitative factors such as competence, presentation, and the language used and/or affiliations mentioned by presenters. In addition to the regular analyses, the Media Center conducted a "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," "The Hague Tribunal," and "Serbia and Montenegro." The Media Center posted all the results from its monitoring and "topic of the month" on its website.

According to the Media Center, interviews with editors and journalists showed that the results of the monitoring project considerably influenced editorial policies and most of the major media outlets reported on the most important findings of the monitoring. Furthermore, journalists referenced or used excerpts of the media monitoring analyses as background information in developing in-depth articles dealing with the current situation in the media environment.

Belgrade's Media Center also conducted a research project on ethics and journalism with the publication of a report on media coverage of the December 2003 Serbian elections. The 145-page publication, *Novinarstvo i Etika,* critically examined the way journalists and the media covered the December general election and drew important lessons from the experience. To perform its study, the Media Center's 12-person research team solicited and analyzed statements from 43 journalists and editors of 40 of the most influential electronic and print media in Belgrade, Novi Sad, Nis, Kragujevac, Pirot, Leskovac, Zrenjanin, Vrsac, etc., including: *Politika*, *Danas*, *Novosti, Blic, Glas, Vesti, Balkan, Kurir, Marka, Nacional*, Beta, Fonet, Tanjug, *Vreme, NIN, Reporter, Ekonomist, Nezavisna svetlost, Dnevnik*, RTS, RTV B92, BK TV, TV Pink, Studio B, and Radio 202. Surveying journalists and editors who report on political, social and economic problems, elections and parliamentary work and those otherwise involved in the coverage of political developments, the report examined responses on specific issues such as relations between journalism and politics, journalism and money and power, and journalism and civility, and compared responses with recommendations of existing ethical codes, electoral rules, and best practices.

The Media Center continued its election coverage monitoring during the 2004 presidential elections by evaluating the performance of the country's most influential, prestigious, and popular news outlets. Lila Radonjic (TV Mreza production), Dragoljub Zarkovic (*Vreme* magazine), Ljubica Markovic (BETA news agency), Svetlana Lukic (RTV B92), and Stevan Niksic (*NIN* magazine), joined together as a Media Council to focus attention on a wide selection of media, including dailies *Politika, Večernje Novosti, Danas, Blic, Glas, Kurir, Balkan, Nacional; w*eeklies *NIN, Vreme, Reporter, Nedeljni Telegraf, Blic News;* and broadcast outlets RTS, RTV B92, TV Pink, and BK TV. Each week in May and continuing through the June election, the Media Council presented its findings during a press conference at the Media Center. Overall, the Council concluded that most media served as public relations agents during the election campaign, limiting pre-election news to the coverage of rallies and the publication of candidates' public statements while avoiding potentially provocative questions that would compel politicians to address pressing issues. To follow on the election monitoring, IREX also supported a training seminar for senior broadcast and print journalists, held at the Media Center. The seminar taught reporters how to contextualize candidates' campaign promises and scrutinize them vigorously.

In July 2004 the Media Center hosted an IREX-supported roundtable discussion about the presidential election coverage and the value of the IREX-established Media Commission. The conference attracted leading editors from print and broadcast media, as well as representatives from OSCE and USAID, and produced a vigorous debate about the media's role in presenting political news. Initially, journalists complained about the Commission's perceived bias but it became clear that the criticisms leveled by the Commission were so wide ranging, that any suspicion of a particular bias against particular outlets was unfounded. Participants in the discussion concluded that the Commission played a useful role in providing constructive criticism of the media's handling of the election and, further more, it forced journalists to justify their work to a broader audience. The peer pressure produced by the Commission's weekly analysis of the media sector introduced journalists and their media outlets to a healthy form of public scrutiny. This is the first time that so much of the Serbian media has faced such a concerted, regular and critical analysis, all the more effective because it was conducted by respected individuals from within the

profession. This activity helped in the further development of a core group of responsible journalists, who have a growing awareness of their accountability to the public.

Also under this initiative, IREX embarked on a project examining the tabloidization of Serbian media, in cooperation with Snjezana Milivojevic, from the Department of Journalism at the University of Belgrade. The project focused on the prevailing practices that both reflected and contributed to the tabloidization of the daily press. Once completed, the project offered a critical overview of coverage as well as content in its aim to analyze the quality of and the major tendencies in professional journalism. IREX held a well-publicized and well-covered media discussion on the tabloidization of the Serb media during which they and the University of Belgrade published the findings from their joint project. A lively and stimulating debate held at the Media Center highlighted the concerns of independent journalists that the media market was being flooded by low-rent publications designed to undermine political players and change the balance of power on the political scene by spreading rumors and libelous allegations to smear political candidates, rather than to inform the public. A special topic was the frequent use of anonymous sources in the Serbian media; also the more divisive issue of conflict of interest, or more insidious forms of corruption of journalists (free trips, free lunches, leaks advantageous to sources etc).

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

1.2.1 Technical Consulting Service

When ProMedia II began, IREX staff and consultants made many site visits to partner outlets to assess their current technology strengths and weaknesses and help them determine what, if any, new equipment media outlets needed. Once the equipment was in place, be it purchased through an IREX subgrant or through the outlet's own capitol, IREX ensured that staff could operate the new equipment. Considering this to be an important step in viability, in May of 2003 IREX hired its own technical advisor Sanjin Perisic, who immediately began conducting on-site assessments of the technical infrastructures of local TV stations.

1.2.2 Small Grants to Support Technical Training and Technical Upgrades

Media outlets cannot produce news and informational programming if they do not have the means to do so. As such, IREX recognized and addressed the need that many outlets in Serbia had for newer and more advanced equipment. Equipment purchases with IREX subgrants ranged from small video cameras or mini-cams, digital cameras, editing suites, computers, and microphones. At the beginning of the ProMedia II project many of the small subgrants IREX awarded to media outlets were for cameras so that TV stations could do basic reporting. As the media developed and the project grew, so did the sophistication of equipment required such Radio Luna, RTV Cacak, RTV Pirot, RTV Pozega, and several other stations expanded their networks with transmitters and antenna systems obtained through IREX subgrants. In 2005 IREX issued a subgrant to A Media, a division of ANEM, for a radio trailer to assist them in producing stories in the field that were immediately ready for broadcast.

In total, under IR 1.2.2, IREX awarded nearly sixty separate subgrants for equipment to forty independent media outlets. At the end of the ProMedia II program IREX transferred the ownership rights to all equipment purchased through subgrants to the subgrantees.

1.3 Journalists Reintegrate with Their Peers in and Outside of Serbia

In a bid to not only further technical reporting skills but also to expose Serbian journalists to the activities and skills of colleagues abroad, IREX arranged study tours for Serbian media professionals outside of Serbia.

One of the best opportunities to make contacts with other journalists and media professionals from the world over and to learn about new technology and journalism skills/styles is by attending the National

Association of Broadcasters (NAB) annual conferences. IREX offered nine media managers from seven outlets travel stipends to attend NAB's European Radio Conferences in Prague in 2002, London in 2003, and Lisbon in 2004. In addition to giving the participants the opportunity to meet and work with their European counterparts, they also gained tips on program scheduling, newsroom management, morning shows, and sales and marketing. They attended panels on audience research, music testing, media legislation, foreign investment, advertising effectiveness, radio management skills, strategically-planned content, and program formats. The sessions at the conferences further developed or supported the applied training and consultancies IREX has provided to local radio stations.

IREX also gave five members of the independent media funding to attend the SEMPL 6 and 7 marketing seminars held in Slovenia. Seminars focused on new marketing strategies and developments in media planning, including media research such as a radio people meters building on training they received from IREX consultant Bud Stiker (4.1.2). In addition to supporting what they learned from Stiker, attending the SEMPL seminars introduced Serbian participants to regional managers from some of the region's largest brands.

In 2004 Investigative reporters Pedja Obradovic, from independent broadcaster RTV B92, and Nikola Vrzic, from *NIN* weekly magazine, traveled to Washington, DC, to participate in a special study tour designed to lend insight into how a major US media organization handles crime coverage and organizes its police beat. The two reporters spent a week at *The Washington Post* shadowing colleagues from the newspaper's Metro section and gaining additional understanding of the developing relationship between journalists and law enforcement. The reporters also visited the headquarters of the DC police department and met with staff at the Bethesda, Maryland, police station, where they observed the work of the station's media office, learned about media access to police sources, and accompanied police officers as they covered criminal incidents in the city. IREX developed the study tour with the aim of providing journalists with skills that will enhance their coverage of crime and corruption in Serbia, where such issues have played a major role in impeding democratic development, inhibiting economic growth, and eroding civic confidence.

IREX also initiated several small media partnerships to further expose Serbian media professionals to their counterparts abroad. In June 2003 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.

IR 2: The Physical and Institutional Infrastructure Supports the Efficient Production and Dissemination of News and Information

Distributing news widely is particularly important in the environment of political change. However, many broadcast facilities and telecommunications had been damaged or destroyed and the independent media infrastructure was in a state of disrepair at the beginning of the ProMedia II program due to years of

stagnated growth and state interference in the media's business activities. IREX worked with Serbian media to strengthen their capacity to distribute independent news and information throughout Serbia.

IR 2.1 Physical Infrastructure Supports the Broadcast of Independent Media

2.1.1 Assessing and Rebuilding Broadcast Infrastructure

In the early years of the ProMedia II program, IREX assessed the independent media infrastructure and worked with Serbian organizations ANEM and B92 to help independent stations develop national coverage in order to compete against the state-controlled media. IREX coordinated with other international donors first to help broadcast outlets replace equipment and rebuild facilities, and then to maintain and uphold technical standards. According to the Broadcasting Law, TV and radio station must show evidence that they can uphold and maintain professional equipment standards, both transmission and production, in order to acquire a broadcast license. IREX supported approximately 25 TV stations and 16 radio stations under this initiative

A majority of the TV stations in the ANEM network operated on outdated and well-used sVHS equipment that generated picture that was visibly worse than the state broadcasters. The local stations also had technical problems connected to inadequate transmission equipment. Provision of a high quality signal was essential for sustainable TV operations as well as clarity and sharpness of the picture. In order to achieve this, the ANEM stations needed to have good transmitting equipment, placed in strategic positions, and modern studio and news production equipment. Therefore, IREX issued several subgrants to ANEM, ANEM member stations and B92 for the purchase of transmitters, satellite uplinks and decoders. IREX also provided consulting advice to help local independent TV stations fully adopt DVCAM and DVCPRO standards in their broadcast operations and awarded subgrants to renew equipment such as lightning, microphones, ENG cameras, and editing units to ease the production process, leaving journalists and camera operators to concentrate on their reporting, instead of equipment problems. The new digital equipment required less time for repair, cut operating costs and improved the quality of picture to a level that was competitive with state broadcasters. IREX also provided technical equipment such as computers, production equipment and programming software packages to ANEM radio stations in order to professionalize the radio industry.

Additional subgrants to ANEM supported the costs of the hub office for the association and TV network, which maintained satellite interconnectedness, coordinated program distribution and exchange, maintained a website and provided technical support and assistance to all member stations and affiliates. Other subgrants directly to member stations covered basic operational costs for the radio and television stations to help keep them on their feet and running while they produced programming and perfected sales and marketing techniques to bring in their own revenue. Together the operational and equipment subgrants made certain that independent broadcast media in Serbia had a firm foundation on which they could build and grow and become self-sustainable and profit making organizations.

2.1.2 Grant Support to the ANEM TV network and B92

As a result of a crack down on independent media under the regime of Slobodan Milosevic, ANEM and IREX began discussions in 1999 on the implementation of the "Pebbles" project (Platforms for External Broadcasting) to ensure that Serbian citizens would be able to continue to receive independent and objective news, in particular in the months leading up to the October 2000 presidential elections. In order to do this, and get around the government's attempts to jam the frequencies of independent media inside of Serbia, IREX and ANEM identified several broadcasting sites in Bosnia, Romania, Hungary, and Kosovo that would allow the best possible broadcast coverage in Serbia.

With subgrants to ANEM for the procurement of transmission equipment, as well as direct purchase of equipment with funds from other donors, transmission towers, transmitters, and other necessary broadcasting equipment was installed in Semenik, Romania; Busija and Okrasenica, Bosnia; and from an

AM transmitter in Hungary. A site in Bosnia was selected and work was begun but not completed prior to the ouster of Milosevic. From a studio in Belgrade, B92 produced news programs and bulletins that were sent by satellite to the BBC, which put the programs up onto a satellite. The Pebbles transmitters outside of Serbia were able to download the satellite signal and transmit the programs via a terrestrial transmission system back into Serbia, where the local ANEM affiliates and other independent media could pick up the signal and use the B92 programs to supplement their own news broadcasts. The satellite programming was launched in early September 2000 and was made available to local stations for use in their radio and television broadcasts.

Despite the victory of Vojislav Kostunica over Milosevic, IREX recommended that broadcasting continue through the parliamentary elections in December 2000. However, the US government determined that Pebbles broadcasting should cease operation immediately in October. In Bosnia, IREX stopped financing the transmitter rental at Busija and asked the IBB to shut down the ANEM signal transmitting from Okresanica, and all operations in Bosnia ceased soon after the presidential elections. The Pebbles equipment was dismantled and eventually transported to Belgrade where some of it is still in use.

After the Pebbles project was dismantled, IREX continued to support the B92-led ANEM network and provided addition subgrant funding for transmission and studio equipment, satellite interconnection, rental costs for a central B92 news studio, and the purchase of international sports programming (e.g., NBA games for the 1999-2000, 2000-2001, 2001-2002, and 2002-2003 seasons). These items combined allowed ANEM to distribute B92's radio and television news bulletins to the network stations and to exchange entertainment, current affairs and other locally produced programming among the network stations. This effort kept B92 and all ANEM members, affiliates, and re-broadcasters competitive.

IREX also extended subgrants directly to B92 to purchase entertainment programs and produce local programming that were used to develop an attractive program schedule and increase the station's audience and market share, which was key to TV B92's further development. Subgrant funding allowed the station to purchase popular American and British dramas, sitcoms and documentaries including eight seasons of the television series *The Practice* (1997 to 2003), five seasons of *Dharma & Greg* (1998 to 2002), sixteen episodes of the then (2004) new MTV series *Punk'd,* twelve episodes of the show *Numbers*, one season of *Summerland*, two seasons of *Medium*, the four mini-series *Earthsea*, *A. Hailey's Detective*, *Messiah*, and *Farscape: Peacekeeper;* and 21 investigative documentaries from the BBC on international efforts to combat crime.

IREX also provided additional subgrants to B92 for the production of its own programs:

- *Mile vs. the Transition* (2003 and 2004*)*, a 30-minute program that employed satire and humor to address the legal, social, and economic issues associated with Serbia's transition. A total of 31 episodes (two seasons) were produced.
- *Stop the Crime* (2003/2004) included the production of 26 half-hour digest programs dealing with the fight against organized crime and two public service announcements (PSAs) formatted for TV and radio.
- *The Insider* (2005), a twenty-episode investigative program highlighting some of the most important events taking place in Serbia.
- *Budjelar* (2006/2007), a series of twenty programs providing basic knowledge and practical advice on business development in Serbia designed to encourage an entrepreneurial spirit within the Serbian business community.
- *B92 Investigates* (2006/2007), as a follow on to its popular *Insider* series, B92 produced another series of eleven investigative programs on important events and social issues.
- *Replica* (2006/2007), of a series of live current affairs programs with significant participation from both a studio audience and viewers at home. The series was part of wider election-related activities and was designed to provide the citizens of Serbia with more direct insight into the political parties' platforms during the pre-election period, promote the need for transparency of politicians' attitudes and actions, and encourage open and civilized discussion among opposing groups.

All of these programs, purchased and locally produced, have helped to make RTV B92 one of the most successful independent broadcasters in Serbia, and, according to the most recent research by SMMRI commissioned in May 2007, B92 is the second favorite but most trusted station in Serbia.

2.1.3 TV B92 National Rollout

After the removal of Slobodan Milosevic from power in October 2000, B92's management adopted a five-year plan aimed at capitalizing upon expected democratic changes in Serbian government and society. USAID and IREX agreed to support B92's plan to expand from a city based station, restricted to coverage in only Belgrade, to being a national independent broadcaster, able to compete with state and private networks. Market research had indicated that the television station would face decline if it could not gain the national coverage enjoyed by other large networks. Therefore the national rollout of B92 became a main objective of the ProMedia II program in order to ensure that TV B92 had the technical infrastructure required to air objective news programs and public information and current affairs programming for the whole country. B92 began implementing its plan to expand its footprint in April 2002.

IREX provided operational support for B92 to cover additional frequency fees, facility rental, maintenance costs, and engineering fees for the national rollout project which took place in 2002 and 2003. B92 signed 17 rental agreements with RTS), which allowed the use of previously installed infrastructure for B92's transmission equipment. Rental rates were set by the Serbian government, which owns the facilities. This was far less expensive than building entirely new broadcast sites, which also would have been highly unlikely to receive approval from the government under prevailing legislation at the time. By March 2003 these 17 new transmitters enabled B92 to broadcast to approximately 80% of the Serbian population. B92 required an additional six licenses from the Ministry of Telecommunications to regulate the 15 broadcast frequencies in its expanded footprint. The following are the 17 transmission locations in Serbia maintained and operated by B92:

Location	City	Launch Date
Košutnjak	Belgrade	Jul-02
Jastrebac	Niš	5-Aug-02
Subotica	Subotica	10-Aug-02
Iriški Venac	Novi Sad	27-Aug-02
Crni Vrh	Jagodina	30-Aug-02
Užice	Užice	24-Sep-02
Genex	Belgrade	4-Oct-02
Žeželj	Kragujevac	15-Oct-02
Ovčar	Čačak	16-Nov-02
Sombor	Sombor	3-Dec-02
Kikinda	Kikinda	7-Dec-02
Goč	Kraljevo	12-Dec-02
Kosmaj	Mladenovac, Arandjelovac, etc.	3-Feb-03
Vranje	Vranje	3-Feb-03
Torlak	Several smaller towns	Mar-03
Cer	Several smaller towns	Mar-03
Avala	Belgrade	Mar-03

A second component of B92's national rollout s plan was to create a central broadcast facility with adequate operating space for both radio and television operations. In January 2002, B92 signed a ten-year contract with the Yugoslav National Bank to lease a building for business office and studio space.

IREX and B92 issued a tender for bids for the design of the new B92 studio in the early summer of 2002; out of eight respondents, IREX Project Manager Dejan Misovic and Vojkan Rados of B92 settled on Ki-Biro. In the fall of 2002, with completed and accepted design plans in hand, B92 and IREX received permission from the owner of the National Bank of Serbia's former computer center, which will house the new studio, to renovate the building and B92 sent bid documents to nineteen companies for the first phase of the construction project. In February 2003, IREX hired Belgrade lawyer Cedomir Colic to advise on Serbian laws related to banking, contracts and construction projects, and to work with B92's new lawyer, Slobodan Kremenjak, from the firm ZS Law. B92 obtained a formal written opinion from the Serbian Ministry of Finance stating that money given to B92 by USAID through IREX for the construction and renovation of a new studio facility would not be subject to taxes even if B92 is responsible for payments to contractors. This opinion aided in the preparation of the bid and contract documents for the studio construction project.

In March 2003, USAID, IREX and B92 came to mutual agreement on the bidding and contract documents for the construction phase of the studio and B92 contacted firms by telephone to describe the project and sent bid documents to interested companies. The selection committee composed of three representatives of B92 and two non-voting IREX representatives examined all the bids. B92 attorneys and IREX counsel Cedomir Colic also reviewed the bids to ensure compliance with tender documents. After an evaluation, B92 conducted further negotiations with the short-listed companies and finally selected the construction company Izolacija. The construction site officially opened on May 26, 2003, and IREX closely monitored and supported the project through weekly construction meetings during the entire construction process.

RTV B92 aired its first broadcast from the new premises on December 4, 2003 beginning with a program highlighting Serbia's parliamentary elections. By December 17, all staff had moved into the building, and all radio and television operations were fully functional. Prior to the move, B92 had operated from a number of locations scattered throughout downtown Belgrade paid for by IREX subgrants. In addition to housing the entire B92 organization under one roof, the new building included two television studios and five radio studios, as well as other workspace for control rooms, a common newsroom, an editing area, space for reviewing and recording material, archives, and much-needed office space. Following a tour of the building, visiting USAID Division Chief for the Balkans Sarah Farnsworth called the new studio the most impressive project she had ever seen undertaken by USAID. Final construction was completed by the end of January 2004.

B92 marked its 15th anniversary on May 14, 2004, with the official opening of the new building Although the TV and radio studios had been functional since the end of December 2003, B92 help back the official opening to coincide with the 15th anniversary of its radio station. The double celebration featured a special appearance by actor Zoran Cvijanov, who played the character Mile in B92's hit television satire *Mile vs. the Transition*, as well as the attendance of the U.S. Embassy's Deputy Chief of Mission, Roderick Moore, and other USAID officials, dignitaries, and many long-timeB92 supporters.

Among the largest and most ambitious endeavors undertaken by IREX and USAID, the B92 studio construction project transformed a redundant bank building into an all-digital broadcast center, complete with numerous television and radio studios, corridors of editing suites, and ample space for growth. The modern facility represents B92's own evolution from an underground youth radio station into a complex, dynamic media business that had successfully maintained its traditional independent spirit while nurturing increasing audience ratings.

The final phase of the national rollout took place during the second half of 2004, as B92 expanded its network of television transmitters to an additional 11 sites – nine locations in southern Serbia and two in east Serbia – in order to cover the municipalities of Prijepolje, Priboj, Tutin, Sjenica, Nova Varos, Bajina Basta, Cajetina, Vladicin Han, Surdulica, Majdanpek and Soko Banja. A subgrant from IREX enabled B92 to purchase 11 sets of transmission equipment and cover the facilities rental, maintenance and engineering costs. Expansion of television coverage to these uncovered areas of Serbia formed a key element of B92's further development, helping to boost the organization's marketing potential and enable

its full self-sustainability. Although the total combined population of the proposed 11 municipalities is not large, approximately 282,517 inhabitants, the territory covers some of the wealthiest areas in Serbia, and thus generated great interest among national advertisers. In addition, the new transmitters enabled B92 to cover the region bordering Kosovo, thus reaching an important audience, contributing to general democratization in the area, and introducing professional television standards to the local audience. By the end of 2004, a total of 28 transmitters extended the reach of B92's award-winning television documentaries, news programs, and exclusive interviews to 90 percent of the Serbian population.

IR 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

While IREX focused less on print publications than broadcast media, it remained dedicated to ensuring the overall improvement of the print sector and provided both subgrants and technical assistance to ensure efficient and reliable distribution. During the Milosevic era, in the months prior to the presidential elections of October 2000, IREX awarded subgrants to the independent weekly magazines NIN and *Vreme* to purchase newsprint that was essential to both publications to continue publishing and setting the political debate under the increasingly strained conditions.

Just a year later, after the new government was in place, conditions had already improved to the point that IREX turned its attention to other activities for the print sector. In 2001, IREX started consultations with newspapers and magazines to assist in re-designing or modifying layouts to increase circulation. These consultations and the resulting products boosted revenues not only through additional copy sales, but also through advertising, as both advertisers and readers were attracted to the newspapers' and magazines' respective new looks and formats.

The independent Belgrade daily *Danas* received three subgrants to assist its production of special supplements to its paper during the life of the ProMedia II program.

- The first, in 2001, was to publish a collection of the key points of the Serbian government's decision to reintroduce optional Catechism classes into public schools. While *Danas* had already published many articles on the issue, it felt it was important enough to warrant a 24-page supplement to further emphasize the pros and cons of the decision. *Danas* printed 40,000 copies.
- The second supplement in January 2002 featured the Milosevic indictments. The grant made it possible to print and publish the text of all three indictments (for crimes Milosevic is accused of in Bosnia, Croatia, and Kosovo) in Serbian for the first time in Serbia. The newspaper printed 31,000 copes and reaction for the most part was good.
- In May 2002, the third supplement highlighted the newly adopted law which aimed at developing multiculturalism, improving human rights and preventing future conflict within Serbia's various minority ethnic groups.

