MEDIA SUSTAINABILITY INDEX 2005

DEVELOPMENT OF SUSTAINABLE INDEPENDENT MEDIA IN EUROPE AND EURASIA

IREX

USAID
FROM THE AMERICAN PEOPLE

Media Sustainability Index 2005

IREX

MEDIA SUSTAINABILITY INDEX 2005

The Development of Sustainable Independent Media in Europe and Eurasia
www.irex.org/msi

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USAID

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IREX

IREX is an international nonprofit organization providing leadership and innovative programs to improve the quality of education, strengthen independent media, and foster pluralistic civil society development.

Founded in 1968, IREX has an annual portfolio of $48 million and a staff of over 500 professionals worldwide. IREX and its partner IREX Europe deliver cross-cutting programs and consulting expertise in more than 50 countries.

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According to Mark Pomar, President of IREX, "The development of professional independent media is often a long process, but as this year's MSI clearly shows, those countries that embrace reform in the media sector and welcome the sustained efforts of free-press advocates, media professionals, and international organizations can show dramatic progress."

I am pleased to introduce the Media Sustainability Index (MSI) 2005. For the fifth consecutive year, the MSI provides in-depth analysis of the conditions for independent media in 20 countries across Europe and Eurasia. Since it was first conceived in 2000, in cooperation with the United States Agency for International Development (USAID), the MSI has evolved into an important benchmark study to assess how media structures change over time and across borders.

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

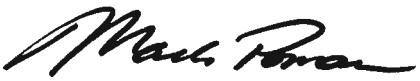
We are pleased that so many media professionals, aid experts, policymakers, and journalists have found the MSI to be a valuable resource over the past four years. We are particularly proud of the role of media professionals in each of the countries assessed. They provide the study with the inside knowledge and insight that outside evaluators often cannot fully capture. Their presence also serves notice to repressive governments that independent media have a continuing voice.

IREX would like to thank all those who contributed to the publication of the Media Sustainability Index 2005. Participants, moderators, and observers for each country, listed after each chapter, provided the primary observations and analysis for this project. At IREX, Michael Clarke, Theo Dolan, Drusilla Menaker, and Mark Whitehouse provided analytical or editorial support to the project. IREX field staff across the region provided either logistical support or participated in panels as members or moderators. Theo Dolan managed the overall implementation of the project.

At USAID, Peter Graves and numerous field-based staff have provided important assistance, ranging from comments on the content of the study to assistance with panels, serving in some cases as members or observers. All are essential supporters of independent media and advocates for the MSI as an analytical tool for development professionals.

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

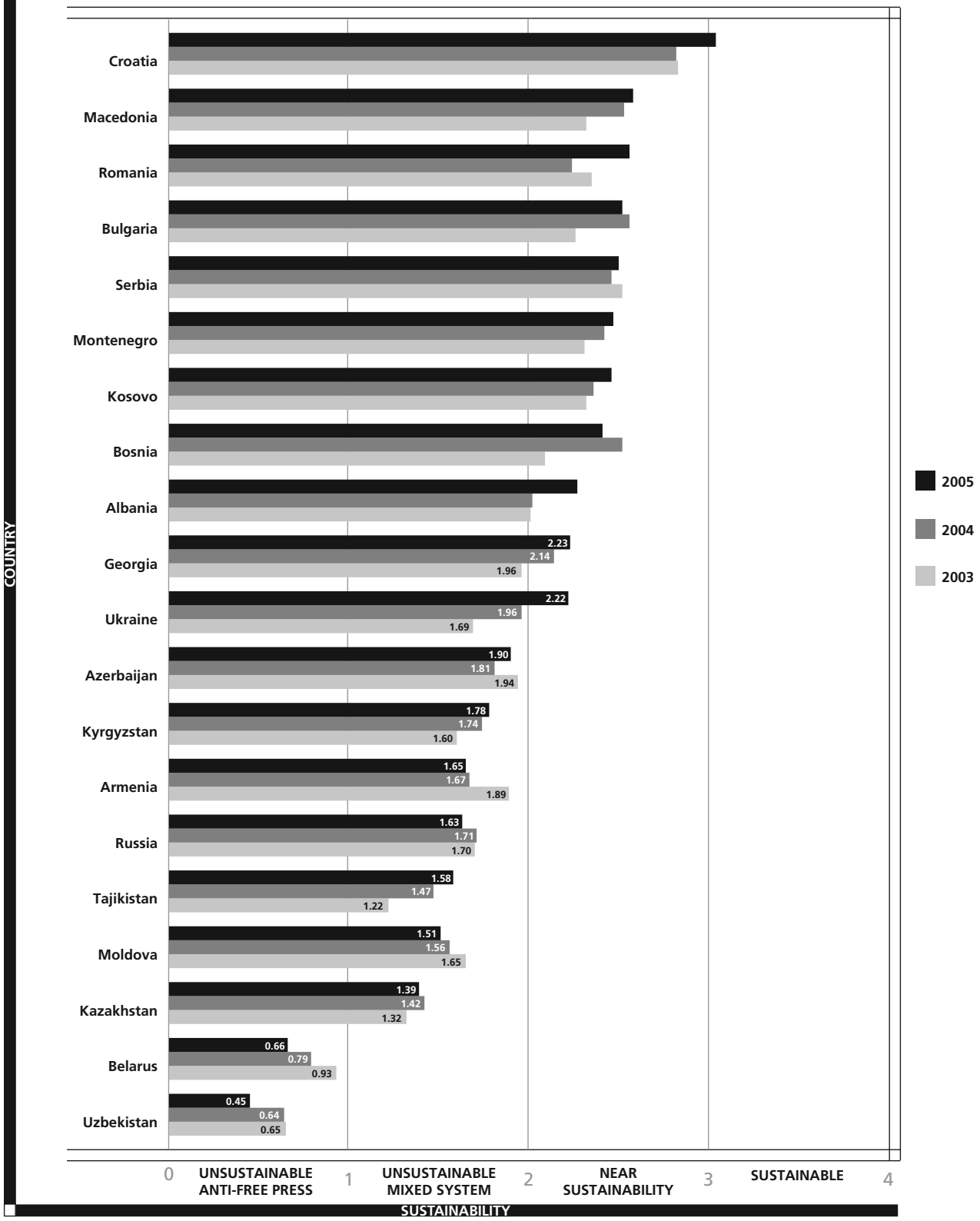
Sincerely,



Mark G. Pomar

President, IREX

AVERAGE SCORING FOR ALL OBJECTIVES



The cumulative effect of incremental steps, not dramatic moments, altered the media landscape in Eastern Europe and Eurasia during 2005. No "color" revolutions transformed media sectors as had happened in previous years in Georgia and Ukraine. Many thought Kyrgyzstan would follow this path, but after the brief spasm of protests forced the president to flee the country in March 2005, no major changes moved the media sector forward. Meanwhile, Uzbekistan took another path by violently quashing May protests in Andijan, leading to hundreds of deaths and a crackdown across all parts of civil society—media, nongovernmental organizations (NGOs), and political parties.

But in countries where reforms within the media sector have been the focus of sustained attention by free-press advocates, media business entrepreneurs, and international supporters, the Media Sustainability Index (MSI) shows results are accumulating. Southeastern Europe continues to lead the region with a more professional media, more sophisticated business practices, a gradually improving legal environment, and better-developed supporting institutions. The prospects are bright, with several countries starting the process of negotiating European Union (EU) membership, meaning they must adhere to EU standards, including those in the media sphere. Foreign investment in media has been expanding, bringing infusions of capital and business expertise. The legacies of the violent collapse of Yugoslavia are starting to be addressed as Bosnia addresses EU membership, Kosovo's final status talks proceed, and Montenegro prepares for a referendum on its union with Serbia. Bulgaria, Croatia, and Romania all look increasingly toward Europe as EU membership becomes a more attainable goal.

Central Asia remains the laggard. Independent media do operate, and brave, hard-working journalists do the best they can. But the governments of the region have not embraced media freedoms and seek to keep the independent media weak and ineffective through a repressive legal framework, extra-legal harassment, and lack of investment. Economic troubles and crumbling infrastructures compound the obstacles. Uzbekistan clearly has embarked on a policy of cutting off independent voices in the country. The regimes in Kazakhstan, Kyrgyzstan, and Tajikistan have not understood the benefits of a free media and have failed to embrace reform.