The three supplements all gave *Danas*'s readers more information about these important issues than they could find through other media. In addition to keeping the public well informed, the supplements also had the added bonus of increasing circulation and revenue for the paper.

Another IREX print partner, Kragujevac-based *Nezavisna Svetlost*, which is among the oldest local weeklies in central Serbia, also received assistance from IREX in the form of subgrants. IREX contributed to the purchase of a rotation printing machine in 2001 to help them develop sufficient printing capacity. Under this activity IREX also awarded the paper with a 2004 subgrant to modernize its existing equipment and to support its regionalization effort through its magazine *KG Novine* (*KG News*. With IREX support the paper launched a six-month promotional effort including an intensive advertising campaign on local radio and TV stations, roundtable presentations, dissemination of promotional materials, and distribution of free copies of the magazine.

IR 2.3 Independent Media have Technical Access to News Agency Services

2.3.1 Support for Independent News Agencies

Even before IREX set up its office in Belgrade, it recognized that in order for an independent media in Serbia to succeed, it would need the help and assistance of independent news agencies. In 2000 IREX began working with the FoNet and BETA news agencies.

***FoNet*:** Much of IREX assistance to FoNet came through subgrants. Like many media organizations in Serbia at the time, FoNet was in need of basic financial assistance, which IREX provided with a subgrant to cover the news agency's operational costs. IREX also awarded several other types of subgrants to FoNet for the purchase of equipment, namely cameras. With the cameras FoNet has provided photographs for use by independent media, allowing local media outlets to have access to a resource they themselves might not be able self produce and therefore improve their quality. A part of one subgrant to FoNet funded the agency's Internet Picture Distribution Service.

FoNet requested a subgrant from IREX to pay for subscription fees to the Associated Press (AP). The subscription allowed FoNet to better cover international events and continue providing quality international news to clients via its AP subscription. With its AP subscription, FoNet attracted clients that would pay a fee to FoNet in order to have access to the AP news thus providing FoNet a way to make money and help itself become sustainable.

Since the development of the Hague House in 2001, IREX has regularly supported FoNet employees' trips to The Hague to report on the International Criminal Tribunal for the former Yugoslavia (ICTY). In 2002, FoNet's Hague journalists took part in an intensive weeklong training to prepare them for the trials. FoNet produced stories and news bites and its subscribers carried the FoNet produced stories about ICTY proceedings which raised FoNet's reputation and ability as a news agency and increased the professionalism and scope of stories of independent media in Serbia.

Throughout the years of its cooperation with IREX, FoNet and other IREX partner media outlets were able to boost coverage of election campaigns and elections with the aid of IREX subgrants. FoNet received four subgrants from IREX which enabled the agency to send a reporting team around the country to cover political campaigns, election activities and results, and in many cases, to capture the feeling in the country and the reaction of the people after the discovery of the results.

In 2004 IREX commissioned the Strategic Marketing and Media Research Institute (SMMRI) to conduct a survey on Serbia's three news agencies – Tanjung, BETA and FoNet. The research clearly showed that most media outlets in Serbia prefer the information and services provided by the two independent news agencies, BETA and FoNet, both of which have received financial and technical assistance from IREX. The research addressed the perceived quality of the agencies' services and outlined the problems they need to resolve in order to improve their standing with clients. The research results also indicated that the state-owned news agency, Tanjung, is distorting the market and, despite large funds provided by the government, appears to fair badly in the quality category when compared against the two independent agencies. FoNet and BETA will use the research to focus their commercial activities and increase the revenue potential of their businesses.

In July 2006 when talks over the status of Kosovo, a province inside Serbia with an Albanian majority seeking independence from Serbia, began in Vienna, FoNet applied for a final subgrant from IREX to pay for expenses to cover the talks from Austria. One of the only indigenous Serbian outlets reporting from Vienna, FoNet's team produced such high quality reports that on their first day there (Monday, July 24), 14 TV stations used 48 video clips, ranging from 1 to 7 clips per station; on the second day of coverage (Tuesday, July 25), 16 stations downloaded 52 Kosovo-related clips; and on the third day (Wednesday, July 26), 14 stations used 88 clips. Radio stations also downloaded a total of 54 MP3 files from the FoNet website over the three-day period. The status talks were suspended for several months until after

the Serbian parliamentary elections but when they resumed in February 2007, FoNet's team was back in Vienna with IREX support.

In total, Fonet produced 90 written news reports, 146 photographs, 107 audio clips and 99 video clips related to the Kosovo status negotiations, providing significant coverage and a wealth of information to the media in Serbia and Kosovo, as well as in neighboring countries, that would not otherwise have been available. During the talks, FoNet twice broke the record for the number of video clips (194) downloaded in one day. FoNet also offered print articles and information on the status talks, although usage was harder to track because most print media subscribers receive the latest news via e-mail and it is difficult to know which publications used the information for their own stories. Although most of the stations that utilized FoNet's video and audio clips on the Kosovo status talks were regular subscribers, FoNet gained new customers during this period. Non-subscribing outlets interested wanting to carry news in the status talks and were drawn into becoming paying customers after trying out FoNet's services and using free-of-charge samples posted on its website proving yet again that the news agency was a profit turning and self sustainable organization.

Since its founding, FoNet has distributed over 50,000 sound, and roughly 120,000 written reports, in addition to 100,000 news photographs and 8,000 TV clips, to editorial offices in Serbia, Montenegro and throughout the region. Over 100 media outlets in Serbia use FoNet's services.

BETA: Established in 1992 to provide full and objective coverage of events in Serbia and Montenegro, as well as throughout Southeast Europe, the BETA News Agency, like FoNet, was financially unstable when IREX began working with it. During the years in which IREX and BETA cooperated to raise standards and build up an independent media in Serbia, BETA received nineteen subgrants to support a wide variety of activities. IREX's initial subgrants to BETA supported operational costs in the beginning of the ProMedia II program and subsequently covered the subscription fees for partner media so that the outlets that could not afford BETA's services on their own could receive them nonetheless and BETA would not lose revenue. IREX believed that by giving media access to Beta services, the quality of media would improve and increase access to independent information to the Serb people.

Since the Hague coverage project was added to the ProMedia II program in 2001, IREX has regularly supported BETA trips to The Hague to report on the International Criminal Tribunal for the former Yugoslavia (ICTY). In 2002, BETA's Hague journalists took part in an intensive weeklong training to prepare them for the trials. In 2005 when IREX support for coverage of the Hague trials lessened, only TV B92 and BETA reporters remained in The Hague supported by IREX. As the only independent Serbian news agency regularly at the trials, BETA's coverage was essential and allowed outlets all over Serbia to have access to trial information and stories to keep their audiences informed.

In addition to subgrants, IREX also provided BETA with significant training. In March 2003, IREX consultant Chris Condon visited the agency for a four-week reporting and marketing consultancy with the BETA news agency in March. Condon worked on improving BETA's business magazine, *Monitor,* training the magazine's economic desk reporters, and recommended that BETA's management provide performance incentives to marketing staff. Condon returned to BETA in August 2003 to evaluate what skills and systems the agency had adopted since his last visit and was pleased to note that the staff had absorbed his training and improved greatly.

Several times IREX tied together subgrants and training for BETA. BETA, like a large number of other IREX partner organizations, received financial help from a subgrant to fund extended coverage of elections in 2002, 2003, 2004, 2006, and 2007. In 2003, BETA participated in a special IREX-lead workshop on pre-election coverage in preparation for parliamentary elections on December 28. IREX also issued a subgrant to BETA for a special, free-of-charge elections webpage (www.beta.co.yu/izbori).

A noteworthy joint project between IREX and BETA was a six-month regional initiative begun in May 2003 and extended in March of the next year. In cooperation with *Banka Magazine* in Croatia and *Kapital Magazine* in Macedonia, BETA and partners disseminated information in local languages and in English

on the struggle against corruption via the web. With a subgrant from IREX, BETA aimed 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 and create awareness that corruption is not simply a local problem but also a regional issue requiring cross-border cooperation.

The final joint IREX-BETA activity took place in January 2007, when IREX awarded a subgrant to BETA for costs related to a study trip to New York for three members of the news agency's management team. The visit centered around meetings at the Associated Press (AP), where BETA's deputy director, technical director and marketing manager learned first hand about modern technical facilities and the internal organization of one of the world's premier news agencies, and also examined AP's state-of-the-art photo archiving software with a view to improving their stills library. The BETA team also visited Dow Jones' News Wire operation, to assess their specialist business services – an area that BETA is keen to develop in the coming months. They also had the opportunity to go on an exclusive tour of the Bloomberg news agency's facilities, including its newsrooms, and met with one of Bloomberg's sales associates with whom they discussed the major operations of Bloomberg and learned about activities in various Bloomberg departments.

After nearly seven full years of cooperation, IREX saw BETA grow into a fully sustainable, profit-making agency which provided its services to news and media outlets throughout Serbia. Currently, the agency produces daily news services available in Serbian, English, Hungarian, Roma and Albania, as well as a weekend round up of the most important events happening in Serbia, the Serbian and English language BetaMonitor and BetaDefense, a monthly bulletin on military and police reforms in Serbia. On average 270 Serbian and 50 English news items are distributed on a daily basis along with 70 audio reports and 140 photographs every day. BETA's dedication to raising standards and professionalism in media have gone a long way to improving the quality of output from not only its subscribers but also from the general Serbian media.

IR 3: Legal and Regulatory Framework Supports Free Speech

IREX became actively engaged on the media legal front in Serbia in the spring of 2001 when staff, consultants and partner organizations began participating in and encouraging the discussion, drafting, and advocacy of several new media related laws, including the Broadcasting Law, the Public Information Law, the Telecommunications Law and others, which were intended to replace the draconian legislation of the Milosevic era. In close partnership with the ANEM legal department and the DC-based law firm Covington & Burling, IREX provided reviews of draft laws and offered suggestions for improvements, as well as ascertained the upshot of the drafts under consideration and how they would change the media landscape in Serbia. IREX and ANEM also held roundtable discussions and workshops to help independent media to voice their position and interest in the development of new legal codes and regulatory standards in Serbian media law, and supported media associations' efforts to provide legal and other assistance to their members.

IR 3.1 Media Licensing and Frequency Allocation is Fair and Apolitical

Shortly after taking office in January 2001, Serbian Prime Minister Zoran Djindjic's government had promised to draft much-needed media legislation, but until the summer of 2002, it had not drafted any new laws or even demonstrated a desire to do so. The Serbian Government's tentative approach to passing new laws on broadcasting, frequency control, licensing, libel and freedom of information, kept the media landscape in a considerable state of flux. Serbian media, including IREX partner B92 and the ANEM stations, were forced to work within the confines of the moratorium set by the government in October 2001 and await government decisions on frequency allocations and licensing without any certainty about their fate. Without proper media legislation in place, municipal governments in Serbia continued to use the laws that remained on the books from 1999 or earlier, which had been designed to discipline media organizations. As a result, government officials used libel suits to quiet media criticism

and also used state-financed outlets and state-friendly outlets as tools to slander independent outlets such as Radio 021 of Novi Sad and Belgrade's B92.

Amid bitter accusations and recrimination between independent media and the authorities, the Serbian parliament finally adopted the Broadcast Act in July 2002, which was the first in a series of long-awaited new media laws. While the task of drafting the Broadcasting Act had been entrusted to journalists and media lawyers, and numerous IREX-sponsored discussions were held to debate various aspects of the draft law, government intervention ultimately watered down the composition of the media regulatory body, the Broadcast Agency Council. As a result, the presence and influence of NGOs and other independent voices was effectively reduced, increasing the hold of the ruling political parties. The new Broadcasting Act was nevertheless acknowledged by local journalist associations, IREX, European officials and others as a dramatic improvement.

When Prime Minister Djindjic was assassinated on March 12, 2003, the government enacted a country-wide state of emergency that lasted for 42 days until it was lifted by the new Serbian Prime Minister, Zoran Zivkovic on April 23, 2003. The Serbian government took great advantage of the crisis to move aggressively, yet quietly without any public debate, on the media law front. The day before the state of emergency was lifted, the government elected members for the Broadcast Advisory Council in contravention of the law, which prompted the Association of Independent Electronic Media (ANEM) to lodge a protest with both domestic and international institutions. The government also attempted to elect alleged PINK television employee Goran Radenovic, who resided in Podgorica at the time, as the ninth member of the Broadcast Agency Council, despite the clearly stated requirement that the ninth member must be a resident of Kosovo. The hasty election of two other Council members quickly became controversial, as well, as they appeared to have been chosen as the ruling coalition's candidates for the Council on the basis of their hostility to B92 and Veran Matic.

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. IREX, OSCE representatives and U.S. and European Union ambassadors 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 ruling coalition in Serbia chose to defy local media and international organizations' calls to dismiss the three controversial members of the already discredited Broadcast Agency Council and to start the nomination/election process for all nine members of this important regulatory body all over again. As a consequence, the European Union decided to temporarily suspend its planned assistance to the Broadcast Agency Council. IREX assisted media associations such as the Independent Journalists' Association in their efforts to press for changes in the Broadcast Act and to continue to dispute the controversial election of three Broadcast Agency Council members throughout the fall of 2003.

In March 2004, as part of its on-going efforts in support of the overall development of media in Serbia, IREX met with Dragan Kojadinovic, the new Minister for Culture and Media and responsible for all media laws in Serbia. In the meeting Kojadinovic claimed to support an ANEM proposal to solve on-going problems with Serbia's Broadcasting Council, and displayed an apparent willingness to terminate the contracts of its present members and hold new elections. Kojadinovic also confirmed the need to privatize local public stations, though he was unsure of the timescale and would not commit to improving the law on media privatization. When asked about frequency management and the proliferation of stations in Serbia, he expressed interest in the idea of establishing a state company to control and maintain transmitters. However, as a political appointee, Kojadinovic maintained a holding position until after the September local elections and did not present any clear strategies for moving forward and resolving or improving the problems facing local, national, public, or private media – including the necessary reconstitution of the Broadcast Council and the importance of starting the privatization process.

The failure to implement media reform or apply legal or economic regulations continued to impede the survival of local media. The situation of Radio Boom 93 in Pozarevac serves as one example, where 35 local radio stations and 10 city-based television channels were competing for an audience among a population of only 85,000. Twelve new radio stations and one new television channel had opened in the municipality since October 2000. This common scenario meant that independent stations faced uncertain futures, with many independent stations finding it more and more difficult to sustain the level of professionalism that had ensured their top ratings in their media markets.

The Government of Serbia tried to push through the creation of a new broadcast council in October 2004, but failed to win the cooperation and support of the leading independent journalists' association in Serbia (IJAS), which withdrew its candidate – as did the Association of Independent Broadcast Media (ANEM) and Serbia's Association of Drama Artists -- for the council. These three associations dropped out of the process altogether, although privately ANEM informed IREX that the association would work with the new broadcast council members, if only to end the damaging delays to the issuance of broadcast licenses. The delayed licensing process endangered the future of many ANEM stations as the managers of the municipally owned stations could not privatize without demonstrating to future investors that they are legally entitled to broadcast in Serbia, and the private stations could not continue to fight the plethora of pirate stations competing in their local markets.

In the early summer of 2005, the parliament amended Serbia's Broadcast Act and introduced an obligatory subscription to RTS, to be collected through monthly household electricity bills. There was an appearance of a major public outcry against the RTS subscription, covered by rival television stations such as BK, PINK and B92. The OSCE in Serbia criticized the latest changes to the Broadcast Act, especially their failure to reaffirm the equality of each individual member of the Broadcast Agency Council by making all members' terms the same duration. IREX advisors assisted the ANEM Secretariat and their lawyers in their lobbying efforts to reduce the worse effects of the government's controversial new amendments, and helped develop campaigns for ANEM as they prepared to hold informal meetings with administration and political party officials. Whereas the deadline for the media privatization process was once again extended, it was not put as far forward as 2008 as the government had originally suggested. The deadline is now the fall of 2007 and the Minister for Culture has stated that the new deadline does not mean that media houses cannot privatized before that date.

In early 2006 the broadcast environment quietly but significantly began to prepare for major changes as the government began accepting bids for the five national television licenses available. Rupert Murdoch's News Corporation and the Germany-based RTL officially applied to the Broadcast Council for a license, as did a consortium of local companies that had created a new television station, TV Avala, in order to compete for a national license. After the selection process got underway, the Broadcast Council rejected the application put forth by RTL, which promptly initiated legal proceedings against the government agency. In April 2006, the Republic Broadcast Agency (RBA) issued national broadcast licenses to TV stations B92, Pink TV, TV Avala, Fox TV, and Kosava-Happy TV, and to radio stations B92, S, Index, Roadstar and Focus. B92 is the only commercial broadcaster to win both national radio and television licenses.

IREX closely monitored the national broadcast licensing process as the RBA's decision making had not gone smoothly. The licensing process included the forcible closure of the national channel, BK TV, with police evicting staff from the station and shutting down its transmitters. The RBA's reasons for shutting down the station may have been correct – the station did not appear to have clear and transparent accounts – but the whole process was heavy handed and smelled of political bias. The action came after months of bitter rancor between the millionaire owner of BK TV, Bogoljub Karic, and the present government. Despite winning the right to commence broadcasting after receiving a 30-day shutdown order, BK Television did not go back on the air and subsequently did not win a national license. The RBA's licensing procedures were also attacked by one of the unsuccessful bidders, German-based broadcaster RTL, which declared that it would take the decision to the courts and demanded that the RBA rescind the licenses issued and start the process over. RTL claims that the process was full of errors and thus cannot be allowed to stand.

The Serbian parliament adopted new amendments to the Broadcasting Law in the fall of 2006 despite the requests of Serbian journalist associations, the Ministry of Culture and the OSCE Mission to have the amendments discussed publicly according to normal democratic procedures. The amendments were very clear cases of solutions tailored to the needs of an influential lobby well connected to the ruling coalition. Although President Tadic refused to sign the amended law in order to protect citizens from a deterioration of media freedom, pluralism of opinion and democracy, the parliament adopted the amendments on September 28, 2006. The amended law demonstrated that the ruling parties were doing all that they could to keep control over media, especially in the days prior to the January 2007 elections. IREX coordinated efforts with several organizations to facilitate roundtable discussions in the fall of 2006 to expose problems in the media licensing and frequency allocation process, to allow independent experts to provide information, and to increase the pressure on government, ministries and other agencies.

On November 15, 2006, the Republican Broadcasting Agency (RBA) announced that applications and documentation for regional broadcasting licenses should be submitted by January 29, 2007. The RBA indicated that it would award regional licenses to 28 TV stations and 24 radio stations, and would close down all other broadcast outlets without proper licenses. The RBA had already granted licenses for TV and radio broadcasters in the Belgrade region in the summer of 2006. As in the case with the national frequencies, the licenses for Belgrade were granted without defined or publicized criteria and seem to be based on significant political pressure and lobbying efforts. The RBA sent out official letters to local radio stations across Serbia requiring them to vacate the frequencies they were using if those frequencies were slated to be awarded to national radio stations in the licensing process, and in Belgrade, the RBA closed down TV Palma and seven small radio stations in January 2007 as they had failed to win licenses.

In January 2007, more than 150 broadcasters applied for 28 TV and 24 radio licenses in 8 regions. After the licenses were awarded, the Association of Independent Electronic Media (ANEM) complained that the RBA's frequency plan was neither rational nor efficient, citing the examples of Vojvodina towns Zrenanjin, Kikinda and Ruma being left without even local FM licenses while the central Serbian town of Cacak would be awarded no fewer than seven local radio licenses. In March, the RBA called a public tender for awarding local broadcasting licenses with a 60-day deadline for submissions. As many as 147 TV and 276 radio licenses could be issued and, for the first time, non-profit organizations such as those representing religious organizations or ethnic minorities were able to apply for broadcast licenses. During the same time period, the Republican Telecommunications Agency (RATEL) legalized 20 cable TV operators out of 58 operating nationwide. More regulation on the cable industry is expected to be introduced later in the year to help protect consumers from poor service or unfair pricing.

With the increase in the number of local and regional licenses, there is concern among Serbian broadcasters that it will create negative competition by cutting into the advertising funds available. The Broadcast Council, on the other hand, welcomes the stronger competition stating that the increase in the number of broadcasters will force stations to improve the quality of their programming in order to compete for the advertising revenue. According to the experts, the presence of foreign competitors at the national level will indirectly institute new TV standards in the media. However, they also warn that the current market for advertising is small, approximately 95 million in 2005, and with the presence of more broadcasters deciding who will get the money will depend not on program quality but on audience share.

IR 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

Under the ProMedia II program, IREX worked in close cooperation with ANEM and the ANEM legal department on media reform efforts. With the change in the Serbian government in October 2000, three new areas of legal work surfaced: assisting stations with petitioning to get back equipment seized by the Milosevic government, establishing a free and fair licensing system, and advocating on behalf of stations for fair media laws and regulations. In response to these needs IREX provided financial support and

technical assistance to ANEM to enable it to expand its legal network and to create a legal department in Belgrade that would offer a variety of legal services to member and affiliate stations and the independent media sector in general.

IREX awarded the first ProMedia II subgrant to the ANEM legal department in March 2001. This subgrant provided funding for expert legal advocacy to counsel the reformation of media-related legislation; free legal representation and counseling to ANEM affiliates and other independent media outlets; and media monitoring related to legal issues and the media. Also in March 2001, the ANEM legal department received a subgrant to help local radio and TV stations operate in accordance with Yugoslav copyright laws. ANEM negotiated the payment of a discounted blanket fee to the Union of Yugoslav Composers' Organizations (SOKOJ), an organization that protects copyright on local and international music materials, that allowed each ANEM affiliate station to start with a clean slate as of January 1, 2001; ANEM continued to negotiate copyright fees on behalf of its member stations from that point forward.

Beginning in January 2002, IREX began providing year-long subgrants (January-December 2002, January-December 2003, January-December 2004, and April 2005-February 2006) to support the operational costs of the ANEM legal department in Belgrade and its network of local attorneys working in the field. Because the legal framework had hardly improved since the new government took office in early 2001, the ANEM Legal Department used the subgrant funding to launch a series of expert debates and roundtable discussions about the needed media reforms and to promote the implementation of international standards for the protection of free media and the freedom of expression. The ANEM Legal Department also continued to assist the independent media in both defending and improving their status and adjusting to new legal and economic conditions, and began providing advice on privatization and ownership reconstruction where necessary. The three main areas of activities under the ProMedia subgrants remained the following:

- *Expert legal advocacy for thorough and media legislation reform.* The legal department prepared members to adapt to additional media legislation as it was passed. In particular, it focused on assisting members and affiliates through the privatization process and the frequency allocation process.
- *Free legal representation and counsel on media and ownership regulations to ANEM members and affiliates and to other independent media outlets and journalists.* The ANEM Legal Department petitioned court cases, prepared legal defense, and represented ANEM and its members in court. The department also provided coordination and support of the ANEM Legal Network.
- *Media monitoring.* The ANEM Legal Department monitored freedom of expression breaches and published monitoring updates and monthly reviews in Serbian and English on the Internet and for e-mail distribution.

In July 2004, IREX supported the participation of Ivana Markovic, an attorney with the Zivkovic & Samardzic Law Office in Belgrade, in the American Institute for Legal Education's summer program in business law, which was held in Los Angeles, California. The US-based training program addressed topics such as corporate planning, international commercial transactions, intellectual property, negotiation techniques and strategies, legal writing and contract drafting. Markovic, as well as other lawyers at Zivkovic&Samardzic, was active in the ANEM legal network and the training she received allowed her to provide consulting services to numerous ANEM stations on commercial subjects to assist in the media's efforts to move closer to western standards, offer advice and guidance on how to identify and solve practical legal problems arising from commercial matters, and share her experience and knowledge about legal systems of developed market economies. This was of particular importance and usefulness during the period of transition and privatization when businesses need to be organized in such a manner in order to attract investors and become self-sustainable and profitable.

A final subgrant was awarded to the ANEM Legal Department in August 2006 to enable them to focus on the following activities:

- Drafting necessary amendments and assisting with media law implementation;
- Monitoring all government institutions involved in work that affects the media sector;
- Monitoring the privatization process for municipal and local media; and
- Exposing and possibly defending cases of political pressure on ANEM member stations and their employees.

The work of the ANEM Legal Department was of vital importance during the final months of the ProMedia II program as many ANEM members were competing to obtain a limited number of broadcast licenses and were beginning the initial stages of privatization; the ANEM lawyers helped the member stations complete the required documentation for both processes. The legal department also assisted the ANEM Secretariat in general legal matters and helped draft public statements concerning developments affecting Serbian media. The department's efforts not only provided necessary legal support and assistance directly to ANEM members, it also strengthened the media sector in general.

3.2.2 Public Service Announcements

In addition to other legal activities, IREX also offered technical and financial assistance to B92, ANEM and NUNS for a variety of public service announcements (PSAs) related to freedom of the press and the rights of journalists. In February 2003, in response to the Serbian government's reluctance to pass or implement long-awaited Public Information Law, Telecommunications Law, and Broadcast Law, and had even defaulted on the legal deadline for electing members to the Broadcast Agency Council, IREX began supporting ANEM, RTS and Spektar (the Association of Private Radio and TV Owners) in a joint initiative to develop a public awareness campaign on the need for a new broadcast media law. IREX initiated several meetings among the three media outlets to set an agenda and developed an action plan for the campaign.

Another significant public education campaign, which took place in the spring of 2004 and again in the fall of that same year, IREX Print Media Advisor Ljiljana Smajlovic worked with a team at NUNS to produce PSAs and print ads to raise public awareness of the unsolved murders of journalists Slavko Curuvija and Milan Pantic. The campaign sought to pressure the government to fulfill its obligation to investigate the cases and bring their perpetrators to justice and created a storm of protests against the government after the PSA aired on television and was printed in the main Serbian newspaper. As a result of several independent investigations following the fall campaign, different journalists and media outlets (B92 television in particular) yielded new information that put the current and past governments on the spot. The new reports revealed that authorities had known who shot Slavko Curuvija since at least December 2000 and questioned why that piece of information had never entered the public domain. IJAS also received new information about the murder of Jagodina-based *Vecernje Novosti* journalist Milan Pantic. This information was passed on to the police amid calls from journalists and the public for new official disclosures and police accountability in the matter.

IR 3.3 Media Privatize in a Fair and Transparent Manner

In 2001 the Government of Serbia introduced the Privatization Law, which generally defined the privatization procedures for socially and state owned companies. The Broadcasting Law and Public Information Law further defined the process for media privatization. The Broadcasting Law specifically prescribed a six-month deadline for a new decree to be issued that would more precisely regulate the sale of state-owned media; however, that deadline was not met and it took an additional two and a half years for the decree to become law, finally taking effect in June 2005. Various amendments have been made to the Broadcasting Law and the deadline for the privatization of municipal media outlets at the time of this report is December 2007.

IREX began working with the media industry and privatization experts in 2002 in order to establish practical and transparent procedures for privatizing the state-owned local media. In accordance with

Serbian legislation, IREX business advisor Goran Cetinic began offering advice and assistance on media privatization issues to the municipal TV and radio stations in early 2002. IREX's efforts focused on assisting ANEM members in their compliance with the privatization legislation and Cetinic worked initially with teams in Kikinda, Majdanpek and Sremska Mitrovica to prepare for the privatization of other former municipal stations into private local broadcasters, using the efforts in Kikinda as a model and pilot program. Cetinic added several stations in the Novi Sad area to his portfolio over the course of the late summer and early fall, and began communicating and cooperating with the representative of the Vojvodina privatization agency.

In October 2002, IREX employed a local privatization consultant, Miroslav Vujnovic, to assess the financial viability of Serbian media outlets seeking to begin the privatization process. Radio stations Pirot and Kikinda were the first two stations to submit their accounting information to Vujnovic for assessment. Vujnovic's work with the stations included an explanation of Serbia's privatization regulations, a description of the privatization process, and a discussion on how the assessment findings will impact each station's business. Following each assessment, Vujnovic presented his findings in the form of a booklet containing a breakdown of the station's a description of the station's management bodies and organizational and personnel structures; current financial status (e.g., profit margins, liabilities, and assets) as compared to that in each of the past five years; an estimation of the station's value; an economic analysis of the station's home market; and an overview of the overall media environment from a business standpoint.

In addition to Vujnovic's consulting work, IREX soon began organizing privatization-related seminars for ANEM member stations. In February 2003, representatives of print and broadcast media outlets from the cities of Cacak, Kragujevac, Kraljevo, Nis, Krusevac, Trstenik, Majdanpek, Sremska Mitrovica, Bajina Basta, Zrenjanin, and Kikinda met at the IREX office to discuss media privatization issues and economic problems currently faced by media outlets in Serbia. Each participating outlet sent a CEO-level manager, technical director, and a representative of the outlet's owners and/or investment groups to participate in the seminar. This introductory meeting was followed by a more detailed session covering the principles of privatization, the privatization process, and the current media situation, and IREX staff and consultants discussed problems facing individual outlets and provided advice on how they should proceed in future privatization sessions.

Cetinic participated in an economic seminar in Valjevo in March 2003 that was sponsored by the local municipal government and attended by local media outlets, business and industrial leaders, and several economists. Cetinic spoke about economic problems facing the Serbian media at large, putting special emphasis on the privatization of local state media and recommending that local businesses become involved in the process through a sponsorship or partnership role. Media representatives at the seminar voiced concern over the Serbian parliament's inability to draft and adopt democratic media laws governing libel, censorship and privatization, and how the lack of legislative progress had prevented media outlets from concentrating on the privatization process and moving toward self-sustainability. This demonstrated and underscored how essential it was for IREX to continue supporting initiatives that encouraged the drafting and adoption of new media laws.

In the spring of 2003 IREX took the initiative to introduce a coordinated approach in preparing some of the largest radio and television stations outside of Belgrade for the commercial market and 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 used to spur the government to complete the by-laws with the involvement of 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 and by May, meetings were underway with the Ministry for Privatization to begin drafting the by-laws for local media privatization.

As a result of dialogue with the Serbian Ministry for Privatization, IREX formally established a team of privatization experts in June 2003. Over the course of the next four years several individuals left the privatization team and other new members joined in their places, but the team always consisted of nine people from various professions with a variety of media, economic or governmental backgrounds and was consistently chaired by IREX business advisor Goran Cetinic. The full list of privatization team members is included below, with the first six individuals participating on the team for the full four years.

1. Goran Cetinic, economist and IREX business advisor
2. Dragan Kremer, IREX media adviser
3. Dragan Bosiljkic, Government of Serbia, Privatization Agency (responsible for media privatization)
4. Nebojsa Samardjic, lawyer, Samardjic & Zivkovic Law Office (co-owner)
5. Miroslav Vujinovic, economist, senior auditor, and Specialist for Privatization, CISCO
6. Velibor Todorov, CEO, Radio Televizija Zajecar
7. Tamara Orlandic, Deputy Minister, Ministry for Culture and Media
8. Mirjana Miovski, Government of Serbia, Privatization Agency (responsible for media privatization)
9. Ljiljana Breberina, media specialist and OSCE representative
10. Milan Jankovic, executive director of the Republic Telecommunication Agency
11. Vladimir Kojcin, advisor to the Ministry for Culture and Media

The initial team consisted 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, and its main objective was to advise the local media on aspects of the privatization process, such as the legal, economic, and marketing issues, and to initiate ways for pursuing this process. One of its first activities was to formulate the bylaws for local media privatization. As a result of the team's early efforts, government officials requested that it create a blueprint for the privatization process. In addition to this task, they also asked the team to serve as a liaison between the government and municipal broadcasters and provide consulting services such as property valuations upon request.

During the summer and fall of 2003 the privatization team examined the privatization process and identified the main problems of municipal broadcasters outside of Belgrade. In response, it began to initiate general solutions and advice, provided consulting advice for specific problems of individual media at their request, and maintained communication with all local media. In September 2003, the privatization team reviewed the draft privatization guidelines drawn up by the Ministry of Culture and Media and agreed that its main activities would include the following:

- Monthly privatization team meetings
- Roundtable discussions on the privatization law and related regulations from the Ministry, how to apply the privatization law, and progress made in the overall privatization process.
- Conferences on problems of media privatization in Serbia
- A baseline study (face-to-face interviews) on 60 media outlets on economic, political and privatization problems to be kept as a database for privatization consultation
- Consultations for individual media outlets on privatization problems and value assessment assistance

In October 2003, IREX met with the Ministry for Culture and Media to suggest the necessity of greater flexibility in its official guidelines for radio and TV privatization. As a result of meetings in November, the Ministry agreed to the suggestions in order to enable the start of the privatization process as soon as possible. The IREX team also presented a concrete proposal on how to address future potential standstills. At the team's December meeting, participants prepared additional proposals for further

improvement of media legislation, though they agreed that due to current political circumstances in Serbia, legislative changes would not be possible in the coming months.

Also in December 2003, the IREX privatization team met with representatives of five local print media organizations and the local press association for the first meeting devoted entirely to privatization problems of the print sector. The meeting revealed that each print company has encountered its own individual challenges in the privatization process: some are located in municipalities that oppose the privatization of local newspapers, while others face municipalities that are forcing them to privatize. Despite these differences, many print outlets share two common problems: little awareness of the privatization process and no financial resources to pay for it. The IREX team offered individual advice to those managers who seek to proceed with privatization.

In January 2004 developed a strategy for a major piece of research that would examine the business practices and operations of municipal stations across Serbia, in an effort to increase information about the way these stations function and to develop an action plan for privatization. The research results served as a basis for a conference in February 2004.

In a turnout that rivaled election night coverage, 148 participants gathered at the Media Center in Belgrade on February 18 to discuss the future of media privatization in Serbia and to call for greater guidance in this complex but important process. Guest speakers at the national conference included Dragan Bosiljkic from the Agency for Privatization; finance director of the Media Development Loan Fund, Jarek Gora from Poland; and Serbia's Deputy Minister for Culture and Media, Tamara Luksic Orlandic, who reiterated the government's commitment to privatizing all municipal stations over the next two years. The official deadline at the time was June 2006, a date by which all media were to have privatized or face closure; however, the ministry had not yet issued formal directions that would assist outlets in meeting their obligations. As a result, media managers remained unprepared, and in many cases unwilling, to undergo privatization. The conference sought to overcome this gap in knowledge by explaining the legal framework, answering technical questions, and offering strategies for attracting private investment.

IREX conducted extensive follow-up to the conference, including a visit by IREX advisor Goran Cetinic to a multi-lingual radio station in the Vojvodina town of Subotica to discuss the particular issues facing multi-ethnic and minority media as these outlets privatize, a roundtable discussion devoted to multi-lingual media in order to address their need for a tailored approach to the process, and a special privatization team meeting that included the participation of a number of representatives from local media to brainstorm on strategies for moving the privatization process forward. The team meeting in March 2004 produced a plan for further action that sought to encourage harmonization between Serbian municipalities and the Ministry of Culture and Media. In a related activity, the *Ekonomist* magazine published a special supplement on IREX's February privatization conference that was distributed to all conference attendees and more than 200 other recipients. The 12-page pamphlet, also published in the magazine, included several interviews and articles addressing the privatization of municipal media in Serbia.

IREX's efforts to raise awareness of the mandatory process of privatizing municipally-owned media yielded new results in April 2004 with the organization of four public debates on the topic, including one hosted by the OSCE, and the publication of several articles in *Link* magazine and the Belgrade daily *Danas*. IREX's privatization team selected a core group of 20 outlets on which to focus future efforts, including assistance in assessing the value of existing equipment in order to determine its initial start-up capital and attracting and adapting to private funding. IREX also advised stations on the legal and administrative arguments necessary for applying pressure to Serbia's Ministry of Culture and Media in order to force the government to act on established privatization procedures and begin to review the stations' prepared bids. In addition, the privatization team cooperated with the OSCE towards the joint goal of ensuring vital regulation and direction in the Serbian media market, agreeing that IREX would focus on arguments based on professional and business needs, while the OSCE worked on the political front.

On June 2, 2004, IREX held a second conference focusing on the specific challenges facing the privatization of minority-language media. The conference featured discussion on the general state of minority media, the special conditions necessary for maintaining their viability, the particular problems involved, the need to separate such outlets from the mainstream privatization process, and the legal requirements of such a process. Speakers included Jelena Markovic, Deputy Minister for Human and Minority Rights; Dubravka Valic, director of the Novi Sad School of Journalism; representatives from Radio Subotica, Radio Nis, and Croatian-language magazine *Rec* (*Word*); and members of the IREX privatization team. The transcript and conclusions of the conference were printed and distributed to relevant media outlets and institutions dealing with minority language issues in Serbia, as well as to various ministries and the Serbian parliament. Government staffers agreed to adopt many of the findings, so as to protect minority media from exposure to the most rigorous and unrealistic demands of the present privatization process. The government accepted that minority-language media perform a public service that could not be transferred to private operators. Therefore, a small group of stations would be exempted from the present rules on privatization and funds could be sought from the government to support continued minority-language broadcasters or publications, whilst maintaining its commitment to selling off all the remaining municipally owned media.

To ensure that the knowledge gained about the media privatization process was accessible to all station managers and possible future investors, IREX published a manual that included guidelines on media privatization in the fall of 2004. The manual was designed to be an easy-to-read guide to privatization with practical examples of presenting bids to the government. Included in the manual are dummy forms, with easy to follow steps on completing them. This was an important contribution to the media privatization process in a country not used to presenting business plans and financial statements, as it plainly explained how to properly complete these important documents.

In July 2004, IREX worked with managers from TV Apolo in Novi Sad, TV Kragujevac and Gradska NTV in Nis seeking to launch legal proceedings against the Ministry of Culture and Media for not preparing the privatization decree. According to the privatization law, at that point in time, the decree was 18 months behind schedule and it appeared that government officials had been prevented from proceeding with the process due to unlawful delays caused by politicians. Frustrated by this inactivity, the managers asked for IREX support in their efforts and ANEM lawyers advised the managers and were prepared to sue the Ministry for maladministration because of their failure or neglect to carry out a lawful procedure. IREX also arranged a meeting with the Minister of Culture to discuss the growing problem, and spoke with the OSCE and the US Embassy to garner political support and pressure to unblock this regulatory log-jam.

The Ministry of Culture finally released the privatization decree and guidelines in September 2004 as a result of both direct and indirect pressure from IREX and others. The privatization team reviewed the text of the decree and although it wasn't a good document, as it imposed a number of obstacles in the privatization process, it was a start. In November 2004, working with staff from OSCE, IREX produced a revised draft and after extensive consultation with the privatization team, the Ministry of Culture came to the conclusion that the proposed new draft was much stronger and would allow a normal privatization process to commence in the media sector. As a result of this work IREX also solidified a valuable relationship with the OSCE, which pressed the Ministry of Privatization and the Ministry of Culture to proceed with the decree.

In November 2004, several editors in chief and managers of local media outlets that were once frontrunners in the media privatization process, resigned from their positions. Among them were Nenad Jankovic from RTV Kragujevac and Goran Karadic from TV Apolo in Novi Sad. This was a significant setback in the development of independent and private media sector in Serbia. A number of municipalities' new local political leaders were able to regain control of the municipal media by replacing top managers at the local media outlets. This severely impacted the investments that IREX and others hade made in the local media outlets and in many ways is a return to the political practices of the Milosevic era – ensuring that top media jobs remain as political appointments, rather than selecting individuals based on professional merit. Privatization could prevent the worst excesses of political

cronyism; therefore, IREX has reminded donors that privatization should be a primary strategic objective in the field of media development.

By January 2005 the Minister for Culture had still not signed off on the new draft terms of reference and privatization policies that the IREX privatization team had presented to him, the Privatization Agency and the OSCE in the fall. Some stations went ahead and applied for privatization according to the old policies but no actions was taken on their applications. It was decided that IREX and the privatization team would form mobile teams that would visit local media and work with them to develop the necessary documentation and action plans to move ahead with their privatization plans. At the time, because the legal deadline for privatization of print media pegged for April 25, 2005, it was agreed that all local state-owned print media with high circulation should establish private shareholding companies based on an employee buy-out scheme. The newspapers would be transferred to new companies in order to avoid the possibility of the state attempting to close them down on April 25.

During this period the lawyers in ANEM's legal department continued to work with municipal stations to prepare their outlets for privatization. As the privatization process had been delayed by the government, the lawyers used the time available to instruct and advise a network of local lawyers on the legal requirements of the privatization process. This second level of legal advice ensured that managers of municipal stations could seek quick and reliable local information, rather than waiting for a response from the ANEM team on small matters.

In September 2005, IREX printed 500 copies of the "Handbook on Media Privatization" and presented the publication to the public at a press conference held at the Media Center in Belgrade. Later, IREX distributed the booklet to all local media and local municipalities. The handbook was well received by potential users as a rare example of practical help to the media that want to privatize. The simple-to-follow manual explained how to complete the government forms, how to prepare a media outlet for privatization and how to submit an application to bid for a local state-owned media business. At the press conference, the general manager of Pancevac magazine told journalists that the only real help he or others in his position received on privatization was through IREX. He added that the IREX handbook is "a small light in the dark tunnel…" that media has to pass through on their way to privatization. IREX sent the handbook free of charge to each municipality media outlet, as well as to the person in charge for information in every municipal government.

During the regular monthly meeting of the IREX Privatization Team in October, team members discussed ending the policy of separate meetings with the Broadcast Council, the Telecommunications Agency and the Privatization Agency. Initially, IREX staff met separately with the Broadcast Council, the Telecommunications Agency and the Privatization Agency to discuss ways in which to make the privatization process run more smoothly and to ensure that new owners can acquire state-owned media before the privatization deadline next year. However, when IREX staff discovered that none of these agencies had met together to prepare a joint privatization strategy, they decided to organize a joint meeting with these three agencies.

In November 2005 IREX convened the first joint meeting for representatives of the Broadcast Council, the Telecommunications Agency and the Privatization Agency to discuss the development of a coordinated media privatization strategy. Key managers from municipal stations also attended the meeting, along with the US Ambassador to Serbia, Michael Polt, and the Deputy Head of Mission of the OSCE. The event received a wide range of media coverage, which re-ignited the discussion about media privatization. Nonetheless, there continued to be strong political resistance to media privatization efforts. Instead of forging ahead with the privatization of more than 100 state-owned media outlets, the ruling parties were opposed to developments in the process and actively worked against three recent applications for privatization.

In November there was intense follow-up on the media privatization conference and IREX staff helped reporters clearly address the issues covered. The *Danas* daily newspaper began an extensive series of articles a few days following the conference outlining the need for privatization of local state-owned media

and providing different arguments for the changes. The conference also generated strong arguments between the Broadcasting and Telecommunication Agencies, the main thrust of this debate is over which agency is lagging behind in the implementation of the privatization process which is delaying the development of a new independent media environment.

By the end of March 2006 fourteen state-owned print outlets were in the midst of privatizing and another eight broadcast outlets had begun the process. Twelve more electronic media outlets started the privatization process in May 2006, and nine media business were dividing their electronic and print operations into separate entities, one print outlet and one broadcast, in order to begin the privatization process. The management of most of these outlets had either used information supplied by IREX or received personal advice from the IREX privatization team. The deadline for broadcast media was originally scheduled for the fall of 2006 but was eventually scheduled for the end of 2007, as it is expected to be much more complicated than the print media privatization due to the problems encountered with frequency allocations and the large number of stations (over 93) that are expected to privatize. The deadline to privatize print media had been set for April 1, 2006, but was then extended when it became clear that most of these media would not be able to complete the privatization process within the deadline. The Ministry of Privatization agreed to continue to accept applications from those outlets that had started the process before April. The auctions for print media were scheduled for June 2006 but were later postponed, which caused significant problems for several media outlets because many municipalities had stopped financing these outlets even though they were not yet privatized

In June 2006, *Suboticke Novine* was the first newspaper to be privatized, with nine bidders involved and a final price several times higher than expected. This newspaper received particular interest from potential buyers because it is one of the few local media outlets in Serbia that owned its premises. For a number of buyers this was a decisive factor in their bidding. Unfortunately, because the Privatization Agency failed to include conditions in the bidding documents that required all bidders to have media interests already or to be involved with an existing media institution, the newspaper was bought by a local tycoon who has links with the Serbian Radical Party (SRS).

Soon afterwards, in the summer of 2006, the privatization process was again put on hold. Information collected from a variety of sources, including media outlets that had started the privatization process, indicated that almost all print media under state/municipal ownership had completed all required steps needed to go to auction, yet the agency responsible for privatization had not announced any additional auctions despite its promise that they would start in June. The privatization team could not determine any legitimate reason for the agency's delay and at this point the media privatization process was already three years behind the deadlines proscribed by law.

In the first quarter of 2007, analysts noted that media privatization, in line with general privatization, continued to decelerate. As the International Monetary Fund (IMF) continued to assert that privatization should be a priority for the new government, once constituted, the fight between progressive and conservative forces gained momentum. According to IREX's media business specialist, Goran Cetinic, a growing anti-privatization lobby, inspired by political parties in certain municipalities, began holding up the privatization process by employing various arguments such as that stations broadcasting in minority languages should be exempt from privatization because of their inability to be self-sustainable. The IREX privatization team consistently argued that the programs should be broadcast on private stations with financial support from the state. In another move, some major municipalities such as Kragujevac and Nis have proposed to stop privatization and introduce a local version of public service broadcasting.

The privatization team resumed its monthly meetings in March 2007, following their suspension due to the parliamentary elections. The team reflected on the latest politically motivated attempts to slow the process and decided the best way to highlight the issue was to organize a high profile conference and invite the US Ambassador to Serbia, Michael Polt, and Head of Mission for the OSCE, Hans Ola Urstad, to take part once again in a conference open to all media, government officials and representatives of the privatization agency to discuss privatization issues. The privatization workshop took place at the Media Center on June 14, 2007, and was one of the last activities of the ProMedia II program. Representatives

from several government ministries, NUNS, and ANEM attended the conference, along with journalists from the foreign and domestic media. In this last IREX-sponsored privatization conference, the presenters focused on the importance of privatization, the outlets that have already been privatized, the lessons learned, and the outlets scheduled to be privatized in the near future. Many media owners are still resisting privatization, not understanding the potential benefits they could reap. Privatizing the municipal media will move the media sector one more step away from the control of government and political parties, and one step closer to obtaining a truly professional and independent media in Serbia.

By June 30, 2007, 11 media outlets had been privatized: one in 2004, two in 2006, and eight in 2007. Five more were scheduled for auctions in the summer of 2007. Print media have had an easier time with the privatization process than their broadcast counterparts as they do not require frequency licenses from the state and have not attracted the same kind of interest from politicians. Interestingly, though, the privatization cases to date have demonstrated that there are interested buyers for state-owned publications and most have been sold for sums much higher than the starting price.

Political obstructionism is still unchecked and obvious with new impetus given by local political conservative forces that came into power in some of the municipalities in the 2004 local elections. Many of the municipal governments changed the management and senior editorial staff in local municipal media and appointed party members rather than professional journalists to fill the key posts. The consequences have had a serious impact. This trend has drawn attention to the need to remove the state from media ownership and to push through the privatization process, which has been deliberately held back by some politicians who are aware of its influence and have thus obstructed the process. However, these latest political developments have helped many in the media understand more clearly that the state should be removed from media ownership and that media outlets should turn to the market for their income instead of seeking support from the public purse.

Over the course of the ProMedia II program, IREX staff worked closely with media managers and the Privatization Agency to forge a new environment in which state-owned newspapers and broadcasters could prepare for a new future as independent media. A large number of local media in Serbia are facing the challenges of privatization but now that the process has begun, and everyone has seen the positive results achieved through the practice of bidding through auctions, it is obvious that journalists, media managers and municipal authorities better understand the need for privatization and are less antagonistic toward it than they were a few years ago. Although the privatization process is not yet complete, IREX efforts have formed the backbone of the successful privatization of local media. Legislation is in place, agencies are equipped for regulation and media managers and municipal officers are prepared for the changes.