To the north, Russia continues to constrict the space for dissenting views, both in the media and civil society, although its sheer size and the momentum of earlier advances in media pluralism mean a degree of discourse carries on. In Belarus, however, the limitations on media independence have tightened steadily. Harassment through the judicial system and outside it, along with changes in media legislation, are slowly starving Belarus's independent print media, reducing circulation, and destroying the financial base. Moldova continues relatively stagnant with the reformed communist government disinclined to pursue significant media reform. Ukraine remains, for the second year, a bright spot in the region following the Orange Revolution. While change has not been as fast or as profound as many hoped, the government has not engaged

in the repressive tactics of the previous Kuchma regime. Media companies have seized the opening provided and, if the government were willing to make media reform a priority, would be poised to make a substantial push toward a more developed independent sector.

The Caucasus continue perched at the cusp of change. Georgia showed initial progress in media independence after the Rose Revolution in 2003 but has not consolidated these advances. Azerbaijan under the second Aliyev generation shows little inclination for profound reform. Armenia has witnessed minimal development in independent media since the first MSI in 2001. The region has key elements of a successful media system with private broadcasters and private print media. But media remain closely tied to political and business agendas, and there has been no breakthrough in professionalism, the legal framework, or commercial management. There are reasons for optimism, though, because through the initiatives of local activists and donors, a core of professionals is ready to move the media sector forward, albeit more incrementally than many would like.

Several issues of concern common across countries and regions were raised by the media professionals on the 2005 MSI panels. Among them was the negative side of "commercialization." With domestic and foreign investors seeking solid returns on their capital, many criticize media for seeking the lowest common denominator as they peddle scandal, entertainment, and gossip at the expense of news and public affairs. As one editor of a Croatian paper wrote to his staff: "I want sensations. Don't tell me there are no sensations; create them, I don't care." Whether this represents a maturation of the market as niches develop for every approach from tabloid to "serious" news or rather portends a race to the bottom remains to be seen. But the concern mirrors that expressed by media critics in the mature democracies of the West, whether in Europe or America, who fear the news is becoming trivialized in the struggle to maintain market share amid hundreds of television channels and the Internet. As the MSI panelists noted, hard news coverage suffers, and in-depth reporting diminishes.

During the five years that the MSI assessment has been conducted for the region, media law has been a great concern in most countries. A legal and regulatory framework supportive of free speech is essential for the long-term sustainability of independent media. It protects the media from hostile regimes, helps build a political culture supportive of free speech, and creates commercial opportunity. The difficulty of implementing such a framework is apparent from the MSI and more than a decade of media development effort in the region. It can be expected to take two to five years to pass a new media law, but only then does the hard part—implementation—begin. For instance, in Bosnia it took more than two years to develop and pass into law a freedom-of-information act, and this was in a country where there was international oversight of the legislative process. Implementation has been halting. Vildana Selimbegović, editor of *Dani* magazine, finds that certain public information, mainly public spending, simply cannot be accessed. "I have tried everything, but there are expenditures from certain coffers that are unavailable to journalists," she said. "I have tried using the Law on Access to Information, and I have 24 rejections. Six months overdue. End of story."

Media sectors will not be reformed overnight. This is the lesson from the Rose and Orange Revolutions and the overthrow of President Milosevic in Serbia. Expectations were high that the new reformist governments would move rapidly on media law revisions after the previous government had used or misused laws to keep independent media down. Serbia, five years from the overthrow of Milosevic, still has not gone through a broadcast licensing process, and hundreds of outlets continue to operate in limbo. In Georgia, it took nearly two years after the revolution to pass a broadcast law that could mark a major change in the sector and development of true public-service broadcasting. However, as the panelists pointed out, "Although Georgia enjoys quite liberal legislation that regulates media as compared to the other post-Soviet countries, implementation of these laws remains a problem. Corrupt and incompetent judges as well as prosecutors and investigators, who operate under enormous administrative pressure, often leave the media without the legal means for its defense." These examples demonstrate that media sectors are not reshaped in a vacuum; immature and at times unreformed judicial systems are among the most significant obstacles to sustainable media reform.

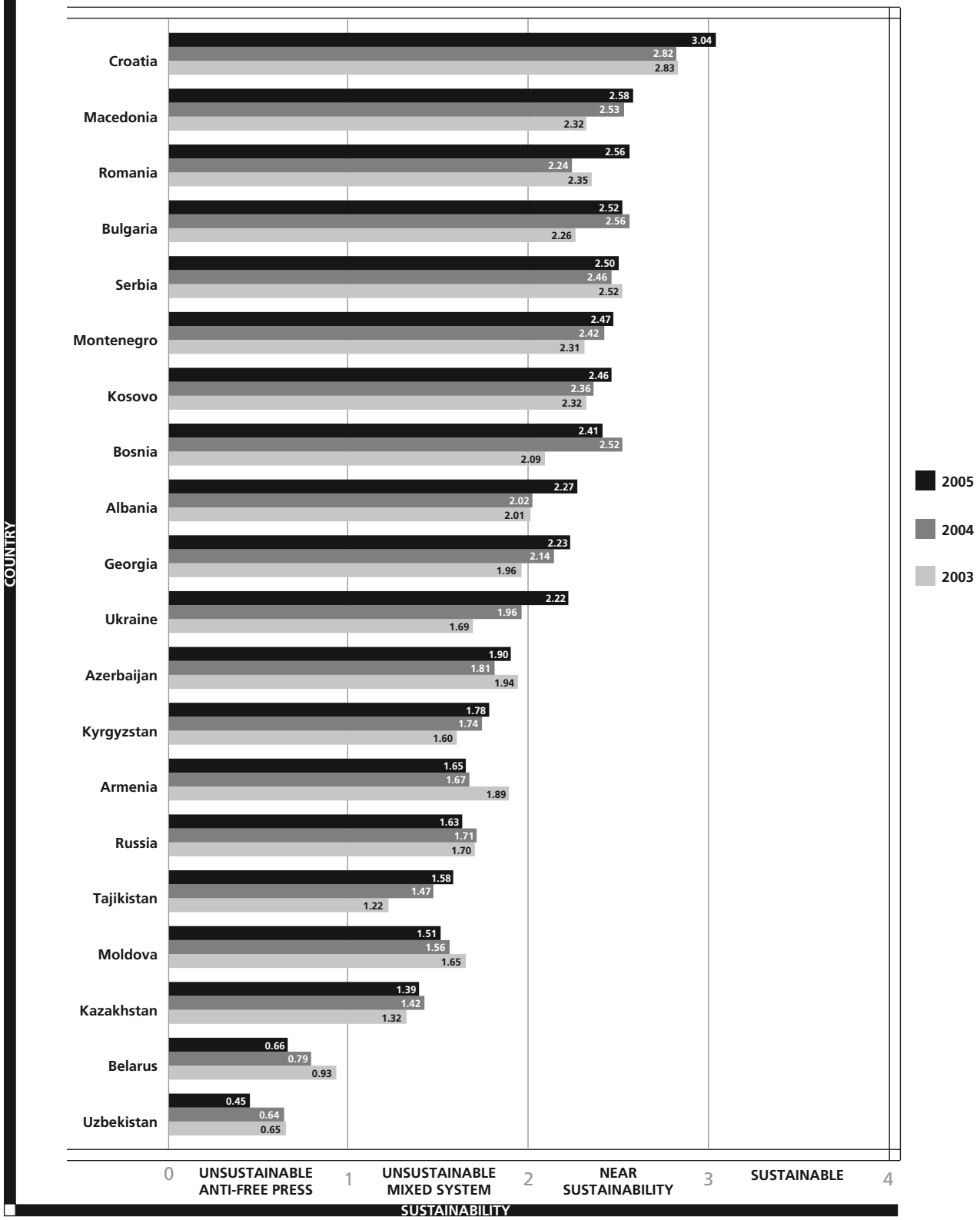
The long course of media-law reform points to the inescapable fact that taking a media system borne of a repressive regime to a point where it can be judged free and sustainable takes substantial commitments of time, attention, and innovation. While Southeast Europe in 2005 once again represents the best-performing region, no media system in any country assessed by the MSI can be said to have reached clear sustainability. Even Croatia, which just reached sustainability, did so by the barest of margins. It has seen only two changes of government since the 1999 death of President Franjo Tudjman, nationalism

remains a concern, and, although the media market has matured, fair application of laws has not been tested across regimes or in good and bad economic times.

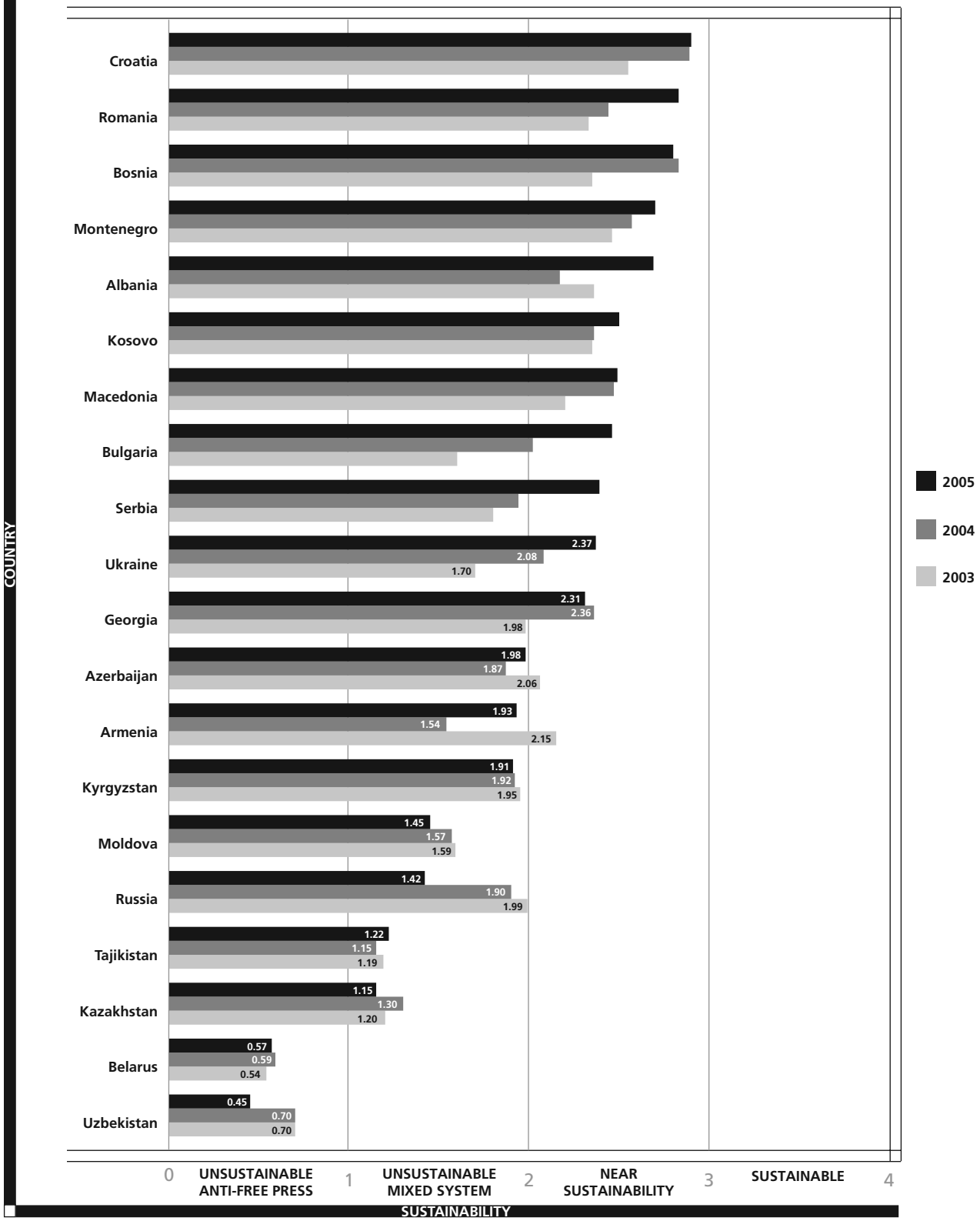
This need for commitment points to a key element of successful media reform—strong, local institutions dedicated to advocacy and professionalization. "Color" revolutions cannot be relied on to change the media landscape. While they certainly can bring positive change, their main effect seems to be a temporary unleashing of the media and media advocates. But deeper professionalization, legal and regulatory reform, and development of media businesses takes dedicated specialists. Where governments are repressive, there may be individuals struggling to fill these roles, but the institutions tend to be weak and underdeveloped. Central Asia possesses no strong free-speech NGOs, trade groups, or professional associations, despite having courageous activists. Southeastern Europe has witnessed development of strong organizations to promote media reform, including the Croatian Journalists' Association, the Association of Independent Electronic Media in Serbia, the Association of Bulgarian Broadcasters, and the Association of Professional Electronic Media of Macedonia. These and many other organizations have been increasingly effective in promoting the agenda of independent media before their governments. Ukraine and Georgia have witnessed strengthened professional and trade associations since their revolutions, including the Ukrainian Newspaper Publishers' Association, the Independent Association of Broadcasters in Ukraine, and the Georgian National Association of Broadcasters.

With five years of data now collected, the MSI demonstrates that change is only the first part of the equation, with sustained effort needed to ensure that implementation and results follow. The route from the first brave protests of journalists challenging the official dictate to the myriad of views provided by a successful independent media industry is a long one. However, the MSI also charts the results that ongoing advocacy and investment can achieve in strengthening independent media businesses and public broadcasting, and in institutionalizing a robust media system that promotes government transparency and accountability and brings citizens the information they need and deserve.