IR 4: Publishers and Station Managers Effectively Manage Media Enterprises

Business management and strategic planning have become increasingly important as Serbia moves from a command to a market economy, and as independent media outlets have faced the loss of international donor support. IREX worked with local media to develop sales strategies to help increase local advertising, which is the mainstay of support for broadcasters and newspapers. IREX's work throughout the region has shown that the media businesses that adopt a strategic approach most often fare better than their counterparts who dismiss management training as unnecessary. Under the ProMedia II program, IREX combined on-site consulting, general training sessions and small demonstration projects in management to improve the business skills and knowledge of media owners and managers.

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

4.1.1 Training to Improve Strategic Planning

IREX conducted several strategic planning and business management workshops to assist media outlets in inventorying their human and material resources, their experience, and their ability to carry out different missions. IREX conducted strategic media planning sessions and change management workshops to

help media cope with their uncertain financial future. Sessions focused on describing the media outlet's mission, its goals, and the resources necessary to achieve them. Leading international and local management trainers worked closely with a variety of TV and radio stations in general management, programming, scheduling, and strategic planning.

Leading the business plan development initiative were IREX media advisor Dragan Kremer and business advisor Goran Cetinic, who developed a training program which could be modified and implemented as needed. Initially, they offered introductory courses to independent media managers that guided them through the business planning process and assisted them in the development of their own strategic business plans. As the project and the media outlets grew, IREX conducted more advanced workshops and offered supplementary consultations to stations that needed and requested the assistance. Developing and implementing a strong business plan became especially vital in the increasingly competitive media market as it became one of the documents that all regional and local media outlets were required to submit when applying for broadcast licenses. Toward the end of the program, IREX and the Media Development Loan Fund (MDLF) jointly organized an advanced three-day workshop that focused on accounting, strategic planning (market, ratings, sales, costs, working capital), and business plan development for stations seeking to privatize and identify outside investment. Senior managers from the following media attended the workshop: The Ekonomist, Sremska TV, TV Cacak, TV YuEco, TV Leskovac, TV Prima and TV Panovicia.

International television consultant Graham Ironside conducted a variety of management courses for IREX partner TV stations. The main objective was to introduce and explain a complete set of management tools that would be necessary as municipal stations were privatized and private stations operated in a properly regulated and rationalized competitive market. Ironside, the former controller of programs at Yorkshire Television, provided intensive workshops concentrating on organizational structures; business planning, people management (including staff evaluation and utilization and fair and humane downsizing), planning methods for the use of equipment and facilities, sales and marketing, improving cost controls and effective accounting, and programming (including production, promotions, acquisition and evaluation and development of program content). Ironside's training spanned three years of the ProMedia II project by the end of which he felt confident that the people he trained had a much firmer grasp of the principles of managing program and business projects; managing people and finances; and managing the complex range of activities involved in running a television station.

Dusan Masic, both an IREX employee and an IREX consultant at different points in the ProMedia II program, worked extensively with the Serbian radio stations. Masic organized workshops for editors and directors from private and municipal stations that focused on improving the effectiveness of broadcasting content, reducing expenses, designing no-cost promotions, and identifying strategies for cooperative projects that would allow the stations to cut costs and enable their journalists to concentrate on local issues. Regular workshop participants such Radio 021, Radio Boom 93, Radio Patak, and Radio City consistently applied IREX advice and suggestions over the years, resulting in the creation of successful "formatted" radio stations, which target specific audiences through defined programming.

International consultant Bob Bairstow conducted training for TV stations on producing promotional commercials for their ongoing and future programming. His courses, far from being simply lectures on theories, involved practical hands on exercises. Using current program schedules from participants' respective stations he created practical exercises on writing and editing station-specific commercials. The commercials the station representatives produced during the courses were then aired on their stations. Bairstow also tackled the advanced principles of TV scheduling at workshops with partner training organization INVISION. The workshops addressed the need to analyze audience groups, including lifestyles and habits, in order to schedule programs and commercials to reach the largest possible audience and best demographic profiles. The workshops also sought to demonstrate how knowledge of program genres (news and information, sports, entertainment, drama, children's programming) can produce a more balanced schedule and ultimately retain an audience, and underscored the importance of professional presentations and schedule promotion. Other sessions

examined topics such as program acquisition, program exchange, and the need to consider programming of the competition.

IREX also supported local organizations' efforts to provide business training by awarding subgrants to the broadcast trade magazine *Link*. In September 2004 IREX published its first supplement, *Skills Tips for Media,* in the broadcast trade magazine *Link*. The special supplement was the first of a series of six aimed at providing information on professional standards in the media. Designed as a pull-out section and printed on thick paper so it could be pinned easily on a notice board or photocopied and distributed to colleagues in broadcasting organizations, the supplement served as a handy tool and reference to refresh ideas learned from IREX workshops.

4.1.2 Business Consulting Service

The ProMedia II program also offered consulting services to respond to needs of individual print and broadcast media on their request. Most frequently IREX staff and international or local consultants provided the services to the media outlets, but occasionally IREX awarded small grants so the outlets could procure consultants on their own. Examples of consulting topics included strategic tactical planning, financial accountability, computer software and hardware, program development, workplace design, local management audits and SWOT (strengths, weaknesses, opportunities, and threats) analysis, personnel management and human resources development, and station program formatting. Several major outlets were specifically targeted for ongoing consultation – *Danas*, BETA, B92, and ANEM – as well as a core group of ANEM stations and several smaller broadcasters, print publications and independent production houses. The on-site consulting was designed to complement the general training sessions on strategic planning.

Dusan Masic and IREX staff member Dragan Kremer offered one-on-one consultancies to ANEM radio stations. They provided all ANEM stations with analyses of the regularly commissioned radio audience research and demonstrated strong and weak programming styles, working with station managers on building sustainable new formats, which would raise their listenership and produce continually better market share to attract more advertisers. Over the course of the program, IREX worked with twenty radio stations, most of which applied the training and consulting advice and improved their positions in the audience ratings.

IREX business consultant Wes Burd began working one-on-one with TV B92's managing director Milan Begic in August 2002, making 12 separate consulting trips to work with B92 programming and sales staff over the course of a year. As B92 was in the midst of expanding into a national broadcaster, it was crucial that the station's staff was capable of developing strong programming schedules, creating effective marketing and promotional strategies, and establishing a sales department with fully trained and capable staff. Burd provided training and assistance to B92 in the following areas:

- Forming a sophisticated and adaptable rate card and presenting the new nationwide rates to current and prospective clients
- Promoting a new schedule and making program sales
- Preparing presentations and marketing and sales strategy
- Creating effective programming schedules based upon market research
- Evaluating sales and promotional activities of the past period, evaluating the results of people meters and developing a sales presentation for clients based on the research data
- Synchronizing off-air strategy with on-air promotional strategy
- Assessing overall production capabilities by analyzing equipment and available resources
- Developing and implementing a business plan
- Presenting an execution plan to B92 executive management board and relative staff.

In April 2003, after working with the station for about nine months, Burd prepared a comprehensive strategy document for Veran Matic, editor in chief and chairman of B92, listing the key changes that

needed to be made in order to keep the station going. Because the station had grown so quickly from a city-based TV and radio station to a national broadcaster, Matic and his staff had not been able to develop an organizational structure and standard operating procedures appropriate for a large commercial operation. Instead, the station was still being managed like the guerilla radio station it used to be. One of the most important changes that Burd pointed out to Matic was that the station needed to adopt a more commercial organizational style, in terms of accountability, responsibility, and management from the top down in order to invoke change through appropriate stimulus and management techniques. Additionally, Burd emphasized the need for B92 to develop a critical mass audience, as well as credibility within the community, by doing a better job of reflecting the likes and dislikes of the population in all areas of programming, both purchased and locally produced. B92 responded slowly to Burd's suggestions at first, but over time recognized the value of his consulting advice and implemented the majority of his recommendations.

Although IREX funding for business consulting at B92 ended in the fall of 2003, B92 negotiated a contract for continued assistance directly with Wes Burd's consulting company, UBC, for six additional two-week consulting sessions during the period from January to June 2003. UBC conducted training for TV B92's managing director and management staff, concentrating on sales, marketing, promotions, traffic/continuity, programming, finance issues, and business plan development and implementation.

Towards the end of the ProMedia II project, IREX-trained local consultants gradually took over more training and consulting responsibilities from international consultants and IREX staff. In 2005, local expert Mirjana Doncic-Beaton provided financial management training, a vital skill for the survival and success of any station. Consulting exclusively with TV Kraljevo and TV Cacak, Doncic-Beaton made introductory visits to the stations to gain basic financial information about their operations and determine what the managers needed to do to improve controls and planning. Following the consultancy she provided an analysis to each station and created benchmarks and set goals for the managers to aim for and linked this development to their requests for IREX assistance with privatization.

Beginning in the summer of 2006 and continuing through the end of the ProMedia II program in June 2007, business consultants Nenad Jankovic and Goran Karadic were part of a local training team that combined business management and sales and marketing training with journalism and news production training, in order to offer a program of comprehensive training and consulting to local stations TV Pancevo, TV 5 Nis, TV Jedinstvo in Novi Pazar, and TV Raska. Jankovic and Karadic worked with stations' senior management teams to improve management skills, update and improve programming schedules, improve sales techniques and develop promotional campaigns. A number of IREX partner stations requested additional training during the final project year in preparation for privatization and licensing. While managers were eager to implement what they learned the trainers' outlook on their future was less than positive as they both saw a need for continued training that IREX could not provide due to the ending of the program.

4.1.3 Developing Marketing and Sales

IREX training focused heavily on developing highly skilled sales and marketing staff and created sales and marketing departments within its partner outlets. During the life of the ProMedia II project, IREX employed four local sales and marketing trainers and six international consultants. In the later years of ProMedia II, use of international trainers tapered off as IREX was able to contract local sales and marketing trainers who had themselves been part of IREX's training of trainers program.

In May 2002, IREX consultant Wes Burd led the first sales and marketing training course offered to all sales staff from Gradska TV in Nis, TV Apolo in Novi Sad and TV B92 in Belgrade. Other representatives from other ANEM stations attended the training as well. This management training focused on evaluating audience research and utilizing it to maximize the potential audience share and advertising revenue. Burd provided an authoritative and knowledgeable introduction to basic sales techniques, including calls to potential clients and daily operation of a professional television sales department, and taught the stations

how to assess their strengths and weaknesses in order to improve efficiency and maximize sales revenue. Other practical skills taught were creating a sales brochure, identifying potential sponsors, and developing and adopting a long-term sales strategy.

One of IREX's most popular international consultants was Bud Stiker from the Radio Advertising Bureau (RAB). Working mainly with Radio 021, Radio City, O.K. Radio, and A-Media, Stiker made six trips to Serbia during his period of cooperation with IREX all of which, if not for radio sales and marketing, at least touched on the subject. Stiker consulted with the sales and marketing directors and the owners, introducing new vital tools for commercial broadcast businesses – such as the Statement of Operations, a document ensuring clear reconciliation between sales figures and air-time play lists, enabled the stations to gain greater control of their income and build their ability to plan their business development and work more strategically on sales efforts. Stiker's station visits also provided training in effective formatting for specific target audiences, developing creative promotions and sponsorship ideas, and negotiating annual deals. During his visits Stiker instructed stations on how to pinpoint tie-ins with local flavor to bring more attention advertisements and determining advertising rates, and sales and client solicitation strategies. After the stations implemented the basic skills he taught them, he focused on smaller, but no less important, details of sales and marketing such as tracking income against aired advertisement slots, improving understanding of other departments, making sales calls to Belgrade agencies and clients, and maintaining stricter programming schedules in order to sell a consistent product to advertisers. The stations with which he worked showed ongoing and substantial improvements with each visit.

In July 2004, IREX received permission to distribute the Radio Advertising Bureau's (RAB) marketing systems and documents free-of-charge in Serbia. This gave the stations access to important radio industry information that is used by RAB member stations across the United States and helped them adapt sales processing forms, advertising software, and marketing information to the Serbian market. This unique agreement was negotiated between Stiker, an RAB advisor, and IREX Serbia.

Two other international consultants, Graeme Moreland, a sales and marketing consultant, and Bob Bairstow, a program scheduling and promotions consultant, joined forces five times to offer selected TV stations a complementary approach to on-site training, introducing new techniques for sales and marketing, promotions and programming, which resulted in significant improvements in the professional skills of television managers in Serbia. Stations benefiting from the joint Moreland-Bairstow "road shows" were TV Zajecar, TV Cacak, TV Kragujevac, TV Apolo, Gradska TV, TV 5 and TV Sremska. On their first consultation with each station, Moreland and Bairstow established benchmarks for performance with the management teams. During each subsequent consulting visit to each station, Moreland and Bairstow examined the results since the previous consultancy, analyzed improvements made in audience figures, viewer satisfaction, production developments and income, and then worked with the management team to make further adaptations to their program schedules in order to increase viewership and loyalty to their stations. Moreland and Bairstow also assisted the stations' sales teams with the development of promotional materials and helped sales teams learn to refocus their efforts in line with changing reactions by the competition and fluctuations in the market conditions. As benchmarks were met and exceeded, the consultants would establish new targets for each station. Moreland and Bairstow joint efforts saw record sales increases of as much as 30% in some stations, as well as the restructuring of operational procedures and attempts to produce greater efficiency within a more coordinated management system. Each round of consulting found that at least some of Moreland and Bairstow's suggestions had been implemented, as growing competition and the looming challenge of privatization spurred stations to implement more and more of what they learned.

Towards the end of the ProMedia II program, IREX began utilizing the skills of sales and marketing specialists Nevena Radovanovic from Belgrade and Nikola Pejovic from Nis, themselves former IREX trainees. Radovanovic and Pejovic offered their services to newspapers in Vranje which had, until these consultancies began in 2006, been exposed to far less training than their counterparts further north both editorially and commercially. The trainers adapted tried and tested modules from the ANEM training center to cater to the needs of small print outlets and were geared toward topics that maximized the participants' selling capabilities and covered basic concepts and terms, market research, prospecting for

clients, sales techniques, daily work organization and client service. Both trainers saw much improvement during their short period of consultancy and while they expressed the papers' need for additional training, Radovanovic and Pejovic felt that they now had the skills necessary to build advertising portfolios and increase their sales revenue.

4.1.4 Small Demonstration Projects in Management

IREX funded a number of small projects and initiatives throughout ProMedia II to demonstrate how media can become self-sustaining in the future. Three of the most notable projects were the creation of a weekend sports program, a children's news magazine, and a student management project.

- IREX and ANEM created a three-hour sports show and distributed it through a satellite link provided to all ANEM stations. This show proved to be a valuable program for the station's weekend schedules and attracted nationwide advertisers, which resulted in greater incomes for the stations and secured their future viability.

- In October 2003, the children's TV production company started a new production for a topical news magazine that will bring together weekly contributions from Serbia, Montenegro, Macedonia, and Albanian communities in Kosovo and Macedonia. DTV produced the show in Serbian, Albanian, and Macedonian and distributed it to TV networks throughout the Balkans. The program attempted to unite children of the former Yugoslavia by increasing their awareness of the topical issues that affect their lives. While it ran, stations that carried the show displayed a rise in viewership and received positive feedback from their viewers.

- IREX also worked with the Faculty of Dramatic and Performing Arts and the Faculty of Political Sciences at the University of Belgrade on a student field project that examined management of local radio and TV stations in Serbia; promoted modern, professional standards in radio and TV journalism; and provided students with much needed practical training. The students spent four days at ANEM member stations or affiliates to monitor the stations' internal structures and program outputs. The project allowed the students to observe the practical implications of curricula topics such as management models, marketing theories and SWOT analysis, while providing IREX with research results on the municipal stations it was supporting at the time. In addition to its success as a learning tool, this project was significant as it provided an opportunity for IREX to cooperate with the university.

IR 4.2 Media outlets effectively utilize market research and ratings to increase audience share

Among the many projects undertaken by IREX during the ProMedia II program, one that arguably had the most impact and lasting results was the provision of audience research and teaching media outlets how to utilize it. In 2002 IREX began contracting Strategic Marketing and Media Research Institute (SMMRI) to plan and conduct media research. After an initial assignment in 2002 during which IREX hired SMMRI to put together surveys and research to use as both as a measure of current media consumption but also as control data, IREX began commissioning regular research to measure television and radio audiences, as well as print circulation.

SMMRI combined two information gathering methodologies to conduct the television surveys; people meters and diaries. Using software from AGB Nielson Media Research, SMMRI installed people meters in upwards of 800 homes per study. Once installed, the meters would monitor, every second, what the people in that household were watching. In the diary survey, people were asked to record what they watched everyday, at what time and for how long. SMMRI conducted radio research in a similar diary method asking several thousand people to record what they listened to and on what channel. After a week of recording their listening habits, the SMMRI survey team interviewed all respondents.

In addition to the regular ratings surveys, IREX also contracted SMMRI to conduct several opinion polls regarding elections. IREX worked with SMMRI to write a twenty question survey to answer two main themes: 1) What do Serbian citizens expect from their president and how do these expectations differ, if at all, from their expectations of the prime minister; and 2) How do respondents rank several topics of interest according to a) the topic's importance and b) the ability of presidential candidates to address them.

Over the course of the ProMedia II program, the SMMRI research was not only a measure of audience trends in Serbia, it became more and more popular among media outlets, which used its data to plan programming, scheduling, and marketing strategies and to measure and manage their growth. Stations now use the data collected by SMMRI to measure their audience share. If a station manager notices that his station is losing audience during a particular block of air time, he uses the research data to see which competitor has stolen his audience and can adjust his programming choice for that timeslot to attract back his viewers. Managers also use the data to better place advertisements and reach their target groups, thus increasing sales revenue.

While IREX has consistently paid for the research, several media partners have declared that they will try to continue to fund it. There is the hope that a group of stations will band together to commission and purchase the research from SMMRI and, not only use the data for themselves, but offer it for a small fee, to other stations which were not able to contribute to the purchase price.

IR 4.3 Supporting institutions function in the business interests of independent media

IREX and USAID have been supporting the Association of Electronic Media in Serbia (ANEM) since its inception in 1997 under the ProMedia I project. At that time ANEM was the only independent network that covered all of Serbia. Knowing its value as an organization dedicated to building a free and independent media environment, IREX continued to cooperate with it throughout the life of the ProMedia II project, devoting funds and time in order to ensure that ANEM could continue and further its efforts.

IREX has several times funded and helped organize annual ANEM assemblies or roundtable discussions for association members to help tackle issues important to the independent electronic media sector. Discussion topics have also included the association's strategic direction, how to balance itself between the interests of large national media such as B92 and the locally based smaller member stations. One of the most notable meetings of association members was the annual assembly in May 2001; at that point ANEM, which was nearly at a point of total dissolution, successfully reorganized itself and for the first time in its history, took the formal steps necessary to present itself as a network association and to ratify a code of operation and agreed on a board and membership structure. Through continuing assemblies and roundtables, ANEM and its members have solidified their relationship, grown as an association and continued to use opportunities to further independent media in Serbia.

As a result of IREX's financial and technical assistance, ANEM has advanced considerably and currently has 38 radio stations and 20 TV stations as members, along with more than 70 affiliates. ANEM radio stations cover 45 percent of Serbian territory (excluding Kosovo) and are listened to by 60 percent of the total population, while member TV stations cover approximately 35 percent of the country and are watched by 50 percent of the Serbian population.

With technical assistance from IREX staff and consultants, ANEM established A-Media as a sales and marketing department for ANEM commercial activities in June 2004. As a business association, ANEM cannot make a profit from its activities; therefore, A-Media became the legal beneficiary of marketing efforts and is responsible for the production of advertising sales contracts. A-Media is a limited liability company, with the ANEM assembly as its major shareholder and the ANEM managing board and ANEM employees holding minor shares in the company. In addition to sales and marketing efforts, A-Media is also responsible for certain areas of production, which include the creation of audio and video advertising clips, adaptation of radio and TV advertising clips, production of specific films designed for corporations, and production of documentary and other films designed for commercial purposes.

While IREX has only awarded A-Media one subgrant, in 2005 for the purchase of a radio trailer, IREX staff and consultants have provided support and advice to A-Media during its set up and development phases. IREX business consultant Bud Stiker helped A-Media to train its sales team and to structure its commission policy for sales staff. IREX staff also helped A-Media improve its sales techniques to ensure increased revenue for all ANEM radio stations, and worked with IREX media advisor Dragan Kremer to develop sales and marketing training courses for the sales staff from ANEM member stations. One significant training program introduced ANEM member stations to the potential of selling radio advertising to car dealerships in Serbia, as car dealers are some of the biggest local advertisers and, as such, are very important customers for most ANEM stations.

Ideally A-Media will eventually handle all advertising business in Belgrade for the ANEM stations throughout Serbia, thus saving the stations the costly effort of opening offices in the capital. The stations would pay A-Media a commission to do the work on their behalf. However, during the first few years of A-Media's existence, IREX noticed resentment, hard feelings, and distrust between the stations and A-Media and, in an effort to clear the air, convened a series of meetings between the stations and A-Media to help implement a new sales structure to excite the stations about utilizing A-Media.

IR 5: Covering the Hague Tribunal

In June of 2001, USAID modified the ProMedia II cooperative agreement with IREX to include an additional program component and additional funding that would enable Serbian journalists to cover the trials of former President Slobodan Milosevic and other indicted war criminals at the International Criminal Tribunal for the former Yugoslavia (ICTY) directly from The Hague. For a Serbian audience, the Tribunal proceedings needed to be covered in Serbian by credible Serb journalists asking the hard questions that Serb viewers, readers and listeners would ask if they had the opportunity. The live coverage of the Hague Tribunal was presented to Serb citizens within the context of a search for truth and a desire for national and ethnic reconciliation, and combined with background investigative reporting of war crimes, also done by local journalists. The Hague coverage project significantly increased the ICTY's profile in Serbia, and contributed to the rise of trust in the trial procedures. IREX's financial support covered the cost of travel and living expenses, housing for journalists and technicians, computers and internet service, and the use of a satellite uplink van.

IREX rented a large house, dubbed the "IREX Hague House," near the ICTY facilities that would accommodate several journalists and technicians at one time and equipped it with six computers and two phone lines, enabling all of the reporters to work on their stories and call in or email their reports from the house. The house also served as an informal gathering place where lawyers who were involved in the cases would stop by to give the reporters off-the-record briefings to help them better understand the goings on of the court. IREX leased the Hague House until September 2004 at which time, due to a decrease in the level of funding for the activity, IREX rented an apartment. In 2005, in accordance with USAID and UD Embassy wishes, IREX yet again decreased its level of support for the project and leased yet a smaller apartment. With the switch to smaller apartment IREX decided to continue support to only two journalists, one from B92 and one from BETA News Agency. IREX made arrangements with the Dutch media development organization Press Now, to manage the new apartment and provide administrative assistance for the final year of the project.

IREX purchased a satellite uplink van and leased satellite space to provide B92 journalists the means to broadcast live feed of the ICTY court proceedings to TV viewers and radio listeners in Serbia, as well as the technical ability for TV stations to send back live stand-up commentary on a daily and weekly basis. While IREX maintained ownership of the vehicle and satellite uplink, it contracted and granted authority to RTV B92 to use the van and oversee the day-to-day maintenance to ensure that it functioned properly. In August 2006, IREX transferred full ownership rights to the van to RTV B92, which will continue to use it to send reports from The Hague until the trials end. At the same time IREX and B92 also agreed that the satellite uplink lease agreement would be transferred to B92's name and it would pay for the lease through the end of the trials.

IREX received support from its efforts from the Royal Dutch Embassy in 2003 when it began issuing stay permits for IREX-supported reporters. The long term permits allowed reporters from new agencies BETA and FoNet to remain in The Hague beyond the term of a normal visa. In addition to the long term stay permits, the Embassy also issued several visa extensions to IREX-supported reporters for special circumstances, such as Jasminka Kocijan of *Danas* to cover the imminent extradition of Veselin Sljivancanin, an accused war criminal recently apprehended during a riotous raid on his fortified Belgrade home.