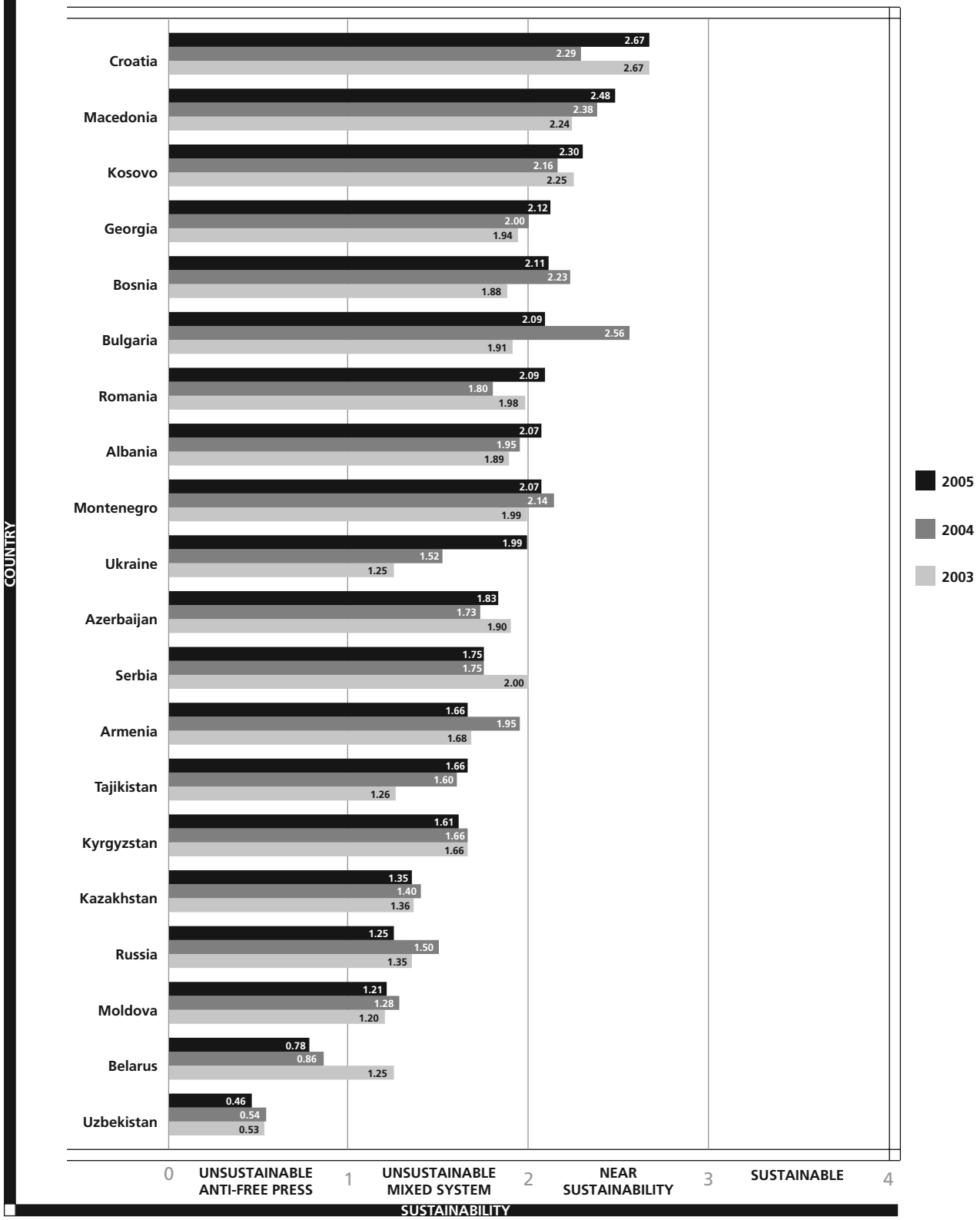
AVERAGE SCORING FOR ALL OBJECTIVES



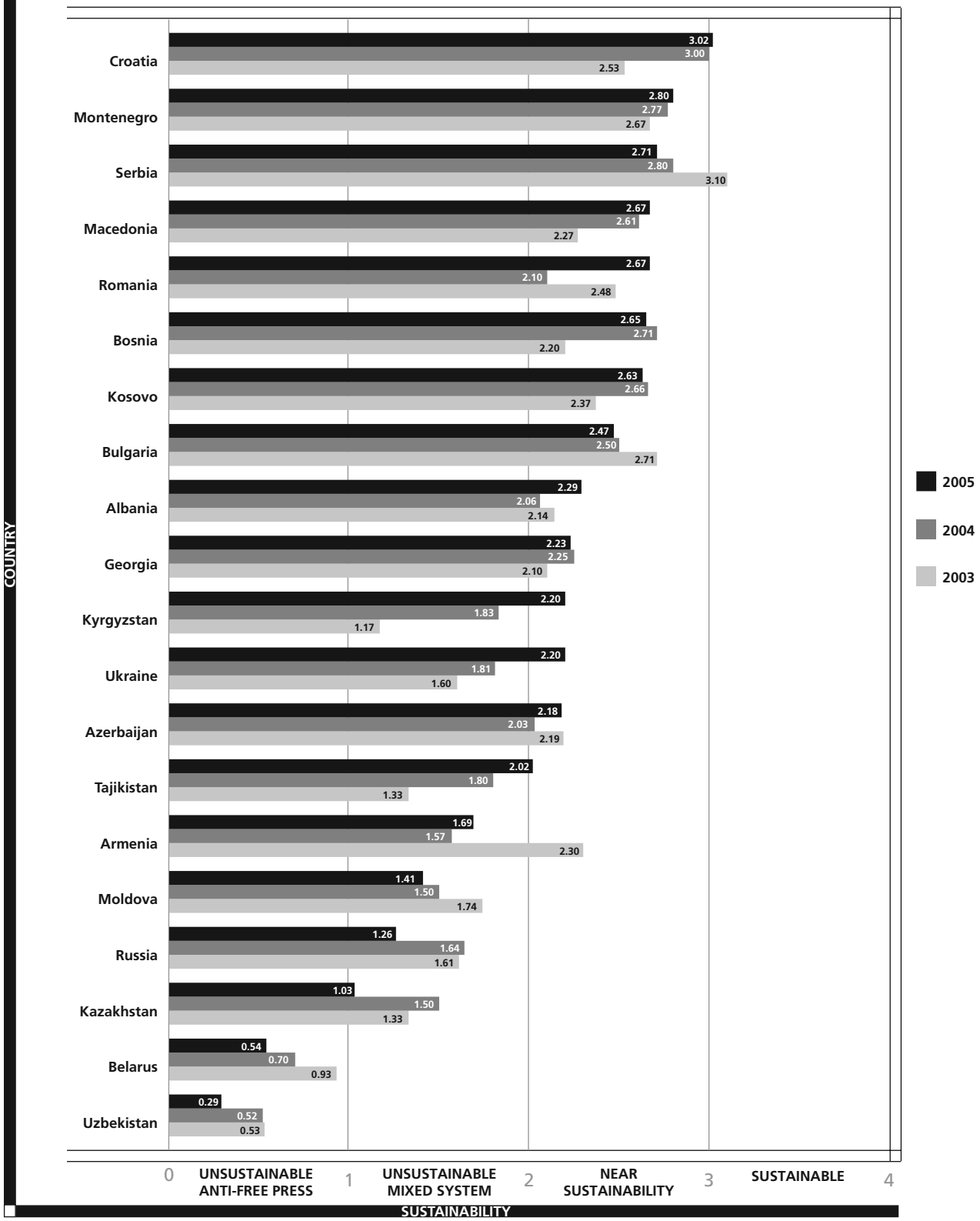
OBJECTIVE 1: FREE SPEECH



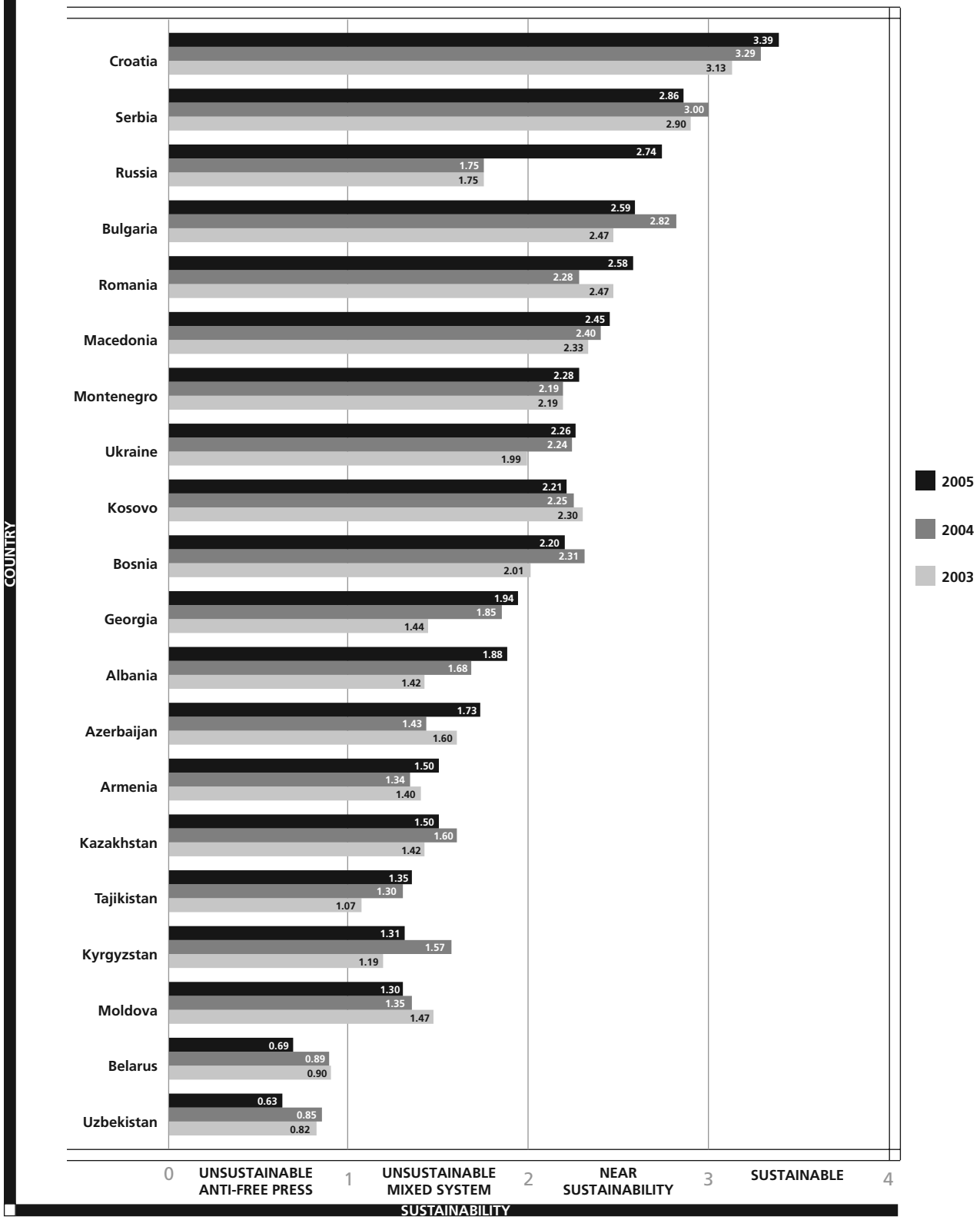
OBJECTIVE 2: PROFESSIONAL JOURNALISM



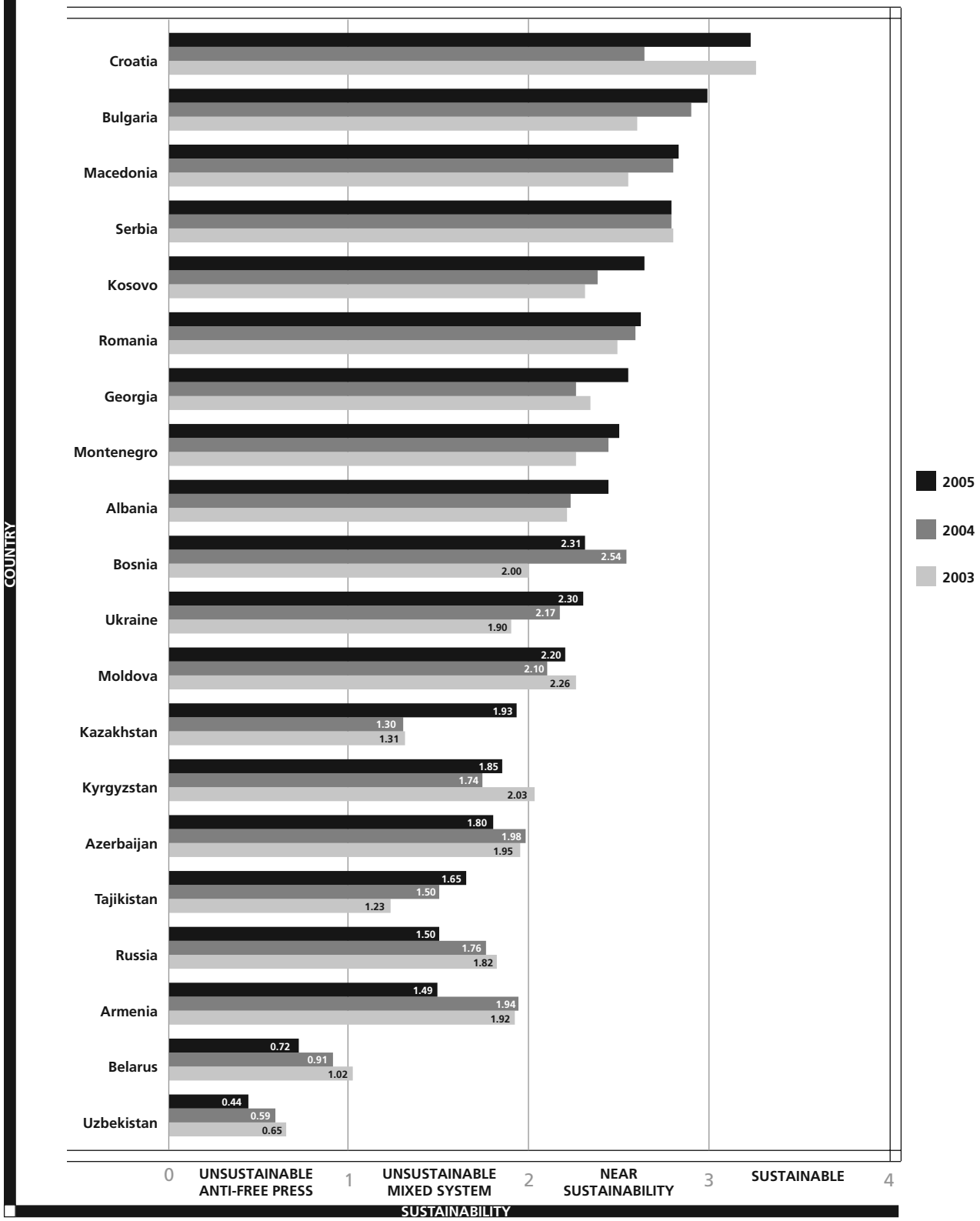
OBJECTIVE 3: PLURALITY OF NEWS SOURCES



OBJECTIVE 4: BUSINESS MANAGEMENT

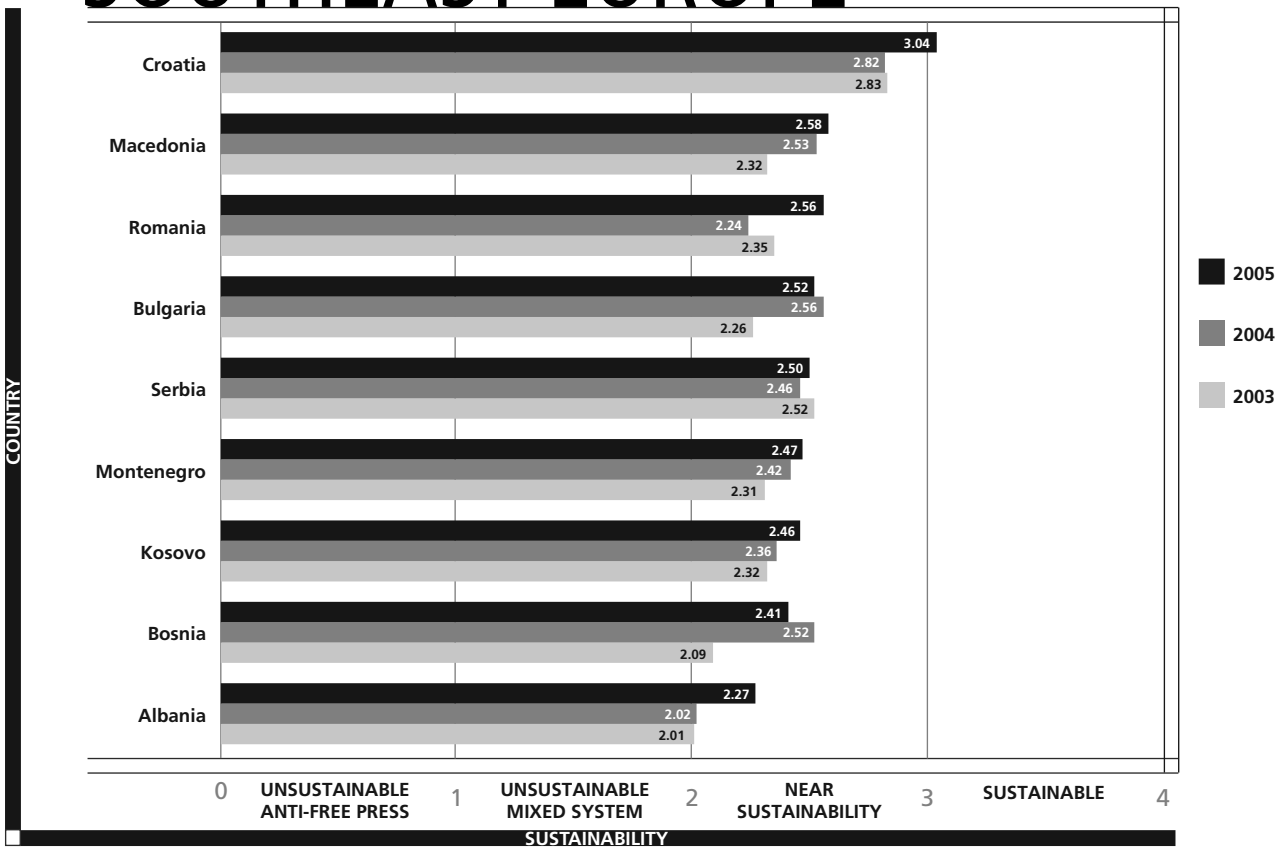


OBJECTIVE 5: SUPPORTING INSTITUTIONS



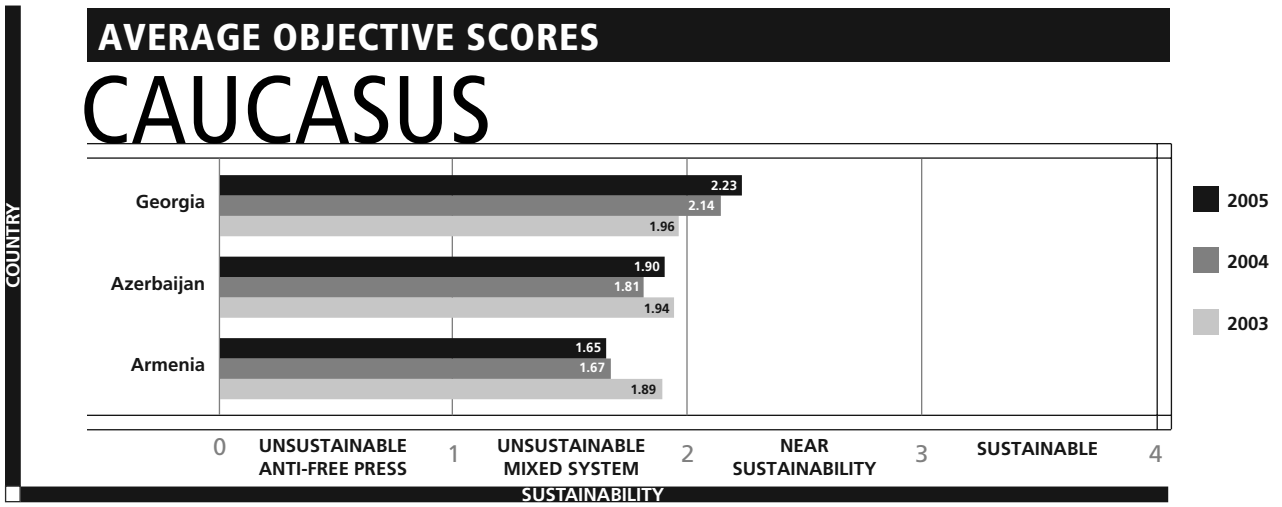
AVERAGE OBJECTIVE SCORES

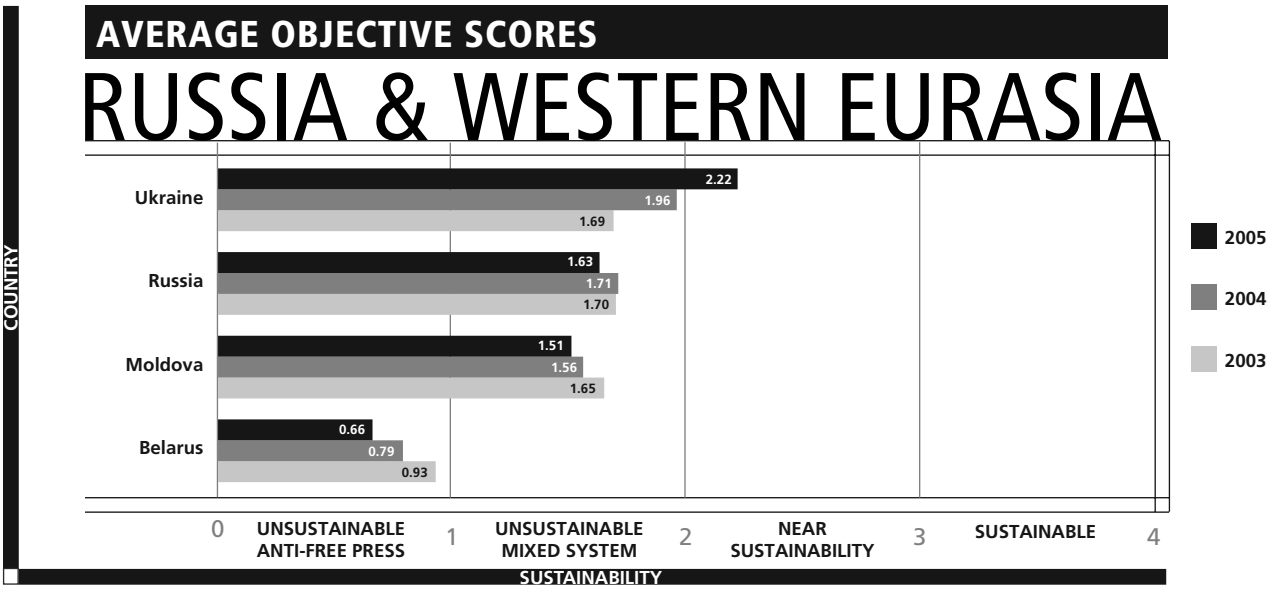
SOUTHEAST EUROPE

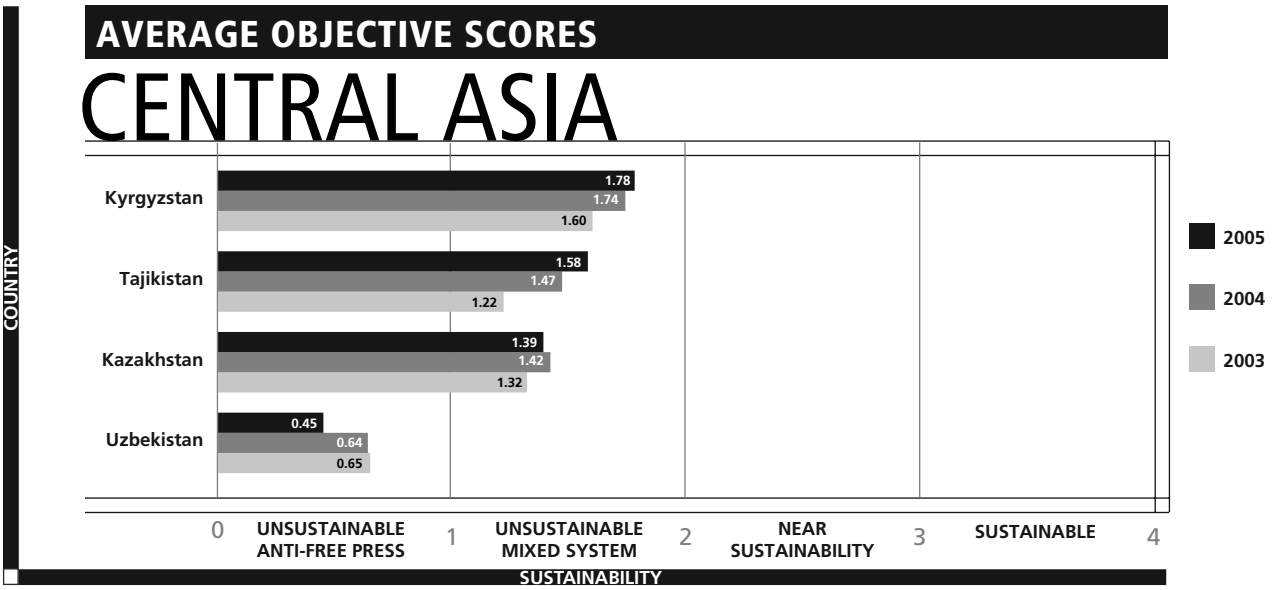


AVERAGE OBJECTIVE SCORES

CAUCASUS




AVERAGE OBJECTIVE SCORES
RUSSIA & WESTERN EURASIA
COUNTRY
Ukraine
2.22
1.96
1.69
Russia
1.63
1.71
1.70
Moldova
1.51
1.56
1.65
Belarus
0.66
0.79
0.93
2005
2004
2003
0
UNSUSTAINABLE ANTI-FREE PRESS
1
UNSUSTAINABLE MIXED SYSTEM
2
NEAR SUSTAINABILITY
3
SUSTAINABLE
4
SUSTAINABILITY


AVERAGE OBJECTIVE SCORES
CENTRAL ASIA
COUNTRY
Kyrgyzstan
1.78
1.74
1.60
Tajikistan
1.58
1.47
1.22
Kazakhstan
1.39
1.42
1.32
Uzbekistan
0.45
0.64
0.65
2005
2004
2003
0
UNSUSTAINABLE ANTI-FREE PRESS
1
UNSUSTAINABLE MIXED SYSTEM
2
NEAR SUSTAINABILITY
3
SUSTAINABLE
4
SUSTAINABILITY

THE CUMULATIVE EFFECT OF INCREMENTAL STEPS, NOT DRAMATIC MOMENTS, ALTERED THE MEDIA LANDSCAPE IN EASTERN EUROPE AND EURASIA DURING 2005. NO "COLOR" REVOLUTIONS TRANSFORMED MEDIA SECTORS AS HAD HAPPENED IN PREVIOUS YEARS IN GEORGIA AND UKRAINE.

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

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

1. Legal and social norms protect and promote free speech and access to public information.
2. Journalism meets professional standards of quality.
3. Multiple news sources provide citizens with reliable and objective news.
4. Independent media are well-managed businesses, allowing editorial independence.
5. Supporting institutions function in the professional interests of independent media.