One of the most significant efforts on IREX's part during the Hague coverage project was in June 2002, was to arrange a one-hour 'Video Bridge' program which was broadcast from The Hague on June 12th connecting the Chief Prosecutor Carla Del Ponte with reporters in the Belgrade Media Center. Reporters were able to speak directly with and ask questions of Ms. Del Ponte and the program was aired on TV B92.

Of the many advantages to having reporters on the ground was the volume of daily reports journalists provided. From February 2002 until Milosevic's death in March 2006, while the court was in session, B92 broadcast news bulletins six times a day on TV B92, and on-the-hour updates on Radio B92. RTS television aired in-depth updates twice a day and during the main evening news on RTS Radio. ANEM radio stations re-broadcast B92 news bulletins, and the ANEM TV stations either played highlights or provided live coverage on a daily basis. As IREX also supported the BETA and FoNet reporters at The Hague, most of the Serbian newspapers also carried regular (if not daily) reports from the trial.

In 2004 B92 launched a new morning court show which was so popular that within its first year increased viewership and eventually held 6% of the audience. The effect on B92's daily average ratings helped increase its scoring against commercial competition and increased advertising revenue. The morning program had expert analysts and legal opinions so that the audience received more background information about the proceedings surrounding the cases at the ICTY.

The most sensational and widely covered event during the trials was undoubtedly the death of Slobodan Milosevic. The news broke on a Saturday morning and B92 was the first station to cut from its normal program schedule to carry the story from The Hague. B92 used the outside broadcast van and other technical facilities in Holland to bring live reports, interviews and two-way briefings with reporters from outside the prison where Milosevic died. With B92's unrivaled knowledge of events at the ICTY, which would not have been possible without IREX support to keep journalists there, the production team in Belgrade was able to air retrospectives about Milosevic's career and unfortunate legacy for the country. Over the intervening days B92 and RTS newsrooms provided substantial reports on the 1990s ensuring that Serbs remembered the violence and unnecessary suffering caused by Milosevic's policies.

In February 2007, IREX concluded its support for indigenous Serbian media coverage of the International Criminal Tribunal for the former Yugoslavia after five years. Beta news agency and B92 will continue their coverage of the Tribunal using their own funds, as they have recognized the value of providing reports directly from The Hague. IREX support for the Hague coverage project has enabled the Serbian public to witness indictees – be they Serbs or other ethnicities – receiving fair trials, a vital part of the process of post-war healing and reconciliation in the Balkans. In addition to the benefits to the audiences, IREX support also helped to train a generation of young reporters in international court reporting and while by no means complete, the following list of participants represents not only the IREX-supported journalists who directly participated in this project, but also participants' fellow journalists who learned indirectly from their colleagues' experiences.

B92:
Srdjan Predojevic
Srdjan Rsumovic
Vlada Masic

Vojkan Rados
Ljubica Gojgic
Filip Jasnic
Vladimir Ignjic
Mladen Vasic
Dejan Milanovic
Aleksandar Mastilovic
Bojan Petrovic
Milos Simic
Miodrag Vidic
Bosko Brankovic
Radosav Dakic

BETA News Agency:
Radosa Milutinovic
Dejan Erakovic
Filip Rodic
Maja Poznatov

***Danas*:**
Jasminka Kocijan
Safeta Bisevac
Ivan Nikolic

FoNet News Agency:
Zlatko Cobovic
Davor Pasalic

***Glas Javnosti*:**
Miroslav Jankovic

***Nezavisna Svetlost*:**
Ljubisa Obradovic
Ljubia Bradovic

NIN:
Ljiljana Smajlovic

RTS:
Dejan Jovanovic
Natasa Mihailovic
Brkic Bojan
Bojan Birkic
Danica Kostic
Biljana Pekusic

***Vreme*:**
Nenad Stefanovic

IR 6: Truth and Reconciliation Television Program

Because the political trends in Serbia were shifting towards more extreme rhetoric, the U.S. Embassy, USAID and IREX discussed and agreed to produce a television series on truth and reconciliation that would be broadcast in Serbia in order to address the issue of war crimes and challenge its viewing

audience to reflect on the atrocities of the 1990s.. IREX had already provided subgrant funding to several TV stations for the production of programs on this important subject, but the stations that were eager to air these types of programs (e.g., B92 and several of the ANEM member stations) were generally broadcasting to the small but open-minded audience that had already accepted the need for examining the conduct of Serbian paramilitary and military forces during the years of war.

Television diary research and daily people meter surveys clearly showed that most programs containing issues related to truth and reconciliation were invariably watched by people who already sympathized with the need to deal with the atrocities and crimes committed over the past decade. It was also clear from such research that the vast majority of viewers, who had not yet been exposed to these types of programs, rarely watched the stations that aired them. Therefore the objective of IR 6 was to fund the production of a series of programs that by its very style would make the subject accessible to a larger and younger audience without trivializing the complex and emotive subject. The public broadcaster, RTS, with its national footprint and more conservative audience was the most obvious television outlet for this kind of program and IREX received a commitment from the RTS managing director to air the series.

It was clear during the parliamentary elections of 2003 that an alarming number of young people voted for the policies of extreme nationalist parties. Any criticism or debate about these parties' past posturing failed to impact on this important group of voters. The project's objective therefore was to target very specifically this up-and-coming group of voters who, as yet, had not fully formed their allegiances to any particular party, but who had helped increase the electoral success of parties such as the Serbian Radical Party (SRS).

IREX selected an international production company, Smith & Watson, to work with a local production company, UrbaNS, to produce the programs. The involvement of a foreign production company was important to the success of this project, as no Serbian production company has undertaken this type of audience show. Through the combination of a local company teamed with international experience, IREX was also able to further develop the skills of Serbian producers and media professionals who already had an established reputation as independent and courageous.

The Truth and Reconciliation activity officially got underway in October 2004, with the Smith and Watson directing team arriving in Serbia and establishing an office in Novi Sad, where they began working alongside the local production company Urbans. Together they developed the opening graphic sequence, agreed upon the program music, approved the studio set, set up the research team, selected the ethnically mixed audience of young people, and hired presenters.

The studio audience of 18-28 year olds was carefully selected by a team of researchers employed by the local production company, UrbaNS, so that it reflected the ethnic diversity of the former Yugoslavia. The young audience included Serbs, Croats, Albanians, Bosniaks and a small number from other smaller ethnic groups, such as Roma. Based on their knowledge of audience-based shows and the particular subject matter, the program producers selected two random, interesting, communicative and confident young people to visit locations where atrocities were committed for each episode. As representatives of "ordinary" opinions, these individuals conveyed their own personal views in taped reports, produced individually with the creative input of a producer and cameraman. The reports were shot in a stylish, modern and yet basic fashion that included local input and/or eyewitness accounts.

Two young hosts moderated the studio audience discussions in Serbian, with interpretation for other languages. Each episode began with a brief introduction during which the hosts introduced the two audience members that had made reports for that specific program, then the studio audience watched each report and participated in a discussion based on their reactions and impressions.

The team researched and filmed the first reports for the pilot show in October. The filmed reports consist of two personal reports about the lasting affects of war crimes and are an important element in the production and are used to provoke debate amongst the studio audience. Urbans worked extremely hard to find audience members within the target age group that represented both nationalists and democrats

from Bosnia-Herzegovina, Croatia, Montenegro, Kosovo and Serbia. Urbans filmed the studio-based audience segments during the weekend of November 20-21, 2004, in Novi Sad, and the studio debates proved to be strong, with eager contributions from many of the audience.

In December 2004, Strategic Marketing and Media Research Institute (SMMRI) arranged two focus groups to view and discuss the pilot program. After viewing the program, the members of the focus group answered a questionnaire and participated in a moderated discussion. As a result of the focus group discussions, a number of critical changes were discussed by the producers and the Urbans/Smith and Watson team further refined and defined the program. The pilot was then shown to USAID and US Embassy staff for comment, and further subsequent changes were agreed upon with the Serbian producers. With the pilot program approved, IREX presented the program to RTS and negotiated broadcast times.

The series of reconciliation programs was named Restart because this word is known and regularly used by Serbian youth in the context of shutting down a computer and starting it up again, i.e., restarting, in an effort to clear problems from the operating system. Each of the eight programs in the series began with a pre-filmed report presenting two sides of an issue or particular conflict from the recent wars of the 1990s. The specific issue and/or conflict was then opened for discussion by studio audience comprising representatives of all ethnic communities in the former Yugoslavia. Former soldiers, who had once been enemies, met for the first time and spoke candidly about their views about the conflicts. Ultra-nationalists from various countries also were in the selected audience, but the spirit of the proceeding was positive and the atmosphere remained friendly. All eight programs in the series were shot during the latter part of January and the final editing of the series was completed a few weeks afterwards.

IREX ensured a strong start to the series, by assisting RTS with a press release, drawing up a list of journalists to be contacted about the program and creating a media launch event for the media. This promotion ensured that national newspapers produced editorial material about the launch of the series. IREX also helped Urbans Production company produce promotional material for RTS Television and Radio. In addition, RTS conducted interviews with the presenters and producer of Restart for their radio and television shows.

Although the program was to be aired in prime time in April, it was eventually broadcast on RTS 2 in June and July 2005 due to other programming commitments at RTS. Despite the unfortunate timing of the series during the summer months, as well as the non-prime time timeslot of 11 p.m., Restart was quite successful. With the assistance of SMMRI and its people meters, IREX was able to monitor the ratings of the Restart series each week. The people meter results indicated that the program was the most popular production on RTS 2 at the time. It maintained ratings in excess of 7% reach and rising above 9%, representing over 500,000 viewers for each show.

The Restart series also attracted positive comments from viewers on the RTS website; more than 4,000 comments each week were sent in from Serbia, neighboring states and across the world – including the United States. There were numerous comments on the program from Albanians in Kosovo. The e-mail contributions were mainly adding to the debate and most were positive about the program as a forum for truth and reconciliation. It was apparent that the style and energy of the programs seemed to hold the viewers' attention.

The Serbian press covered the series very fairly and the program consistently received positive critical reviews from journalists and columnists across Serbia, for its effective ability to provoke fresh and important discussions on truth and reconciliation issues. The management at RTS believed the program forced the nation to realize the need for recognizing crimes committed by Serbian forces in the 1990s and offered a new approach to reconciliation debates – particularly between younger people. The series attracted an average weekly audience of 400,000 and produced in excess of 9,000 responses on the RTS website – the largest response to any RTS program at that time. The Deputy Head of Mission at the US Embassy in Belgrade referred to the series “as a great success’ and was keen to have USAID and IREX fund other programs, such as the Insider series on B92, that would prove a valuable tool in getting

Serbs to examine the past and grow to accept their former leadership's responsibility for atrocities committed in their name. Following its broadcast in Serbia, USAID and IREX provided the Restart series to media outlets in neighboring countries and territories such as Bosnia and Kosovo for broadcast.

V. CONCLUSIONS AND LESSONS LEARNED

During the nearly eight years of the ProMedia II program, Serbia experienced numerous events that had significant impact on the development of the country and its current political, economic and social conditions, which in turn have had an impact on the development of the independent media sector.

- In late 1999 and early 2000, the country was recovering from recent NATO bombings of Belgrade and other strategic sites in Serbia.
- The presidential elections of October 2000 resulted in the ouster of President Slobodan Milosevic and his regime as citizens weary of his policies and blatant abuses revolted against his attempts at election fraud. Vojislav Kostunica was declared the new president of Serbia on October 6, 2000.
- In 2001, Milosevic was arrested and subsequently transferred to the International Criminal Tribunal for the former Yugoslavia (ICTY) in The Hague to stand trial for war crimes and crimes against humanity.
- Prime Minister Zoran Djindjic was assassinated in March 2003 and the government imposed a 42-day state of emergency and began a crack down on organized crime.
- Three unsuccessful rounds of presidential elections were held in 2002, with an additional set of unsuccessful presidential elections held in the fall of 2003, before the current president, Boris Tadic, was elected in the summer of 2004.
- Parliamentary and local elections in the fall of 2003 brought the beginnings of a resurgence of nationalistic political parties and several municipal governments shifted into the hands of politicians that wanted to keep the local media as tools of propaganda.
- In accordance with US Congressional certification requirements, Serbia's robust FY2004 assistance package was cut by over $16 million due to the Serbian Government's non-cooperation with the ICTY ($10 million was later released in 2005).
- In 2006, Montenegrins voted for independence from Serbia and Montenegro, the last remaining vestiges of the former Yugoslavia, and international negotiations began on the final status of Kosovo.
- In March 2006, Milosevic was found dead in his prison cell at a UN detention center while on trial for war crimes at the ICTY.
- The European Union called off talks on closer ties with Serbia in May 2006 because of its failure to arrest indicted war criminals in compliance with the ICTY.
- Serbia voted for the country's first constitution in the post-Milosevic era in October 2006, followed by parliamentary elections in January 2007, in which the Radical Party of Serbia received the highest percentage of votes and the delayed formation of a new government to within days of the legal deadline almost resulted in the need for new elections.

These turbulent times served as the backdrop for USAID and IREX efforts to develop the independent media sector in Serbia and to institute internationally recognized professional standards for journalists and the media industry. Despite the ongoing political and economic struggles, the ProMedia II program had considerable impact on the independent media sector.

One of the most visible impacts of IREX ProMedia II/Serbia is the development and continued success of RTV B92. Through training and direct grants, IREX was the main donor to B92 as it helped to move the existing capacity of a small radio station to the capacity of national television and radio broadcaster. RTV B92 is recognized by Serbian citizens and the international community as the most objective and independent national news provider in Serbia. According to a May 2007 research study by SMMRI, RTV B92 currently has almost 10% of the national TV market and reaches 98% of the Serbian population. The

major benefit of such wide distribution is that the content of TV B92 and Radio B92 provides Serbian citizens across the nation with high quality, balanced information.

RTV B92 has also shared its content with the ANEM network and brought high quality independent programming to smaller local and regional stations in the network. RTV B92's award winning investigative series that received grants from IREX has provided a watchdog function of the media. Their success has encouraged other stations to also produce investigative news programs. RTV B92 is the model that many local, regional and national outlets aspire to be like.

The goal of IR 2 of the ProMedia II program was to develop the infrastructure to ensure efficient production and dissemination of news and information. IREX has accomplished this in two ways. First, it helped RTV B92 become a leader in news production as it shares its news freely with other outlets via its internet site, and second, it has supported independent news agencies that provide local, regional, and national media organizations with objective news.

IREX worked with the news agencies BETA and FoNet to create the capacity to produce and disseminate news and information. Many smaller media outlets rely on news agencies for large portions of their national news information. The state run Tanjug news agency has dominated the industry but the emergence of IREX-supported BETA and FoNet has ensured that there is competition in the news agency sector. This competition has improved the professionalism in the sector and gives independent media outlets a choice when they decide which information to share with their audiences. In the end, the public benefits from this increased competition and professionalism.

An important aspect of the ProMedia II program was for media outlets to cover relevant news and information so that citizens could be more informed of what their political leaders are doing. The assumption was that when the public better understood the implications of the actions of their political leaders, they would be more likely to hold them accountable. It appears that Serbian citizens are using the information that they gain from IREX partners' news coverage to hold their elected officials to higher standards of service. Additionally, objective and balanced content has created new norms of what is acceptable public discourse. It has had a moderating effect on the tone and content of the discussions about the past, Kosovo and other emotionally charged topics.

When the ProMedia II program began, the ANEM network of small local stations that broadcasted independent media already existed. IREX began working with ANEM to help the member and affiliate stations become sustainable and progress towards privatization. Because of this assistance, ANEM is moving toward sustainability by requiring membership dues. Currently members pay quarterly membership dues based on the size of the potential viewership/listenership of the municipality or region. ANEM still relies on donations, however, to cover some of the costs of providing training and services to members and affiliates.

The ANEM network stations continue to improve and gain market share and IREX training has brought the news content and programming of these stations to a high level of professionalism. ANEM member and affiliate stations continue to broadcast news programs such as Radio Free Europe, BBC and other internationally recognized programs that bring valuable perspectives to the Serbian public. The stations use the ratings research conducted by Strategic Marketing and Media Research Institute (SMMRI) to improve and modify their programming, and they have reported increases in their revenue and increases in the amount of time viewers/listeners spend with their station. The ratings research demonstrates that IREX media partners have emerged as leaders in both local and regional news. When these stations broadcast independent and balanced news, they reach large audiences and thus influence public opinion.

In the mid-point of ProMedia II, IREX used the ratings to shift its strategy of providing many outlets with training and advice to a policy of selecting top rated stations for its enhanced consultations. This was an effective strategic decision that strengthened the capacity of the media sector. To become a top rated station, media partners needed to use the ratings to improve their programming and the partners needed

to show concrete business plans. Also, IREX's management decisions to work with a few select stations prompted stations across Serbia to improve their content and marketing. IREX's criteria for working with select stations motivated stations to make necessary changes in order to become the top station in their local region.

One of IREX's goals was to provide journalists with training that would enable them to create fact based information for citizens and have a certain level of professionalism in their programming. There are two types of training capacities that IREX is leaving behind. The first is a cadre of highly professional and effective local trainers and the second is training among and between IREX partners. The cadre of local trainers will be able to continue to train media organizations in technical and marketing skills.

Through two training organizations, IREX was able to maximize the number of outlets and individuals that could participate in the training. INVISION, a television training company, has been working with IREX for nearly 10 years and has the capacity to continue training camera operators, journalists, presenters, and editors. Radmila Dulovic, the Director of INVISION, said that the "most important thing is that we created across the country, different communities, nationalities, and religions, the same professional standards." ANEM has also been working with IREX for a long time, although it is currently downsized to better achieve sustainability in the post-IREX era. During ProMedia II they focused training on radio stations and trained countless individuals on the "ins-and-outs" of a successful and sustainable radio station. ANEM continues to be available to train journalists and technicians.

IREX also conducted separate trainings with specific outlets, which primarily involved site-visits and as-needed consultations. The media training capacity across topics now exists in Serbia and recognized local experts are available to continue training. IREX was also able to encourage the top media outlets to share their knowledge by working directly with other outlets that are either newer or less experienced independent media organizations. IREX also provided integrated and long-term on-site training and consulting for TV stations. Here highly competent consultants would stay for one week or even longer to work on a holistic approach to training everyone in the station. These were highly successful projects that brought training to a large number of station members.

The media efforts to reform the regulatory framework in Serbia have not achieved the desired results and there is still a weak legal and regulatory framework in Serbia for media organizations. There have been a variety of press laws passed but not implemented. Additionally, there appears to be minimal political will by any party to create a more open and transparent framework for the media. There are several IREX-supported groups charged with advocating for legal and regulatory reform. The ANEM Legal Team, NUNS, and Local Press have vested interests in proposing, passing, and implementing media reform laws that support free speech.

IREX funded a variety of topical productions for radio, television and print to improve the quality of journalism in part by raising the production standards at local media outlets. Individual media outlets and independent production companies received IREX grants to create programming or supplements about topics relevant to the Serbian public. The grants succeeded in helping build the capacity of those outlets and many of the local outlets that benefited from this support intend to continue making these types of productions. These productions give them an opportunity to inform the Serbian public about important and relevant information, including issues like elections, organized crime, or even environmental and health.

IREX sought to improve the sustainability of media outlets by 1) working with stations to develop and use business plans, 2) commissioning audience ratings research, and 3) helping stations rely less on donations. By the end of the ProMedia II program, most media outlets had developed some type of business plan. However, it has been difficult for them to follow their plans because of the uncertain economic situation, as well as the imminent privatization/licensing decisions facing them. The audience research commissioned by IREX has helped stations better manage their growth. Several organizations have incorporated the data into their marketing materials to be given to local businesses as evidence of

their audience share. Stations are also using the ratings data to adjust programming and plan for future projects.

IREX has helped media partners build sustainability by preparing them to live without donations from the international community. Some of the stations in the lesser-developed regions have 70-80% of their operations cost covered by advertising and some are using donor funding to cover the costs of special projects and feel that they are sustainable for most daily operations. This is a very positive result of the IREX program and can be attributed in part to the sales and marketing training that IREX supported.

IREX devoted significant program resources to support indigenous media to cover the trial of Slobodan Milosevic at the International Criminal Tribunal for the former Yugoslavia (ICTY). In general, Serbians were concerned about whether their former leader would receive a fair trial. The major goals of IREX-supported Serbian media coverage of the trial were to build trust in the process and so that people could move beyond the Milosevic years. To accomplish this, Serbian reporters needed to be on the scene to provide analysis and Serbian citizens needed to be able to watch all elements of the trial live. There were mixed reactions to the media's coverage of the trial. Milosevic, who knew firsthand the power of media for propaganda, used his trial to attack his enemies and promote his nationalist cause.

Through a separate project funded by the Charles Stewart Mott Foundation, IREX also supported Hague-based coverage for indigenous media outlets from Bosnia-Herzegovina, Croatia, Kosovo, Montenegro and Macedonia. Several Mott-sponsored journalists shared living space with the Serbian journalists and, as a secondary result of the program, developed or re-established strong professional relationships and continued sharing information after returning to their home countries.

The findings discussed above provide evidence of the impact of the IREX Pro-Media II program. Future media support programs should continue to work with independent media to further develop their sustainability as businesses. A financially successful media sector removes the potential influence of political parties and government on media content. The next phase of media development activities should ensure that privatization does not diminish the quality of professional and objective news as new owners treat media as a business rather than as a public service. Additionally, the next media development program needs to help prepare the media for the future of digitization and internet news and information. At the core of any new media program, there needs to be a cadre of highly professional, strategic, forward thinking professionals, with significant media and business experience who are available to media organizations.

Final Program Report
Extension Addendum - Revised

ProMedia II/Serbia Program
(Cooperative Agreement No. CA#169-0022-A-00-9101-00)

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I. EXECUTIVE SUMMARY

The USAID-funded ProMedia II/Serbia program began in October 1999 as a follow-on to the ProMedia I program, and concluded on June 30, 2007. On October 25, 2007, after IREX submitted its final report on the eight-year project, USAID granted IREX a cost extension to continue its activities through September 30, 2008. Due to the time lapse between ending ProMedia II in June and receiving additional funding for the cost extension period, IREX spent January and February of 2008 performing the administrative duties necessary to re-open a new office in Belgrade, which included re-registering with the Serbian government and re-staffing.

The extension period proved to be as tumultuous as the previous eight years of the program. Independent media continued to suffer severe economic pressures and operated under a weak legal framework, experienced political pressures, and felt social pressures. The Serbian government held a series of elections during the period for president, parliament, and local government that continued to delay efforts to press forward on legal issues for the media. In addition, it passed two laws--the Law on Local Self-Government and the Law on Capital City--which were in direct contradiction to the law on privatization. Further complicating the media environment was the declaration and international acceptance of Kosovo's independence on February 17, 2008.

In order to continue to provide the assistance required by Serbian media, IREX designed its activities for the extension period to be in line with the overall goal that ***independent and sustainable media provide citizens with objective news and information***. To achieve this goal, the ProMedia II program pursued the following goals: help independent media develop beyond merely re-establishing themselves in the new democratic environment and move them towards economic self-sufficiency; contribute to developing their capacity to employ professional staff; support the institutional media infrastructure within the framework of privatization and advocating for new regulation laws for internet and new media; provide opportunities for associations and media to connect with international media experts to gain information on internet and new media usage to discuss legal structures for its regulation; and provide journalists and media managers with the skills and resources necessary to move towards increased professionalism, especially when covering topics that go beyond the Serbian media's traditional political coverage, such as economic, legal, ethical and social issues.

ProMedia II accomplished major steps toward facilitating a fair and independent media in Serbia and provided basic training and professional development for media outlets. IREX also worked to strengthen the media organizations and give them the tools to survive in an uncertain market and regulatory environment. During this extension period, IREX also involved other donors and NGOs such as the Organization for Security and Co-operation in Europe (OSCE) and Booz Allen & Hamilton and cooperated with them on a higher level than anytime previous in the program.