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

The scoring is done in two parts. First, a panel of experts is assembled in each country, drawn from representatives of local media, nongovernmental organizations (NGOs), professional associations, international donors, and media-development implementers. Each country's panel has a slightly different composition, but in most cases, the same panelists from 2004's MSI were invited to return for the 2005 study in order to maintain an element of consistency.

Panel participants are provided with the objectives and indicators and an explanation of the scoring system. Each panelist individually reviewed the information and scored each objective. The panelists then assembled to discuss the objectives and indicators, and to devise combined scores and analyses. The panel moderator, in most cases a host-country media or NGO representative, prepared a written analysis of the discussion, which was subsequently edited by IREX representatives.

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

I. Objectives and Indicators

OBJECTIVE 1: FREE SPEECH

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

OBJECTIVE 4: BUSINESS MANAGEMENT

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

II. Scoring System

A. Indicator Scoring

Each indicator is scored using the following system:

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

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

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

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

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

B. Objective and Overall Scoring

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

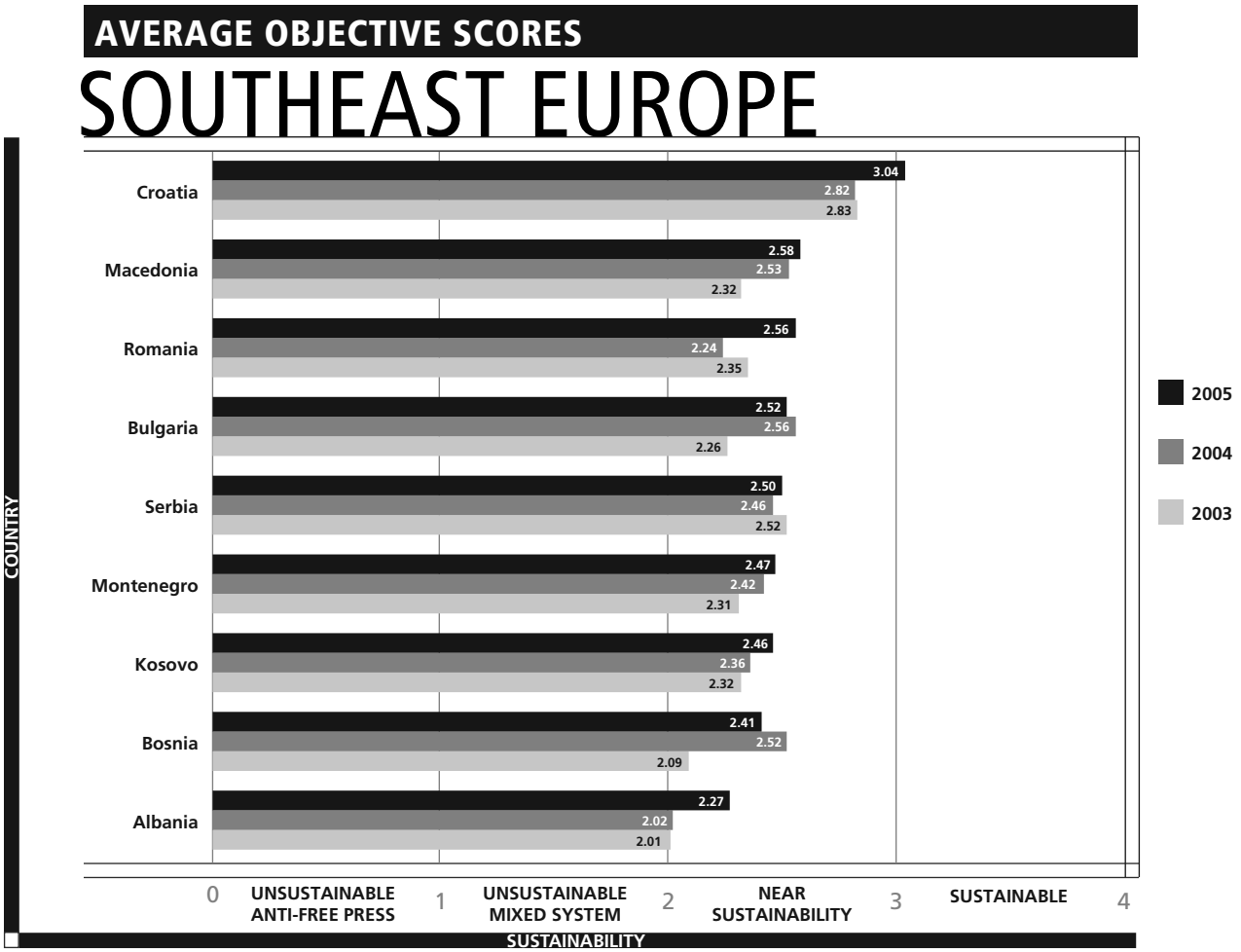
Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

SOUTHEAST EUROPE

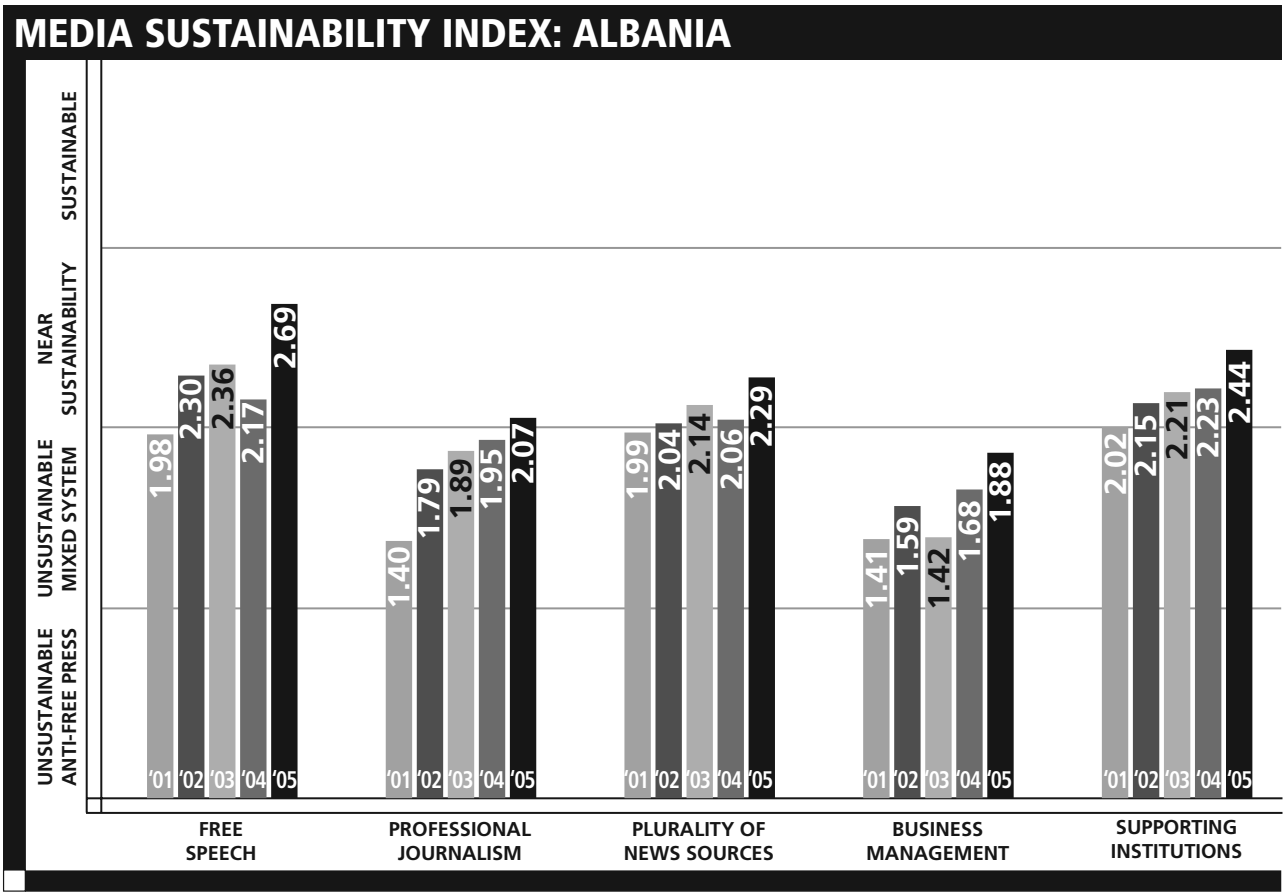


THE CHALLENGES ALBANIA IS FACING INCREASE THE IMPORTANCE OF MEDIA'S ROLE AS THE FOURTH ESTATE. EVEN THOUGH THE PANELISTS REPORTED POSITIVE CHANGE IN 2005 FOR ALL FIVE OBJECTIVES, MUCH REMAINS TO BE DONE IN ORDER TO ESTABLISH A FREE, INDEPENDENT, AND FINANCIALLY AND PROFESSIONALLY SUSTAINABLE MEDIA SECTOR.