The overall impact of the ProMedia II program is that it was able was to facilitate media development so that television and radio outlets contributed to democratization in Serbia. Today, there are dozens of media outlets in both urban and rural regions that produce objective and professional content. This independent content significantly influenced the political situation in the nation in 2000, and it is widely accepted by local experts and the international community that Serbia's media played a significant role in ending the Milosevic regime.

Media experts agree that today the content of the news media is more moderate, supportive of democracy, and willing to tackle difficult and previously under-examined topics including the war, the crimes of the Milosevic regime, and corruption. Thus, the Serbian people have access to better information than they did before. Additionally, the public has more high quality programming that includes investigative reporting, balanced news coverage, and special topic programming that is moving the nation toward democratization and EU ascension.

II. INTRODUCTION

The political, economic, and media landscape in Serbia have changed enormously since ProMedia II Serbia began. While the media is no longer under the same heavy censorship and threat from Milosevic's regime, the lack of forward movement in privatizing media has left many outlets under the control of local governments and political parties. In view of the legal requirement to privatize municipal stations, IREX established an expert team of consultants which assisted individual stations with all aspects of the privatization process. The privatization team also provided indirect support and expert opinion to media associations, managers, municipalities and government ministries in regard to this complex issue. In addition, IREX supported ANEM's legal department in its wide-ranging legal efforts to assist the association's member and affiliate stations throughout Serbia in matters of privatization, frequency allocations, access to information, and freedom of the press. Despite the re-formation of this group during the extension, recently passed laws on Local Self-Government and on Capital City directly contradicted privatization laws and regulations, and the process halted completely.

Despite the lack of privatization and the numbers of both print and broadcast media outlets still controlled by personal interest and political parties, there remained a handful of independent and successful outlets that maintained trust from Serbian citizens and the country's media sector at large. Among these are long-time IREX partners RTV B92, news agencies Beta and FoNet, and the successfully privatized RTV Zajecar. B92 continued to be one of the highest ranked stations across Serbia.

While IREX saw a dip in editorial and reporting quality between initial program closure in June 2007 and reopening in January 2008, reinstituting the practice of working with a select group of stations on news production, management, and sales and marketing had marked effect on the stations involved. IREX offered in-depth news production training by a group of IREX-trained trainers; niche and special topic reporting workshops such as environmental, business, and minority reporting; and advanced sales and marketing workshops for marketing employees who have been implementing skills learned in previous beginner courses.

Within the area of media development, IREX sought ways to work with other USAID implementers as well as other international and domestic organizations, so that journalists could develop a greater understanding of legal, economic and social issues that are important to Serbian citizens. As part of this, IREX increased its cooperation with and support to media associations during this extension. From these partnerships, policy papers and advocacy activities emerged that urged media organizations and the Serbian government to adopt laws and policies that would support a more stable and independent media environment.

The struggle to build and promote professional standards in Serbian journalism still falls largely on independent media alone. Serbia's media audience lost its political innocence under a string of governments which cynically abused the media for political gain. Too often the media's responsibility to the public seemed to come second to an individual outlet's political agenda. Media organizations more or less openly align themselves with particular interests, leading to disaffection and disillusionment among the population.

The disastrous distortion of the economy during the Milosevic era was still felt in Serbia during the extension period and had a significant impact on the viability of media businesses around the country. A majority of independent stations and publications, which survived the Milosevic period with the aid of foreign donations, were still far from being economically self-sustainable. Although frequency allocation and privatization will eventually decrease the number of media operating in the market, the professional media in Serbia still face a leaner future and will need to adapt their skills to the needs of the market and improve their levels of self-sustainability as donor support and/or government funding diminishes. It is also essential that the Serbian government effectively regulates the broadcast market and forces unlicensed media to close, which will allow professional businesses to plan and flourish in a more structured environment.

MEDIA SUSTAINABILITY INDEX AS AN INDICATOR OF SUCCESS

IREX's Media Sustainability Index (MSI) provides in-depth analyses of the conditions for independent media in 38 countries across Europe, Eurasia, the Middle East, and North Africa. Since the Eurasian MSI was first conceived in 2000, in cooperation with the United States Agency for International Development (USAID), the MSI has evolved into an important benchmark study to assess how media systems change over time and across borders. Policymakers, development specialists, and civil society leaders and professionals in transitioning countries increasingly recognize the state of media as a key element of the development agenda, not only in the democracy and governance sectors but also in such fields as economic growth, poverty reduction, health, youth, and gender. The MSI is designed to assist in advancing development in all these areas by analyzing the elements of each country's media system and highlighting where intervention can be most effective in promoting a sustainable and professional media system. (2008 MSI results for Serbia are available at; http://www.irex.org/programs/MSI_EUR/2008/serbia.asp#intro).

Serbia's scores for the MSI objective on free speech have been on a roller coaster ride since 2001. The expectations for implementation of new media laws have not been met. As a result, Serbia's score for objective 1 has both increased and decreased sharply twice in the past six years, dropping from an all time high of 2.39 in 2005 to 2.21 in 2008. Although most norms defined by law were suitable and free speech was guaranteed by the regulations, the laws affecting media were not put into practice effectively or uniformly but were enforced on a case-by-case basis. The Republic Broadcasting Agency's activities in the licensing process for the national frequencies were controversial, and freedom of expression protections have been misused to defend or justify hate speech especially against minority groups, with ineffective sanctioning of such practices. There were a number of serious crimes against journalists, but the state systematically ignored the attacks, serious threats, and break-ins at editorial offices. There was still strong interference by state structures into media, and media privatization has not fully proceeded. Politicians continued to choose managers and editors-in-chief at the more than 100 state-owned media in Serbia, and the state news agency Tanjug is financed from the state budget. Libel remained under Serbia's Criminal Code; however, the newly introduced criminal law abolished imprisonment and introduced monetary penalties, which may turn out to be worse for journalists with limited financial resources. The implementation of the Law on Free Access to Information of Public remained problematic. Despite recent decreases in this objective, and although the scores have gone up and down over time, the 2008 MSI score demonstrates that, overall, freedom of speech in Serbia has improved since the beginning of the ProMedia II program.

2001 MSI Score for Free Speech: 1.72
2008 MSI Score for Free Speech: 2.21

The professionalism of journalists generally received the lowest overall rating for any objective in the MSI for Serbia. However, while low, it has steadily risen: 1.75 for both 2004 and 2005, 1.88 in 2006, and a marginal increase to 1.91 in 2008. Lingering problems remained: no quality niche journalism, very low salaries, aggressive "tabloid" journalism, and lack of coverage for some important issues. A large percentage of working journalists were not educated in spite of a number of active journalistic faculties, schools, and professional-development options. Lack of professionalism in media also produced vulnerability to political or other pressures, and journalistic ethics in a number of cases were ignored due to ideological prejudices, neglecting responsibility, corruption, or general lack of professional competence. Economic conditions at media outlets and among journalists themselves also negatively impacted professionalism in the media. Of all MSI objectives, the professionalism of journalists has shown the least amount of improvement over time, never reaching above the score of 2. The MSI measurements do show, though, that professionalism has improved since the beginning of the ProMedia II program.

2001 MSI Score for Professional Journalism: 1.43
2008 MSI Score for Professional Journalism: 1.91

The plurality of news sources available in Serbia was diminished by a number of factors, including a decline in scientific and educational programming, the cost of news agency services, nontransparent ownership in most media, the very low economic potential of local broadcasting media to produce good programs, and the unresolved question of long-term financing of media in minority languages. This has contributed to an ongoing decline in the overall rating for objective 3 to 1.91 in 2008. Most highly assessed for this objective were the affordability of news sources, the unrestricted access to media and the performance of independent news agencies. The lowest mark reflected the lack of transparency of media ownership. Unquestionably, there existed a plurality in the affordable public and private news sources in Serbia. There were no restrictions on domestic or international media, although the relatively low circulation of print media is a consequence of the circumscribed buying power of citizens. The quality of news and information produced by independent news agencies BETA and FONET was high, but many media outlets were unable to pay for agency services. Independent national broadcasters were also producing high-quality news programs, but local media in the regions were more often producing low-quality news programs under the heavy influence of local authorities. Serbia attained an all-time high score of 3.10 for the plurality of news sources in 2003, but this has consistently decreased each year since then. Overall, however, the plurality of news sources has increased since the beginning of the ProMedia II program.

2001 MSI Score for Plurality of News Sources: 2.21
2008 MSI Score for Plurality of News Sources: 2.48

Serbia's media sector showed a significant improvement in its business-management practices, and the the MSI rating for objective 4 increased to a high of 3.07 in 2005. About 15 percent of the country's media outlets are public-service and state-owned; the remaining private media shwoed improved results, and the competitiveness of the market grew. There remained some private media that did not have independent editorial policy and depended heavily on the subsidies of an interested backer, with the related drop in professional standards. For the most part, however, the private media market was maturing, and income from the media business grew steadily. The marketing activities of advertising agencies were expanding, especially in urban centers. Research on the performance of media outlets in terms of reach and audience share, supported through media-development programs for eight years, became an instrument of media management used equally by media managers and advertising agencies. Despite the weak economy during the ProMedia II program, the MSI scores for business management increased sharply in 2002 and again in 2003, remaining at high levels with only slight variations for the past three years. This objective has shown the greatest improvement over the course of the ProMedia II program.

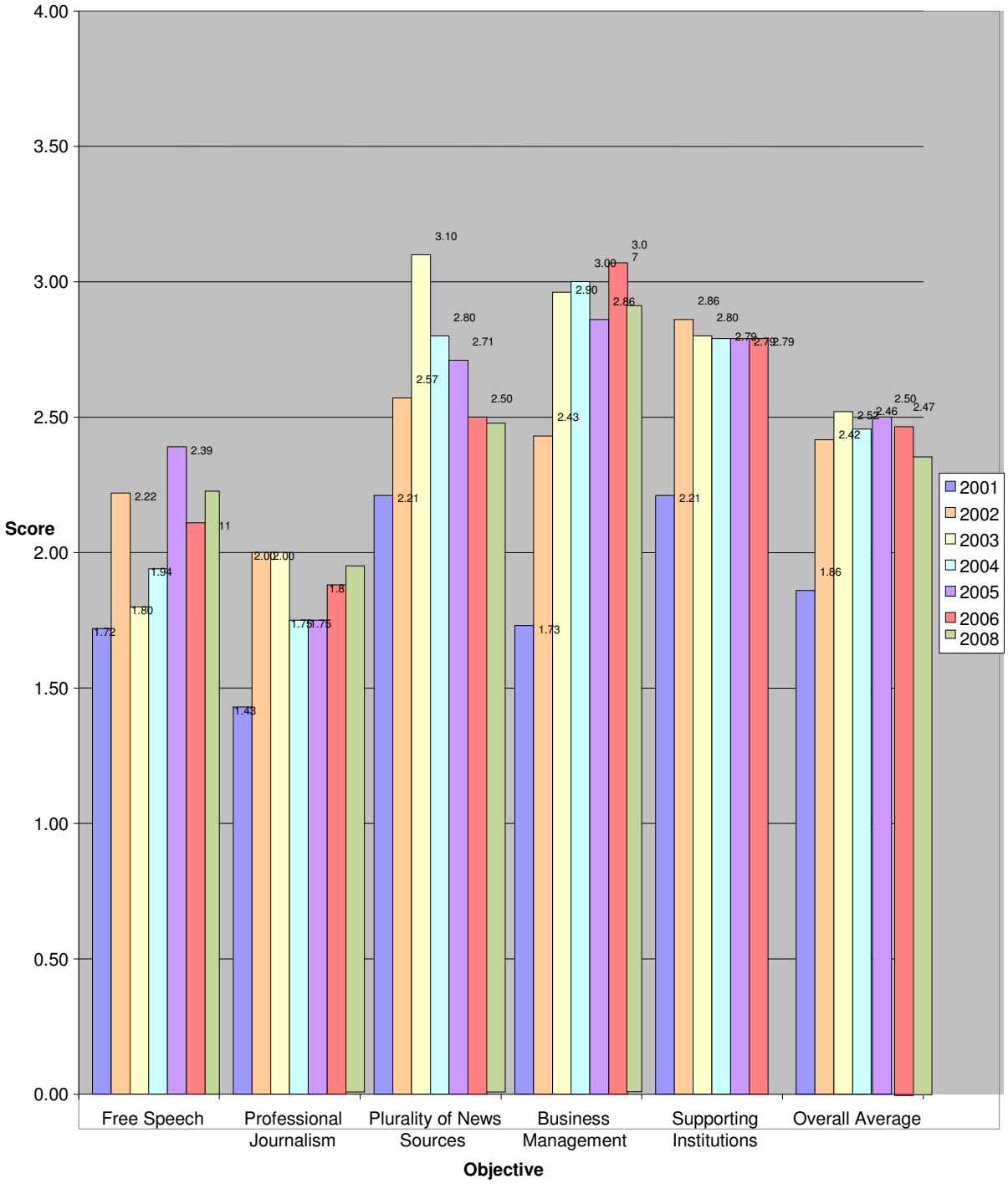
2001 MSI Score for Business Management: 1.73
2008 MSI Score for Business Management: 2.87

Supporting institutions for Serbia's media sector continued not only to be stable but improve, with the MSI rating for objective 5 rising to a high of 2.87 in 2008 after remaining unchanged over the three previous years at 2.79. The education of journalists improved, although it remained far from perfect and still in need of serious reform. There were several efficient organizations that supplied media with different services, such as legal assistance, professional education, and marketing services. Several associations, including ANEM, were seriously lobbying for media interests, improved legal provisions, and prevention of monopolization. Another positive trend observed by panelists was that media joined associations more to protect their common economic and industry interests than for political reasons. There was no apparent discrimination in newsprint supply or in printing services, and there were many sources for both. Channels of distribution were functioning on market criteria, except where there was a state or business monopoly. RTS continued to dominate transmission of broadcasting through its infrastructure, with continuing concern over this state of affairs. Although the initial 2001 MSI score for supporting institutions was at a relatively high level (due mainly to the effectiveness of the Serbian media associations during the Milosevic era and in the immediate post-Milosevic period) and experienced a respectable increase in

2002, the scores have since plateaued. Nonetheless, the numbers do show an overall improvement since the beginning of the ProMedia II program.

2001 MSI Score for Supporting Institutions: 2.21
2008 MSI Score for Supporting Institutions: 2.50

Serbia's Progress in the Media Sector, 2001 - 2008
Measured through the Media Sustainability Index



III. PROMEDIA II/SERBIA PROGRAM RESULTS FRAMEWORK

GOAL: Independent and sustainable media provide citizens with objective news and information

PURPOSE: To help independent media develop beyond merely re-establishing themselves in the new democratic environment and move towards economic self-sufficiency; to contribute to developing their capacity to employ professional staff; to help rebuild the business sector in Serbia through their editorial content and programs and provide up-to-date and relevant information for entrepreneurs and small businesses; to support the institutional media infrastructure within the framework of new licensing laws for media; to help with the drafting and implementation of those laws so that media have access to information and can operate in a fair environment; and to provide journalists and media managers with the skills and resources necessary to move towards increased professionalism, especially when covering topics that go beyond the Serbian media's traditional political coverage, such as economic, legal, ethical and social issues.

OBJECTIVES[1]: During the extension period, IREX worked toward three key objectives (intermediate results):

1. Journalists provide citizens with objective, fact-based and useful information.
2. The legal and regulatory framework supports free speech.
3. Publishers and station managers effectively manage media enterprises and privatize local state owned outlets.

IR 1: Journalists Provide Citizens with Objective, Fact-Based, Useful Information

IREX worked to improve the quality of journalism, while also developing local training capacity. Because quality journalism forms the core of a healthy media system that promotes and supports democratic principles, IREX developed a strong core of professional media outlets and journalists who produce objective and balanced news and information. These media cover not only politics, but also economics and business news, important social issues, local and regional issues, and Serbia's role in the post-conflict international system.

IR 3: Legal and Regulatory Framework Supports Free Speech

IREX, with *pro bono* legal assistance from the US-based law firm Covington & Burling, helped shape media legislation in Serbia and helped strengthen indigenous organizations that promote fair media regulation and support free speech. Although several new laws were passed, many regulations were not adopted or implemented and there were significant delays surrounding the distribution of broadcast licensing and the privatization of municipal and state-owned media. IREX combined direct consulting on media law reform with support to develop the local capacity to lobby for reform, defend the rights of journalists and assist with legal issues. The independent media in transitional countries such as Serbia play a vital role in the transition to democratic and free-market principles. For the long-term viability of the independent media, the legal and regulatory framework must protect free speech, fair and transparent licensing of broadcast media, equity between public and private media and the commercial rights of private media.

1. [1] While IREX/ProMedia II Serbia worked in six areas throughout the majority of the life of the program including: IR 1: Journalists provide citizens with objective, fact-based and useful information; IR 2: The institutional infrastructure allows for efficient production and distribution of news and information in an ethical manner; IR 3: The legal and regulatory framework supports free speech; IR 4: Publishers and station managers effectively manage media enterprises and privatize local state owned outlets; IR 5: Indigenous Serbian media cover the ICTY in The Hague; and IR 6: Serbian media assist ethnic reconciliation efforts; during the extension period ProMedia II focused efforts on IRs 1, 3, and 4.

IR 4: Publishers and Station Managers Effectively Manage Media Enterprises

During the extension period, IREX focused on training and assistance that would help outlet managers to manage media outlets as businesses. While Serbia's economy remains week, independent media must move towards financial sustainability. State and pro-government commercial media have the benefit of subsidies while independent media have relied on foreign donors and limited money generated from the newly emerging advertising market. As a result of IREX's work under ProMedia II, the managers of many independent media learned and adopted sound management principles in order to take advantage of improvements in the economy and in preparation for the inevitable end of foreign assistance. IREX provided training and consulting to develop the management expertise necessary to ensure sustainability and enable them to create a viable employment market for media professionals with technical, production and editorial skills. Initially, IREX focused on strategic management issues, but efforts gradually shifted to more detailed business management issues that could improve the capacity of media to move towards financial sustainability. Most importantly, however, IREX's work helped changed attitudes and assisted managers in planning for their companies' long-term futures.

Key accomplishments of the ProMedia II/Serbia program during the extension period included:

IREX supported projects that media and legislative attention to the possibilities of "new media." Through conferences on internet regulation and research on current new media usage in Serbia, IREX helped spark dialogue on how integrating new medias like podcasts, blogging, text messages, etc could help spring Serbian media into the digital age. New media will also provide another source of revenue for outlets through SMS news alerts. Mainstreaming these technologies will require new laws and internet regulations that will add to the strengthening of the Serbian media law infrastructure.

A group of freelance journalists produced eight 45-minute programs promoting the multiethnic culture of Sadzak as a model for other, less peaceful, multiethnic Serbian regions. The programs, broadcast on Novi Pazar's regional television stations Regional TV (RTV) and TV Jedinstvo, were supported by a ProMedia II subgrant which covered the purchase of a video camera and other production costs. Originally intended to broadcast only on RTV, the station's website generated so much local interest even before broadcast that TV Jedinstvo requested permission to also air the programs. The overwhelming positive response from viewers, evidenced by the many calls to the stations made these programs the most watched informative programs on RTV during the summer of 2008.

The Media Centers in Belgrade and Nis received IREX funding to host the popular "Election Nights" prior to the May 2008 parliamentary elections. The events provided a place for journalists to gather and receive accurate polling information in both Serbian and English. There were more that 300 domestic journalists, 40 TV crews and 150 international journalists and diplomatic representatives present at both events.

IV. PROMEDIA II/SERBIA PROGRAM ACTIVITIES

IR1: Journalists Provide Citizens with Objective, Fact-Based, Useful Information

IREX sought to improve the quality of print and broadcast journalism so that the media would provide objective, balanced and useful news and information to as many citizens as possible. IREX combined training and consulting with the financial support necessary to bolster media during this transition period, in addition to improving the journalistic and technical competence of journalists.

IR 1.1 Journalists Attain a High-Level of Professionalism

1.1.1 Journalists Follow Recognized and Accepted Professional Standards for Reporting

TV Training: In a departure from the majority of the ProMedia II Serbia program, rather than contracting out television training to a training or media center, IREX employed a core group of experts to perform on-

site television training: Radmila Dulovic, former president of INVISION; Sanjin Perisic, lead picture editor for FOX Belgrade; and Nenad Jankovic, former director of RTV Kragujevac. When ProMedia II Serbia resumed its activities in January, Dulovic visited the IREX-targeted stations and three new TV stations (TV Universa in Novi Pazar, TV Santos in Zrenjanin, and TV Zona in Nis) in order to assess their current situation and capabilities. Many changes occurred at the various stations during IREX's nearly six month absence, and the information Dulovic gathered assisted IREX and the training team in identifying where training was most needed.

Working closely with IREX, the training team organized and delivered five-day courses on:

- TV terminology
- Components of news program (structure of news program)
- Formats of news stories
- Structure of each individual format
- Structure and methodology of TV package production
- Elements of TV package/ how to shoot them
- Intro / principles of writing
- Voice over/ principles of writing to pictures
- Camera moves
- Shooting angles
- All about sound (types of sound and how to edit sound)
- Sequences
- How to shoot directed and non directed sequences
- Jump cuts and cutting points
- Stand alone interviews

Dulovic and her team spent five months delivering intensive courses at selected stations and trained 75 journalists, 37 cameramen, and 35 picture editors from eight stations. The stations chosen for training during this extension period were selected using criteria based on: license allocation, geography, ethnicity, possible audience reach, and the station's privatization status. While IREX and the training team discussed numerous stations, special priority was given to stations in areas with large minority populations and languages. From April to August, the IREX training team delivered training at:

- TV Universa, Novi Pazar from April 6 - 11
- TV Raska, Raska from April 21 - 25
- TV Sremska, Sid from May 5 – 9
- TV Aldi, Presevo from May 19 – 23
- TV YU Eco, Subotica from June 2 - 6
- RTV Zajecar, Zajecar from June 16 - 20
- TV Santos, Zranjanin from July 28 – August 1
- TV Zona, Nis from August 25 - 29

In addition to on-site training at these seven stations, Dulovic and Perisic also organized additional workshops in Belgrade from September 8 – 12. An additional 13 journalists, six cameramen, and three picture editors representing 10 stations attended this week-long workshop during which Dulovic and Perisic emphasized skills needed for news production that promote better cooperation between the news production team (made up of a journalist, cameraman, and picture editor) and lead to better news stories.

The workshops IREX was able to offer during this period contributed to the pool of media professionals who have received IREX training over the life of the ProMedia II Serbia program. Programs--especially news features from participating stations--noticeably increased in professionalism, accuracy, and style. However, long time IREX consultants and experienced journalists Radmila Dulovic-Rastovac and Sanjin

Perisic concluded that, while successful, one week of training was far from enough as it left limited time to dedicate to making TV packages. All the participating journalists demonstrated the capability to absorb theoretical knowledge but needed additional training to turn this knowledge into practice and to devote time to writing skills.

1.1.2 Small Grants to Improve Journalism and for Investigative Projects

Awarding small grants to assist media outlets and organizations continued to be an integral aspect of ProMedia II. During the extension period, IREX awarded 25 subgrants to support independent production and research projects and promote coverage of the 2008 local and parliamentary elections.

Incentive Subgrants
Jutro Productions affiliate ***Cacanske Novine*** received its first IREX subgrant during the extension. The paper produced weekly articles on the theme of "Small Big People" that featured human interest stories about ordinary citizens performing extraordinary activities to help improve their communities. In addition to these 12 articles, *Cacanske Novine* ran a second series, in the same issues as "Small Big People," called the "Local Economic Barometer," which addressed an analysis of the state of local economy, the overall economic situation, and the implications of operating in the private sector.

For the first time in ProMedia II, IREX awarded a subgrant to a group of individual journalists. A group of freelance journalists from Novi Pazar, lead by **Zoran Maksimovic**, produced eight TV programs celebrating the cultural heritage of the Novi Pazar region. The group's hope was that these programs would promote tolerance by profiling cooperation between the Orthodox and Muslim communities of the region, highlighting instances of peaceful co-existence and underscoring cultural similarities.

OK Radio used a subgrant from IREX to produce a series of 104 short broadcasts on important issues in southern Serbia. The program, "South of Serbia, Challenges and Prospects," included both Serbian and Albanian contributors and brought together local ethnic communities living in the south of Serbia, emphasizing common points on which it is possible to build a future.

A-Media received a subgrant to produce "My Transition," which was a series of specialized TV specials dealing with the process of transition in Serbia, from an individual angle. The six episodes which were broadcast on 15 local and regional TV channels, featured the following subtopics: 1. Taking responsibilities; 2. Gaining new knowledge and skills; 3. Entrepreneurship; 4. Specific resistance in undeveloped areas; 5. Women's' Keys; 6. Solidarity opposing hopelessness.

IREX awarded **Ebart** a subgrant to support publishing a book on print media coverage of the late Prime Minister Zoran Djindjic. However, upon receipt of a draft manuscript, and upon consultation with USAID, it was decided to withdraw support from the remainder of the project. The book was found to be more of a polemic than a thoughtful and balanced analysis of the news reportage. Both IREX and USAID felt that it was inappropriate for support to be continued to this project. Both organizations also felt that they might open themselves to libel actions should they support the publication.

Radio Luna received a subgrant to support the radio series "Local Economic Development: Vehicle of Regional Progress" which presented the current status of local economic development in Uzice. Radio Luna included examples from old socialist companies that had closed and examples of successfully privatized companies or new private businesses. This program promoted these success stories and best practices as good models for future development of the region.

RTV Zajecar received two subgrants to support production projects. The first was a seven episode TV series that investigated social issues, namely primary health, education, and social care in Zajecar. An important component of this series is the work of local authorities. In line with the recently confirmed legislation (sub-legal acts), local authorities are now fully responsible for the service provision in these areas. In order to provide a full perspective of the problem, RTV Zajecar journalists spoke with

representatives of local authorities in charge for these services and presented viewers with plans and future steps that will be undertaken in order to change and improve existing situation. In the second project, RTV Zajecar produced six 30-minute episodes of the TV series ”12 months to make it better, what is your plan?” in which the station presented current economic development and reform trends in the district, including the potentials and limitations of these processes and placed a special emphasis on concrete steps and actions which new local governments and mayors in the Zajecar district municipalities will do in the next 12 months to increase GDP numbers and improve the employment situation.

IREX awarded a subgrant to **KeyConnection Media** to support the production of economy-related programming for the EcoNews program. The production house produced six 24-minute programs, focusing on economic news and issues which were aired on Studio B. This was the first time IREX had cooperated with this production house, and KeyConnection Media proved to be an excellent partner.

The **Women’s Forum** was brought to IREX’s attention towards the end of the extension period and produced five 30-minute documentary programs on the privatization of six public companies. The shows included information on the privatization process and privatization results of big companies such as: local trade company "Sokolica," car factory "FAP" Priboj, local tranzit companies "Raketa" and "Polimljetrans," shoe factory "Limka" Prijepolje, and textile factory "Ljubisa Miodragovic" Prijepolje. IREX funding covered the purchase of equipment necessary to produce the programs. The Women's Forum will use this equipment in the future to create more programming and build its organization.

Radio 021 produced 20 shows on the previous and current local governments’ plans, and actions. This subgrant better informed citizens on the significance of activism for their own future, the significance of responsible and fair local authorities, and supported an atmosphere in which media acts as a watchdog for the local authorities. Radio 021 secured interviews with people who had never before talked to any media about these issues. The show was so popular that Radio 021 decided to continue the program, on a smaller scale, with its own funds.

RTV B92 was to produce and broadcast nine 30-minute special editions of the popular “Wallet” economy program on different EU related issues. IREX funding for this project covered new studio equipment B92 needed. As originally conceived, after this equipment was used for the “Wallet” program, B92 would install the non-linear editing device in its new 24-hour news station, B92 *Info*. Unfortunately, by the time the equipment purchase process was complete, B92 did not have time to complete the “Wallet” program. Thus, IREX reduced its funding to $10,000 (half the equipment cost), and B92 funded the remaining $10,000 for equipment itself.

Election Subgrants
To ensure broad coverage of campaigns and election results for the local and parliamentary elections on May 11, 2008, IREX issued subgrants to media houses that either offered the widest geographic coverage or were located in particularly vulnerable areas. The subgrants enabled these TV and radio stations to increase their level of reporting and coverage of pre-election campaigns and to send a message to their audiences to get out and vote. While each station maintained impartiality and allowed equal time to all parties, they encouraged their audiences to vote by giving possible future paths for Serbia depending on which party won. The overall theme was in favor of a pro-European government that would lead Serbia through the process of joining the European Union. The stations which received subgrants for election programming were: **City Radio**, ***Danas***, **Radio Ozon**, **Radio 021**, **Radio Boom 93**, **Radio Luna**, **Radio Sto Plus**, **TV Spektri**, **TV Zajecar,** and **BETA News Agency**. While voter turnout for the elections was only at 61.33%, the majority of points went to the pro-EU candidate.

IREX also provided funds to the **Media Centers in Belgrade and Nis** to host “Election Night.” During this popular event, the Media Centers became a hub from which journalists reported on election activities and results from across Serbia which were interpreted and analyzed by experts from the Centre for Free Election and Democracy (CeSID), AGB Nielson, The Independent Journalists’ Association of Serbia (NUNS/IJAS), and Media Center. Because not only Serbian journalists attended the event, the Media

Center provided simultaneous translation in English of election night media coverage on TV stations RTS1 and TV B92. From 8 p.m. to 10 p.m. when the most activities occurred, international journalists and foreign visitors in Serbia were able to watch the TV programs in the Media Center.

Combined with its "Election Night" subgrant, the Media Center in Nis also produced an election-related program, "*Election Chronicles,"* aired by TV Banker in Nis, TV Top 3 in Prokuplje, TV Soko Banja, and TV Kursumlija. The program ran twice a day on each station, covered election campaigns, and encouraged viewers to vote.

News magazine ***Vreme*** received a small subgrant from IREX which allowed them to purchase a new digital camera that increased its ability to cover not only the parliamentary elections, but also provide higher quality photographs in the long term. On its website *Vreme* published a gallery of election-related photographs that were free to the public for download and can be found at: http://www.vreme.com/cms/view.php?id=623627.

IR 3: Legal and Regulatory Framework Supports Free Speech

IREX became actively engaged on the media legal front in Serbia in the spring of 2001 when staff, consultants and partner organizations began participating in and encouraging the discussion, drafting, and advocacy of several new media related laws, including the Broadcasting Law, the Public Information Law, the Telecommunications Law and others, which were intended to replace the draconian legislation of the Milosevic era. In close partnership with the ANEM legal department, legal think tanks, international organizations, and IREX consultants, IREX published policy papers advising the media community and the government how best to advance Serbian media and prepare it to meet European standards; ensured that attention remained on the importance of continuing privatization; and that media ownership be a transparent process.

IR 3.1 Media Licensing and Frequency Allocation is Fair and Apolitical

Independent media in transitional countries such as Serbia play a vital role in the transition to democratic and free-market principles. For the long-term viability of the independent media, the legal and regulatory framework must protect free speech, promote fair and transparent licensing of broadcast media, support equity between public and private media, and protect the commercial rights of private media. To further the success of these goals, IREX awarded subgrants to media and other associations for projects that would help advocate for these necessities to move forward.

The **Association of Electronic Media (ANEM)** staff, along with legal experts from the law office of Zivkovic & Samardzic, produced five analytical research papers which put forward topics that had not been given proper attention in Serbia's media sector and/or relevant state institutions. Each paper carried guidelines and recommendations for improvements in the media sector:

- Getting Ready for Digitalization: Lessons to Be Learned from Over-Challenging Process of the Allocation of Frequencies
- How to Ensure Independency and Financial Sustainability of Commercial Media in an Oversaturated Serbian Media Market?
- Recent Attacks on the Media: Do we need to Have Preventive Measures?
- Draft Law on Media Ownership Concentration: Momentum to Fight Potential 'Last Minute' Law Amendments
- Beginnings of Corporate Social Responsibility Movement in Serbia: Media and Public Interest

The author of the fifth paper interviewed several important members of the corporate social responsibility (CSR) community, including the UNDP representative in charge of implementing the UN Global Compact

Initiative (UNGC) in Serbia. As a result of these interviews, ANEM became a member of the UNGC Initiative, which is the largest voluntary initiative on business and human rights in the world, encompassing more than 4000 organizations around the world and 30 organizations from Serbia. The distribution of these papers via ANEM's website, membership intranet, and 12 subscription-based mailing lists reached 700 individual and group email addresses and resulted in the increased web traffic and greater number of visits to ANEM's website. The statistics data showed a 50% increase in the number of hits, and a 35% increase in number of visits to the ANEM website.

In cooperation with the OSCE, ***Pravni Forum*** wrote a special issue of its legal journal devoted to media law in Serbia entitled *Increasing Legal and Professional Standards in Serbian Media 2008*. For the IREX-funded portion of the project, the organization produced 10 research articles written by the most distinguished media experts and lawyers in Serbia. These articles were then distributed to all 105 ANEM members and other ANEM stakeholders' organizations and/or institutions. Pravni Forum continued to build upon this initiative with an outreach program throughout fall 2008 (after the ProMedia II Serbia program ended) with OSCE funding. The articles *Pravni Forum* produced for IREX were:

- The Role of Media Regulatory Bodies: Freedom and Supervision
- Defamation and Label in Serbian Media
- Media concentration: What to expect from the new law?
- New Media and the Internet
- Audiovisual politics in EU
- Advertising in media
- The role of the public service: How to serve the public interest?
- Free access to information of public importance in Serbia: Problems and solutions
- Privatization of media in Serbia
- Legal aspects of investigative journalism

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

In an effort to promote advocacy and help build the capacity of Serbia's media associations, IREX sponsored training and provided subgrants during the extension period that contributed to the skill enhancement of media associations and sparked dialogue about media rights, regulation, and protection in ever growing world of digital and online media.

Twelve participants representing NGOs from Belgrade and throughout Serbia attended a three-day training workshop in lobbying/advocacy, fundraising, public relations, and communications held June 4 - 6 at the OSCE mission in Belgrade. While the panelists offered very good programs, by the third day attendance dropped to only four participants. Those who remained for all three days were engaged in each of the topics, asked questions, participated in discussions, and were generally appreciative of the workshops and the trainers' expertise. The three trainers were media and association building professionals with both regional and worldwide experience: Tom Kelly (NDI), Shelly Ross (East West Institute), and Ana Brnabic (Booz Allen and Hamilton).

Media Center Belgrade hosted the World Congress of the International Press Institute (IPI) and the regional Conference of IPI branch South East Europe Media Organization (SEEMO) on June 16 through 18, for which IREX awarded a subgrant. The aim of the SEEMO regional conference "Media, Marketing and Business" was to provide an open discussion and overview of regional and international media business experiences, problems, and potential for improvement of industry relations. This was the first regional conference organized in the SEE region covering the topics of the media market and relations with business and marketing partners. The conference was very well attended, with participants from many countries in the region.

- During the **first panel** on political influences and regulations affecting journalism, panelists stressed the vulnerability of journalists, susceptibility to bribery/influence due to their low standard of living and low pay, as well as their physical vulnerability (i.e. attacks on journalists). Exacerbating the problem are journalist associations which are weak and not very functional, making them and journalists easy targets. In order for media to be strong and respected, there needs to be independent press and media councils, some form of accountability and enforcement for press laws, and strong engagement with civil society. While there is much out of the control of journalists, they can work together to demand labor rights and attain some professional solidarity.

- The **second panel**, on regional media markets, consisted of several representatives of large foreign media groups (Westdeutsche Allgemeine Zeitung WAZ and RTL). The internet is changing the face of traditional publishing, and news organizations need new approaches to survive in the changing media environment. Press must become more multi-media focused and be a content provider. The RTL representative showed data demonstrating that electronic media, spending on advertising per capita, and internet penetration are much weaker in Serbia than in the surrounding Balkan countries. He noted that there are no clear strategies for public television, and that Serbia's broadcast legislation is unclear about this.

- The **third panel,** on advertising and media buyers, examined the rapidly developing internet and mobile phone markets which are overtaking print and television sales. There are too many newspapers and stations, which thins out the advertising market. While the panelists agreed that theoretically privatization was a good idea, they noted that the current lack of transparency made the editorial policy subservient to owners' interests. The panelists underscored the need to educate the media on good business policy and to continue to advocate for truly independent privatization, to help build a strong and sustainable media.

- The **final panel** noted Serbia's low internet penetration while noting a moderately good level of cell phone usage. Europe will be completely digital by 2015. There are currently 1600 channels in Europe, double the number of channels in 2000. One potential downside to digitalization is that the have-nots may become marginalized. Additionally, fragmentation of the market could result in decreased ad revenues. At present, Serbia is lagging behind others in the region due to poor state strategies and regulatory chaos. In comparison, Slovenia and Croatia are doing much better in this regard. The media industries in those countries are developing faster than government policies.

This situation presents an opportunity for Serbia to leapfrog into the digital era, bypassing any analog development. However, to achieve this, emphasis needs to be placed on developing digital media for multi-platform delivery (computer, phone, PDAs). The conference proved to be an excellent starting point for additional work IREX did in the extension period which promoted new media and internet regulation.

On September 8 and 9, the Faculty of Political Sciences of the University of Belgrade hosted an international conference on regulation of freedom of expression on the internet, organized by the Programme in Comparative Media Law and Policy (PCMLP) of the University of Oxford and supported by USAID/IREX, Council of Europe, and DFID. More than 70 participants representing state institutions, regulatory bodies, and the nongovernmental and business sectors of Serbia attended the panel discussions featuring media experts from throughout Europe and Russia and which were dedicated to inciting reform processes toward harmonization of the Serbian legal and institutional frameworks with the European standards. Key accomplishments of the conference included:

- Opened a debate between international and local experts on regulation of freedom of expression on the Internet.

- Knowledge exchange and networking between experts, government officials and representatives of regulatory authorities.
- The results of this conference were reported to the Serbian Ministry of Culture, Ministry of Telecommunications, Republican Agency of Telecommunications and Regulatory Agency for Broadcasting for drafting new or amending existing laws and by-laws.
- The Ministry of Culture expressed interest in using this conference's outputs to prepare a Serbian delegation to participate in the First Ministerial Conference on the Media and New Communication Services of the Members States of the Council of Europe, to be held 28-29 May 2009 in Reykjavik, Iceland.
- Significantly raised public awareness about the issues of freedom of expression, privacy on the Internet, and regulation issues.

Blogging was one of the hot topics with panelists from the Serbian Telecommunications and Information Society, the University of Oxford, University of Belgrade, the Council of Europe, the Moscow Media Law and Policy Institute, and others all talking about blogging and how internet regulations and new media definitions affect it. They discussed the assumption that blogs are a simple form of personal freedom of expression endanger the human rights of others (hate speech), propagating faulty instructions (for example, unsound investment advice), breach of privacy (rise of paparazzi who work free of charge), and intellectual property abuse (if this concept survives). Prof. David Goldberg from the University of Oxford suggested the possible need to define new term for political blogs – *plogs*--and also noted that current estimates on the number of blogs probably underestimate their quantity, considering also the fact that "22 of the 100 most popular websites are blogs." Referring to a recent UK case when a convicted criminal posted a threat to his arresting officer ("PC Lloyd, God help your newborn baby") and was charged under Telecommunications Act, Prof. Goldberg stated that there is "no need for new laws, there's plenty of legislation lying around" which can be used to tackle the blogging-related problems. On the other hand, the need for legislation preventing centers of power, such as corporations, to use strategic lawsuits against the public grows as a way to insure freedom of expression for the individual authors or content providers.

Referring to the new regulatory framework for audiovisual sector Prof. Snjezana Milivojevic, from the University of Belgrade's Faculty of Political Science, stated that journalism as such has existed since 1605, when the first modern newspaper was published. In the last 400 years, the main issue facing journalism was the lack of information; in recent times, however, the emergence of the Internet has led to information abundance. Issues of responsibility and accountability of information are central to the establishment of the new regulatory framework.

During the panel devoted to regulation and/or self-regulation on the Internet, Andrei Richter, the director of the Moscow Media Law and Policy Institute, cited the serious issues present in Russia and the former Soviet Union. The most drastic example is the arrest and murder of the owner of the website Ingushetia.ru. Richter highlighted Belarus as among the most productive post-Soviet republics in terms of internet content production, second only to EU-member Baltic States. The states of Central Asia, on the other hand, have comparatively very liberal legislative frameworks but lag behind. Richter pointed out that repressive legal frameworks often take back seats to education levels and cultural factors in preventing content creation, which in turn inhibits freedom of expression. Due to its physical size, Russia has the largest content production in absolute terms, and "it is clear that [the Government] cannot control the Internet anymore." An influencing factor is whether states treat the Internet as form of mass media or not, which implies a varied status in legislative terms. For instance, in Georgia where mass media have nominal protection from influence and harassment, this leads to increased freedom of expression on the internet. In Russia, sadly "the whole system of self-regulation consists of a telephone call from the security services." Participants in the discussion concurred that the situation in Serbia used to be similar.

The event received heavy media coverage. *Danas*, *Vecernje Novosti*, *Borba*, and the Novi Sad-based *Gradjanki list* all carried stories about the conference. B92 did a piece that was later posted on youtube

(http://www.youtube.com/watch?v=NHCBxpIENcM), and numerous other TV and radio stations covered or at least mentioned the conference.

IR 3.3 Media Privatize in a Fair and Transparent Manner

In line with efforts to improve the professionalism and independence of Serbian media, IREX continued to support to the privatization process. After a nine-month hiatus rising from the close of the previous phase of ProMedia II/Serbia, the IREX media privatization team was reformed with former IREX employee then consultant Goran Cetinic resuming his role of group moderator. The team held three meetings during the extension period (March 19, April 24, and June 18) and a conference on July 8 during which they addressed several important issues facing media today including recent laws that conflict with privatization (Law on Local Self-Government and Law on Capital City) the importance of minority media and local advertising.

The Law on Local Self-Government was intended for the establishment of Units of Local Government (ULG) to provide municipalities with the authority and ability to take care of local communities and provide them with the ability to establish local organizations, cultural centers, police forces, etc without the bureaucracy entailed with gaining permission through Belgrade. While the law does not state anything specifically about media, its various regulations allow it to control anything not privatized--including media. Article 8 of the Law on Local Self-Government states: “The ULG has the right to utilize and allot assets under state ownership, in accordance with the law.” The Law on Capital City defined responsibilities and competences that belong to Belgrade and those that belong to the local communities, thus reinforcing the articles in the Law of Local Self-Government. These are in contradiction with the Information Law and Law on Broadcasting which define media privatization in Serbia. According to Nebojša Samardžić, lawyer at Živković & Samardžić law firm, while the Ministry of Public Administration and Local Self-Government was in a position to stop such laws from being adopted by Parliament, personal political interests prevailed and the Ministry allowed the adoption of these laws.

At the close of ProMedia II, the state was financing minority programs and projects quite extensively. Because of this funding, many media outlets were refusing privatization because they claimed to broadcast minority programs and did not acknowledge recent *drops* in their advertising revenues attributed to their unclear privatization status. Many stations in Serbia began scrambling to add minority programming to their schedules or submitting schedules that list minority programs, whether they had them or not. In Serbia, there remained a very strong and active lobby against media privatization led by political parties and a group of media specialists who believed that further development of all media, not just those with minority programming, depended on financing and that such financing will be sustainable only for media in state ownership.

More than 45 people representing 20 regions throughout Serbia attended IREX's July 8 privatization conference. In addition to local media representatives, a few local parliament members form the Vojvodina region also came. The panelists at the conference were: Marilyn Schmidt, Acting Mission Director USAID, JF; Goran Cetinic; Dragana Solomon; Prof. Rade Veljanovski; and Dragan Janjic, Assistant Minister of Culture (who was since dismissed). Despite the various viewpoints on whether or not to privatize, all in attendance agreed that current confusion existing in the laws had to be changed. There was also general agreement on the need for transparency in the ownership of the stations. As one participant noted, the privatization laws themselves have to be amended to allow for greater transparency.

Panelists spoke quite forcefully on the topic of private ownership of media during the three-hour conference. Goran Cetinic argued the government was the worst possible 'owner' for media and that media should not be a puppet for propaganda. The point of privatization was not to make money, but to separate government from the media. Dragana Solomon from the OSCE spoke about the need for a transparent media fund, while Prof. Veljanovski gave a range of examples and statistics on different countries’ approach to minority media protections and programming. As expected, several of the minority

station representatives expressed reservations about privatization. They were concerned that they will not be able to compete in a private market and so will disappear. Those who were concerned about privatization all expressed the concern that they would not be able to survive without government funding. However, some of the attendees were very strong supporters of privatization: they felt that it made them stronger, that competition brought in better quality talent, and their staffs' skills were more sharply honed. The conversations and arguments continued after the conference ended, which was a desired result of a conference like this.

IREX and the OSCE held a second, joint, privatization conference on September 12, 2008. The conclusion of this conference was that professional, independent and pluralist media cannot develop in line with the European standards under state ownership and government control, and that the Serbian government Ministries and Agencies involved with media ought to fully implement their commitment to privatization, which has been repeatedly delayed over the past six years. The conference participants agreed to urge the relevant Serbian government ministries and agencies to:

- Proceed with the immediate privatization of electronic media as stipulated by the broadcasting legislation adopted in July 2002 as well as by the law on public information adopted in April 2003.

- Cancel and annul implementation of the provisions of the Law on Local Self-Government and the Law on the Capital City, adopted on December 29, 2007 allowing Belgrade city assembly as well as local municipalities to continue their ownership of the media – contrary to the existing media legislation.

- Establish an expert team which will, with the involvement of both media experts and specific minority groups, initiate a process of systematic and long-term solutions for the financing of media programs in minority languages in-line with democratic practices, European standards and best practices in sample countries.

- Ensure that prospective media laws, the amendment of which was announced recently by the Serbian Government, are in line with European standards and are in no way amenable to cession and do not further delay the process of media privatization in Serbia.

Despite efforts of team members, at the close of ProMedia II the question of privatization remained unsolved and showed little progress. However, there were stations that have successful post-privatization experiences, most notably among them long-time IREX partner station RTV Zajecar. Velibor Todorov, director of the station, noted that since his station privatized, the working atmosphere in the station improved, self-censorship decreased, and the number of correspondents increased. While the station's owner paid salaries from private funds, he hoped that in the future program popularity would grow, resulting in increased advertising sales to support expenses and sustainable growth.

In addition to supporting the privatization team's effort, IREX awarded the Independent Journalists Association of Serbia (NUNS/IJAS) a subgrant to address deviations from and violations of the media privatization process in a series of five papers to be published on their website and by *Vreme*. NUNS's journalists investigated: new media owners and examined how they have behaved after privatization, what happened to the journalists at each outlet, if media activity changed, how the public reacted to new ownership, and what are the real reasons behind purchasing outlets. Djordje Padejski from NUNS presented one of these papers at the June privatization meeting. According to Padejski, most of the media sold through auctions were bought for political and not economical reasons. Padejski alleged that the majority of privatized media was now in the hands of political parties. The privatization team proposed to organize research and investigative analysis to see who the real buyers of former state local media are. While all five articles were completed and approved by IREX prior to the close of ProMedia II only two of the five articles were published (September 25 and October 23). IREX is currently having meetings with NUNS to ensure the remaining articles are published by both NUNS and Vreme as originally agreed (NUNS has a letter of promise from Vreme to publish all the remaining articles).

IR 4: Publishers and Station Managers Effectively Manage Media Enterprises

Business management and strategic planning have become increasingly important as Serbia continues to move from a command to a market economy, and as independent media outlets have faced the loss of international donor support. IREX worked with local media to develop sales strategies to help increase local advertising, which is the mainstay of support for broadcasters and newspapers. IREX's work throughout the region showed that the media businesses that adopt a strategic approach most often fare better than their counterparts who dismiss management training as unnecessary. Under the ProMedia II program, IREX combined on-site consulting, general training sessions, and small demonstration projects in management to improve the business skills and knowledge of media owners and managers.

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

On-site Business Management Training: In conjunction with the journalism training provided to local and regional TV stations under IR 1, IREX identified one local consultant, Nenad Jankovic, who provided on-site training and consulting to station managers to help them develop their respective business strategies and to suggest improvements for business performance. Jankovic worked with the same group of stations selected for journalism and news production training to provide comprehensive technical assistance that will allow the stations to develop in strategic business areas:

- TV Universa, Novi Pazar from April 6 - 11
- TV Raska, Raska from April 21 - 25
- TV Sremska, Sid from May 5 – 9
- TV Aldi, Presevo from May 19 – 23
- TV YU Eco, Subotica from June 2 - 6
- RTV Zajecar, Zajecar from June 16 - 20
- TV Santos, Zranjanin from July 28 – August 1
- TV Zona, Nis from August 25 - 29

At each station, Jankovic met with a team comprised of someone from management, usually the owner or director; marketing; and a producer. With this team he reviewed the station's current business and programming status and provided training on:

- Sales and marketing (where such a department existed)
- Programming: acquisition and in house productions
- Scheduling
- Promotions and strategy

In general, Jankovic found the stations in great need of additional training, proper staffing. While current staff seemed eager to do what they could, without additional and focused training, especially in marketing and promotions, the stations will continue to flounder and not generate enough revenue to pay for necessary staff additions and project. At each station, Jankovic made recommendations to management based on his review and the training he provided, the most widespread of which were:

To the scheduling team:

- Ensure that promotions for the next season begin well enough in advance to catch viewer attention (promote the fall schedule in the summer etc)
- Apply agreed upon promotion production principles while producing new promotions

To the marketing and sales department:

- Staff up

- Improve the compensation fee for the sales people
- Sell the premier programs even before their acquisition
- With available resources begin production of all types of promotions
- Order audience research from AGB Strategic marketing at least once a month and use it to make necessary program and scheduling adjustments

Sales and Marketing Training Seminars: In order to prepare salespeople to identify potential advertisers and secure new advertising revenue from the local economy IREX offered seven basic sales and marketing training seminars between March and August. The three-day courses were aimed at new staff who had recently entered the sales and marketing business and introduced them to the principles involved in marketing the media, the value of research, and the fundamentals of both broadcast and print sales. IREX trainers Dragan Kremer (lead), Nikola Pejovic, and Nevena Radovanovic presented their training to 54 people representing 33 print and broadcast media outets:

- March 28 – 30
- April 19 – 21
- May 16 – 18
- May 23 – 25
- June 6 – 8
- June 20 – 22
- August 29 – 31

At each session, the training team identified common sales and marketing problems and misconceptions shared by all the represented outlets such as:

- Difficulties in approaching national and regional clients
- Difficulties in identifying future clients – not clear idea where and how to find advertisers
- No clear price policy and rate card
- No identified sales and marketing goals
- Misunderstandings about the roles of sales and marketing in outlet financing

The main purpose of the training was to educate sales forces from local and regional electronic media on implementing sales techniques and strategy, how to reach regional and local clients, and how to overcome price-related obstacles. It seemed to the trainers that most stations lacked appropriately skilled salespeople and/or a managerial structure to coach them on business goals. Despite this, participants were keen, talented, responsive, asked questions, and told illustrative anecdotes from their own experiences. They reacted particularly well to the sessions on ”seven steps,” perhaps because: a) it provided a solid and realistic day-to-day marketing strategy and b) such ideas were new to them. The represented stations also seemed to share a lack of seriousness regarding financial self-sustainability, lack of sales forces and management organization, no rate cards, and no clear client approach strategy. The majority of the training sessions covered:

- Basic definitions – what are the differences between sales and marketing?
- What are the client’s needs and how are they identified?
- What makes a successful sale?
- Which skills should be developed to help achieve successful sales?
- Why is ‘AIDA’ so important in buying/selling? (Attention, Interest, Desire, Action)?
- How is a strong sales team built?
- Why are communications with clients so crucial? How can one communicate effectively?
- How can one build long-term business relationships/client databases?
- Role-play: needs of client, finding an appropriate campaign.

- Research – how is it conducted, how reliable is it, how to analyze and use it in every day work?
- Purpose of selling – from the point of view from station, and the clients' point of view
- Nature of Media
- Customer behavior
- Differences between marketing and sales
- Local vs. national advertisers/marketing and media agencies
- Sales as a process of seven steps (Probing, Qualification, Need analysis, Presentation, Negotiations, Closing, Client service)

On the final day of each workshop, the training team invited a national advertiser to the workshop to give the participants the opportunity to do a needs analysis and prepare presentations for him. Despite the participants' eagerness to do well, the quality of their solutions and presentations were uneven and some of them did not show a good understanding of client problems. All of them must adopt a client way-of-thinking and learn about different markets and differences between clients.

Overall, the trainers felt it was essential to continue training and motivation for outlet owners, managers, and sales forces; recruit more people for those jobs; and impress on all of them the importance of the sales force to the overall health and viability of the station. Part of this effort was also training for the senior staff/decision makers in HR and management so they understand how much their operation costs, how to generate income, how to set price list/rate card, sales goals/targets, incentives for sales forces, and how to structure and manage a sales and marketing department

In addition to the seven beginning sales and marketing workshops, Kremer, Pejovic, and Radovanovic offered two advanced courses on September 12 – 14 in Belgrade and September 19 – 21 in Novi Sad. The trainers designed these two courses to gauge participants' progress after participating in the basic sales and marketing training, to develop further their sales skills and techniques, and to create marketing strategies from the client and media outlet viewpoint.

The training covered the following topics:

- Problems identified during the application of the seven steps in sales
- Media mix, pros & cons
- Marketing mix 4 Ps
- Promotion
- Product life cycle, Market, Product, Price, Place/Distribution
- Creating advertising campaign
- Non-traditional revenue
- Motivation and ways of payment in sales departments

This workshop brought deep and interesting insight in processes in marketing agencies, the creative process, and most of all how agencies are dealing with national/local media and their strengths compared with other ways of buying media advertisement. The IREX trainers ran through several exercises with the advanced teams, and the participants were given a case study from which they had to develop a marketing/promotional strategy and media mix for a product which required them to implement their knowledge, experience, and sales skills. The results of the 60 minute exercise were better than the IREX trainers expected. As in previous sessions, on the third day of the workshop an experienced marketing agent worked with the trainees on the routine of everyday agency work with clients and media outlets. Participants were then given 60 minutes to work in teams to come up with sales pitches for the visitors.

The training during this extension period confirmed the success of taking the training module on the road and into the different corners of Serbia. However, the job is far from complete, and the IREX training team highly recommended continuing both basic and advanced sales and marketing training under the next

media assistance program. In addition to providing training, the IREX sales and marketing training team of Dragan Kremer, Nevena Radovanovic, and Nikola Pejovic compiled a sales and marketing handbook designed as a follow-on guide to training. IREX ordered 1000 copies of the handbook. While a small number remained in IREX's possession, the majority were for media organizations such as ANEM, the Media Centers in Belgrade and Nis, and the various print and broadcast outlets which participated in IREX sales and marketing courses over the last several years.

Grant Writing Training: Towards the end of the extension period, the IREX/Serbia team identified that local organizations–media and civil society organizations--lacked capacity for effective fundraising including proposal writing, applying for funds, and reporting on activities to donors. In addition to grant opportunities from USAID programs, IREX recognized that more and more EU funds were becoming available. The requirements for EU funds are very complex, and local organizations needed to strengthen their capacity in order to manage those requirements and capture opportunities. Thus, IREX commissioned XAO Solutions to deliver two workshops (September 13 and 27) on grant writing in Belgrade which a total of 35 participants attended.

The content of the workshop was developed to include the following topics:

- researching potential funds and fundraising planning process
- applying for funds including proposal writing
- implementation and reporting requirements
- USAID, EU and other fund sources and its specifics
- useful tools for project cycle management

Although media organizations received support from donors over the last ten years and most of them had experience in writing project proposals, project implementation and reporting, it was evident from participants' questions and comments that their capacities remained very weak. It was clear that the participants perceived fundraising, project writing, and reporting as one-off activities which are additional to their regular job tasks. It was also clear that organizations themselves are lacking organizational and managerial capacities.

This leads to the following consequences:

- Organizations are responding to calls for proposals and are trying to work on activities that donors will support rather than finding donors based on strategic and annual plans of their organizations
- Organizations do not undertake fundraising planning activities including systematic research on donors (e.g., only few participants knew of the government website where there is a guidebook on available funds in Serbia www.prsp.sr.gov.yu)
- Organizations do not see fundraising as a job, so no one in the organizations actively, consistently, and strategically were involved in fundraising activities.
- Project management, including implementation monitoring and reporting, was also not seen as a job but just another activity that caused several problems during the project implementation. For example, there were typically no monitoring systems and reporting procedures in place and data are not collected in any systematic way, so report preparation is much more complicated and less successful
- Organizations are facing high fluctuations among staff as a result of poor organization and lack of management.

The training firm recommended that, in addition to fundraising workshops, project proposal writing and strategic planning workshops, IREX:

- Provide project management training to grantees

- Provide technical assistance to organizations to implement project management practice into their work, as a follow up to trainings
- Provide skills trainings to support better project management (communications, problem solving, team work, etc.)
- Provide training in report writing skills (technical skill)

Media Legislation Handbook: To further IREX efforts in promoting strategic business planning, IREX awarded Media Art Service International with a subgrant to compile information and reference material into one handbook to provide licensed local and regional broadcasters in Serbia with a functional and comprehensive compilation of reference material related to media legislation, other relevant laws and regulations, media management, planning, project management, technical standards, etc. that would be a great asset in their daily operation. At the beginning of the project, Media Art's project coordinator conducted a number of interviews with owners and editors of local and regional broadcast media outlets in order best to identify main topics and issues to be addressed in the guide book. Most owners and managers highlighted their own lack of knowledge and capacity in managing day to day business, planning, fundraising, project drafting and implementation as well as dealing with various legal issues and finding good sources of information regarding a wide range of business management issues, as their main problems. According to their responses, the project implementing team divided the book into following thematic areas:

- Media Laws and Related Laws,
- Intellectual Property,
- Commercial Laws,
- Ethical Code of Conduct in Media,
- General Managing Documents,
- Systematization and Internal Organization,
- Planning and Budgeting
- Project Management,
- Technical Standards in Production and Broadcasting

Media Art distributed 700 copies of the handbook to outlets across Serbia and put an electronic version of the handbook as well as related documents on its website.

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

Market and Audience Research: IREX continued to offer audience research and accompanying training to partners to increase their ability to attract higher audience numbers. In April, IREX commissioned media research studies for TV, radio, and print from Strategic Marketing and Media Research Institute (SMMRI), a research company that developed the research standards and techniques piloted by IREX which have now become the most respected industry-wide research tool to measure audience reach and readership preference. SMMRI presented the results in a manner that enabled an analysis of the total market potential of specific audience groups (age, gender, education, etc). The research results enabled outlet managers, program managers, and sales executives to understand the challenges of electronic media, and enabled IREX to better assist them in reaching economic self sustainability. In June, IREX organized three separate press conferences at the Media Center Belgrade to present the results: TV on June 5, print on June 18, and radio on June 26.

TV research: The TV research evaluated the audience of selected media and their audiences' habits and attitudes, provided national, regional and local market television audience ratings (via LPMs and diaries), and compiled information about the content of the broadcast media and its impact, the advertising market and competition. SMMRI's research showed that national stations, such as RTV B92, RTS1, RTS 2, AVALA, Pink, Fox, Happy, and Košava have the highest audience share at an average 76.8%. Local stations followed at a distant second with only 7.1% audience share, foreign channels had 5.6%, ex

Yugoslav channels with 4.2%, with regional stations picking up 3.9%, and other stations like cable providers with 2.4%.

Print research: SMMRI evaluated readership, reader's attitudes, channel of distribution, potential for advertising campaigns, and circulation. While print media is the lowest of the three main informational sources in Serbia (TV, radio, and print), more people still read a newspaper as a daily means of gaining information (31%) than use the internet (14%). Lack of interest and lack of time and money were cited most frequently as the reasons why daily newspapers and magazines are not read. In addition, a significant section of the population 45% of those interviewed, view newspapers as being at least influenced, if not controlled, by political parties and report news with increasing bias.

Radio research: The radio research evaluated the audience of selected media and their audiences' habits and attitudes and compiled information about the content of the broadcast media and its impact, the advertising market, and competition. The majority, 81.5%, of listeners surveyed tune into radio stations specifically to listen to music with only 12.6% listening to news or informational "talk radio" programs. Radio is still the largest spread media in Serbia with over 90% of the population listening to at least one station daily. Of all the stations in Serbia with a wide possible audience, USAID-supported Radio B92 had the highest audience share, reach, and listener rating.

Leading IREX sales and marketing trainer/consultant Dragan Kremer presented the findings at the at the ANEM conference (for further details see on the conferences see IR 3.2). In addition to his presentations, Kremer also organized and delivered training for the following TV stations at the IREX office on how to use the results to improve business:

- TV Santos (June 10)
- RTV Zajecar (June 11)
- TV YU Eco (June 12)
- TV Cacak, TV Aldi, and TV Sremska (June 13)
- TV Universa (June 19)

4.3 Supporting Institutions Function in the Business Interest of Independent Media

During the extension period, IREX offered subgrants to assist both media support institutions like the Association of Electronic Media (ANEM) as well as news agencies like FoNet to further their ability to serve members. In addition to the subgrant support, IREX commission additional research in new media usage as a way to encourage media houses to explore using these new technologies to further their businesses.

On June 24 and 25, with subgrant support from IREX, ANEM held a conference at the OSCE headquarters in Belgrade to bring together its members and prepare ANEM's strategy for 2009. The topics included: reaffirming ANEM's stance on the recent government actions that halted media reforms in privatization; increasing ANEM members' capacity to fight these challenges while protecting the freedom of the media; defining prospects for future cooperation between ANEM and A-MEDIA; and setting up the platform for effective and efficient organization and facilitation of the fourth ANEM Assembly. The conference was well attended, with more than 40 participants consisting of station managers from all over the country. The panel on privatization had the Deputy Minister of Culture as one of the panelists. The discussion on privatization, which was planned to run for only one hour, ran for two and could have easily continued all night. It grew quite heated at times, illustrating the complexity of the issues involved such as recent laws which clearly contradict the regulations on privatization. There appeared to be some consensus that a workable formula for government funding of media outlets should be no more than 30% to ensure control stays in private--rather than government-- hands. The participants clearly found the meeting helpful and informative. It provided a necessary networking opportunity and a chance to interface with some powerful forces affecting their industry, specifically the Deputy Minster and

a representative from the Republic Broadcasting Agency. ANEM distributed the conference conclusions to all 105 ANEM members and to more than 28 conference participants, guests, and panelists, coming from 17 donor and stakeholder organizations. A survey that ANEM asked members to fill out showed that 83% of them expressed a high level of satisfaction, while only 17% marked their satisfaction in a mid-level. None of the evaluators expressed dissatisfaction with overall conference results.

IREX awarded ANEM a third subgrant during the extension period. This subgrant, like the first, supported ANEM's efforts to create media policy papers specifically on new media legislation. ANEM wrote two papers under this award that contributed to the creation of a more comprehensive government policy and media performance regarding the use of new technologies and therefore further increase ANEM capacities to effectively disseminate information relevant to the specific sector in Serbian media industry, including:

- The inevitability of digitalization presents a large challenge for the entire media sector in Serbia and a wide-ranging strategy could provide support to media undergoing the change and reduce potential risks while at the same time, assure the further development of media sector and quality of media content. The ANEM authors, Slobodan Kremenjak and Jelena Surculija, outlined a strategy for a timely, successful and comprehensive digitalization of the broadcasting sector. The full item is available on ANEM's website.
- The second paper addressed the growing popularity of the internet and the need for regulation. While European legislators are seriously concerned with the issue of internet regulation, Serbia provides very few provisions for it in existing media-related laws. ANEM's authors again created a paper with recommendations for strategic framework for policy on new media and the internet which can be found on ANEM's website.

Also as a part of this activity, ANEM advanced its own internet work through the expansion of its intranet. Designed according to input from ANEM members, the intranet allows its members easier access to ANEM information, such as these policy papers as well as to each other, thus providing forums for discussions, Q&A, information posts, etc. This subgrant provided funds to ANEM to purchase software created by the company Inbox that allowed ANEM to track and monitor usage of the intranet. These statistics helped ANEM assess its own work as well as determine which areas of the intranet are most visited and of most use to its members.

With IREX funding**,** FoNet expanded its services by establishing two local offices in the regions of South Serbia and Vojvodina. The project originated from the current political/economic situation in those two regions and the attention given to them by politicians and the general public. The situation and resulting attention created a number of interesting events and an obvious demand of the media outlets for all multimedia news that are related to the regions. In the southern Serbia location at Leskovac, FoNet hired and trained a team consisting of a journalist, cameraman, and photographer while for its Novi Sad location created a Memorandum of Understanding (MoU) with Radio 021 which would provide FoNet the services of a production team in return for FoNet's contribution to the station's costs (rent, communications, etc). FoNet's new service significantly improved not only the number of news items, photographs, and reports offered on a daily basis to its subscribers but also the quality of the news agency's reports on the regions of South Serbia and Vojvodina.

In addition to the above mentioned subgrants, IREX commissioned several new surveys of the media landscape from Strategic Marketing and Media Research Institute (SMMRI) to provide new and useful information that would expand media's ability to run as sustainable businesses. The first was targeted at new media usage and preferences and identified attitudes and positive/negative motivators toward new technologies and media usage in Serbia among the younger generation. The second was a public opinion survey to find out the Serbian audience's trust in media as a source of information and their perception of media independence, impartiality, favoritism, and/or deliberate disinformation. In September, SMMRI held two press conferences to publicize the findings of these two research projects. There was also a presentation for USAID and other media donors summarizing the findings:

New media usage among young people, aged 15-25: Like the rest of the population, TV is the main source of information: 88% and 89% of this age group watch TV everyday. That being said, there is little station or program loyalty, and they use TV as background more than destination watching. Radio is primarily used for music or to create background noise. A surprising 34% looked through a newspaper on a daily basis.

Currently, Serbia has only 30% Internet penetration of the target population and half of that 30% use it everyday. There are a variety of explanations for this: lack of infrastructure wiring/cabling, expense, lack of broadband, and educational differences. As a result, there is a class/lifestyle difference between those who have and use internet and those who do not. Internet users tend to be better educated, higher income, travel more, are athletic, open to new ideas, and perceive themselves as modern. Those who do not have it or use it less tend to be more conservative and less educated.

In the home, the majority of Internet connection is ADSL (36%), but 26% still use dial-up. The majority use the Internet for email (60%), closely followed by browsing for information. As is true elsewhere, social networking is popular among this group: 46% use it, and Facebook is by far the most popular (60%).

Regarding mobile phone use, 81% of this age group use mobile phone to SMS, 42% for photographs, 25% for videos and multi-media, and only 12% use them for internet browsing. This is mostly a function of cost: both the phones are data costs are high at present.

Analysis of trust and confidence in the media: One of the more interesting results of the survey was that there existed overall low confidence in the trustworthiness of media (59% do not trust it or at least believe that it misleads them some of the time), but people felt high confidence in their own media (75% trust their own preferred news source). People believed that financial manipulation, whether by politicians or business, is the main reason for the attempt to control information. Serbians overall are heavy news consumers, averaging three different news sources everyday. The majority, 83%, use TV as their main source of information. RTS, B92, and Pink were the top three in terms of market share. RTS is perceived as the most controlled, and B92 as the least. RTS was also perceived as the least objective, while B92 as the most objective.

Overall, B92 had the greatest level of trust overall (44%), while Radio FoKus was at the bottom of the list with 6% trust rating. There was also a degree of belief in conspiracy theory, a feeling that there are deliberate misinformation campaigns. Of those, 55% believe political parties are behind those campaigns, 43% believe businesses are behind them, and 37% believe the government is behind them.

Even with low trust ratings, RTS was used most often (65%) as a source of information, followed by B92 (55%) and Pink (51%).

V. CONCLUSIONS AND LESSONS LEARNED

During the entire span of the ProMedia II program, including this extension period, Serbia experienced numerous events that had significant impact on the development of the country and its political, economic and social conditions, which in turn had an impact on the development of the independent media sector.

- On February 3, 2008 the Serbian people re-elected Democratic Party leader Boris Tadic as President.
- Kosovo unilaterally declared its independence on February 17, 2008 and was soon recognized by the majority of the international community.
- Record high number for voter turn out during the May 11, 2008 parliamentary elections which was carried by pro-EU parties.

- On July 18, 2008, 13-year fugitive Radovan Karadzic was arrested and extradited to the International Criminal Tribunal for the former Yugoslavia (ICTY) in The Hague.

Against these events, USAID and IREX continued their efforts to develop the independent media sector in Serbia and to institute internationally recognized professional standards for journalists and the media industry. Despite the continued and ongoing political and economic struggles, the ProMedia II program had considerable impact on the independent media sector.

One of IREX's greatest achievements during the extension period was its involvement in new media. While the short time period did not allow IREX to have in-depth involvement in introducing and training media on new technologies, it partnered with media associations, organizations, donors, and international media experts to bring attention to the changing face of media. With subgrant support of policy papers and conferences, IREX partners began to advocate for internet regulations that will protect children, freedom of speech rights for bloggers, define new categories of blogging, allow access to information, and much more. Implementing new media technologies, such as receiving news alerts via SMS on mobile phones, will also provide more revenue and contribute to the financial sustainability of media.

IREX continued to pursue its goal of providing journalists with training that would increase their professionalism and better enable them to provide fact-based information for Serbian citizens. Using a group of local trainers, IREX provided on-site assessments and training programs focusing particularly on news production. These and follow-up workshops contributed to the increase in news stories of local interest to viewers especially during the May 2008 parliamentary election campaigns. The workshops also increased the pool of skilled journalists in Serbia.

Recognizing that journalists are not the only professionals required for a successful healthy media outlet, IREX created a management and sales and marketing training program. The management training coincided with news production training, and while journalists practiced their reporting skills, management and editors at these stations received advice on creating programming schedules to best feature news, in-house production, and other programming. The sales and marketing training team, also a group of local, well respected professionals, worked with stations to help them build sales strategies that would draw in advertising revenue. In addition, IREX commissioned audience research data which the management trainer and sales and marketing teams used to help stations better manage their growth. Several organizations have incorporated the data into their marketing materials to be given to local businesses as evidence of their audience share. Stations began using the ratings data to adjust programming and plan for future projects.

The efforts to reform the regulatory framework for media in Serbia were hampered by the country's complex and conflicting legislation. The stop on privatization and the lack of political interest in creating transparent and editorially independent media leave the legal framework and media outlets vulnerable. The IREX-supported ANEM Legal Team and NUNS remain determined to keep these issues in the eyes and ears of media, the government, and citizens.

IREX funded a number of initiatives from radio and television stations to create programming that improved not only the quality of journalism by raising the production standards at local media outlets but also contributed to the variety of information Serbian citizens received from their local stations. The grants succeeded in helping build the capacity of those outlets and many of the local outlets that benefited from this support intend to continue making these types of productions. These productions give them an opportunity to inform the Serbian public about important and relevant information, including issues like elections, ethnic minorities, conflict resolution, or even environmental and health.

While the ultimate goal is to help media partners build sustainability by preparing them to live without financial support from the international donor community, many media outlets in Serbia will need continued donor support to function as the political and legal environment for media remain uncertain. Recognizing this need and especially in preparation for the close of ProMedia II, IREX provided new

workshops on grant writing and reporting. With this assistance, media outlets seeking support will be better positioned to find necessary funding.

Future media support programs in Serbia should continue to work with independent media to further develop their sustainability as businesses. A financially successful media sector removes the potential influence of political parties and government on media content. The next phase of media development activities should ensure that privatization does not diminish the quality of professional and objective news as new owners treat media as a business rather than as a public service. Additionally, the next media development program needs to help prepare the media for the future of digitization and internet news and information. At the core of any new media program, there needs to be a cadre of highly professional, strategic, forward thinking professionals, with significant media and business experience who are available to media organizations.