Introduction

The peaceful changeover of power after the parliamentary elections on July 3, 2005, has not diminished the challenges faced by the poorest country in Europe. One of the most important challenges is the struggle against corruption, currently an epidemic in Albania. Even the electoral result—removing Fatos Nano's Socialists from power by handing control back to the Democrats and ex-President Sali Berisha—along with other important developments related to corruption will continue to be issues for some time. The Socialists' departure from government can be directly traced to their scandalous tolerance of increasing levels of corruption during eight years in power. In the same way, the success or failure of the new government headed by Prime Minister Berisha will be defined by how it handles corruption. The government's progress will be measured by important political events, such as local elections in 2006, as well as the presidential elections in 2007.

Fighting corruption with positive tangible results to show the public is a major focus of all players in the political arena. The issue is expected to be even more visible in the future, constituting the core of political competition. The main obstacle to fighting corruption consists of the bitter reality that in the past 15 years of transition establishing genuinely independent institutions capable of truly providing checks and balances for each other has not yet taken place. Even though the Constitution proclaims that the legislative, executive, and judicial branches are independent, reality has revealed another triumph for the mentality and practices of the party-state. In Albania, the executive branch continues to be rather powerful, and it imposes its will on both legislative and judicial branches. The prime minister, who is also the leader of the ruling party, is simultaneously the chairman of the parliamentary majority. This role is set against a background in which the strings connecting the judiciary to politics and the party in power are not difficult to notice. While the Democrats must take decisive action against corruption, trafficking, and smuggling, the opposition seeks to label almost every government action as political populism that does not respect the rule of law, thereby endangering personal rights and freedom.



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The challenges Albania is facing increase the importance of media's role as the Fourth Estate. Even though the panelists reported positive change in 2005 for all five objectives, much remains to be done in order to establish a free, independent, and financially and professionally sustainable media sector. However, media has no alternative than to achieve the self-actualization of the Fourth Estate, in addition to increasingly supporting civic and legal attempts to combat corruption and consolidate democratic reforms. This evolution of the media sector must take place along with attempts to preserve media freedom by establishing institutions that will protect journalists and outlets from mounting pressure from political and business groups. Fortunately, this process has already begun.

OBJECTIVE 1: FREE SPEECH

Albania Objective Score: 2.69 / 4.00

According to the Media Sustainability Index (MSI) panelists, two main aspects regarding the freedom of speech in Albania must be considered. One deals with the legal framework in place in which the Constitution of the Republic guarantees the freedom of expression and access to information. The other aspect concerns the implementation of laws that safeguard the freedom of expression and access to information. While the situation has improved significantly regarding legislation on the books, there are still problems with implementing these laws.

Musa Ulqini, a member of the Parliamentary Commission on Mass Media, says: "According to international standards, Albanian legislation on free speech has had a positive evaluation from the European Union, the Council of Europe, and the OSCE." Other panelists shared the same opinion. It seems that media legislation will experience further improvement in the near future. In early 2005, a draft law was presented to the parliament of Albania that was aimed at decriminalizing defamation. If this amendment passes in parliament—it is still under review—no Albanian journalists will face imprisonment when charged in defamation lawsuits, as the present penal code stipulates. An amendment to the civil code has also been completed. This amendment aims to narrow the range of fines in cases of personal damages, such as damage to someone's reputation. This decision is currently left to the discretion of the judges. All of these changes are expected to improve the legal environment for journalists by removing hidden barriers.

However, Musa Ulqini is not very optimistic when it comes to the implementation of this legislation, to the agreement of the other panelists. According to Bashkim Hoxha, journalist and director of Teuta TV, "the laws regulating media are not bad, but their implementation is rather voluntary and is under political and economic pressure." Political pressure, as other panelists agreed, has such a strong presence that it hinders the normal activity of regulatory institutions for the media industry, such as the National Council of Radio and Television (KKRT, according to the Albanian acronym). In many instances, television stations in Tirana or in other cities violate the law on broadcasting. However, KKRT hesitates to penalize them since it finds itself under immediate pressure from the political parties, which complain that such penalties are in "violation of free speech." To Ylli Pango, a member of the Parliamentary Commission on Media, every time there has been a conflict between media and regulatory bodies, it has been more convenient for the government to side with the media, at the expense of the regulatory bodies and the law. International organizations and diplomats in Tirana have also been

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

complicit in neglecting legal requirements for the sake of a media outlet's potential affiliation with certain political parties. Intimidated by more than 40 years of the communist oppression of free speech and by newfound instances of this tradition during the early stages of transition, the foreign presence in Albania has preferred to discourage some KKRT regulatory activities against media in order to protect free speech. By exerting this kind of pressure in the name of free speech, the rule of law has been flaunted by tolerating certain cases of abuse.

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According to some panel participants, freedom of expression in Albania is so open that it has become excessive. Based on this liberal use of freedom of speech, IREX Senior Media Advisor Andrea Stefani stated, "Speech is so free that it is costing us very dearly." Political pressure by the parties on media has meant that issues such as the funding of stations or the broadcasting of pirated programs have been overlooked. This phenomenon is even more evident in the licensing procedures. Although the law clearly defines the licensing requirements, not everybody respects them. However, many applicants who do not meet the conditions still receive a license. Thus, Albania faces a contradictory situation: Access to the media market is truly free and without barriers presented by monopolies. On the other hand, access to the market is entirely unregulated. While this situation does not hinder the operations of many media outlets, it does not tie the growth of the media sector to the adherence to professional and legal standards. It is no coincidence that the immense number of media outlets in Albania increases by the day. However, the level of their professionalism is low and leaves ample room for improvement.

The media sector has grown, quantitatively speaking, but qualitative growth is insignificant. In addition, despite pressure from politicians, media owners, and international organizations, there has not been one case of revoking the license of those media outlets that do not meet even the minimum requirements for a radio or television license. Even those stations that broadcast pirated programs in order to compete with television stations that make use of regularly acquired programs have not been punished. The weak implementation of media legislation in this case is not only damaging to the KKRT, but it is also destructive to competition in the media market.

Panelists stressed that there can be no genuine freedom of speech or media freedom when the principle of equality before the law is violated. They added that politics has never guaranteed the KKRT the necessary support in order to fulfill its duty of developing free media according to proper standards and in conformity with the law. According to Bashkim Hoxha, "The process of licensing electronic media in Albania continues to be politically controlled, noncompetitive, and unfair."

Panelists agreed that the media market is quite open and that there is no discriminatory treatment of media regarding tax policy.

The law on access to information in Albania enables every citizen and journalist to access all public documents that are not classified as secret. However, there are still cases in which, in violation of this law, officials at different levels of the administration hesitate to provide journalists with the requested documentation. Such resistance is more frequent in the districts. "For us it is more difficult to obtain information, because they won't give it to us," said Luftim Vani, director of a local station in Bulqizë, a mountainous region in the eastern part of the country. In fact, due to factors such as patriarchal traditions or the degree of pressure larger and more influential media can exert, the range of free speech is greater in the larger cities, and especially in the capital of Tirana. Hence, freedom of expression is not equally practiced throughout the entire country and becomes more limited in small towns, counties, or communities.

Violence against journalists becomes more evident during elections campaigns, when political competition becomes fierce. Even during the parliamentary elections on July 3, 2005, which brought the Democratic Party into power, some serious instances of violence took place. For example, the assault on Mero Baze, editor-in-chief of *Tema* newspaper (a daily quite close to the then-opposition) and an attack on a reporter from television station Top Channel were notable. These incidents led to a lower press freedom ranking for Albania, compared with a year ago, in 2005's Press Freedom Index produced by Reporters Without Borders. However, panelists thought that Albania currently suffers not so much from violence against journalists as from freedom-of-speech abuses directed against some

journalists. While the cases of mistreating journalists become increasingly less frequent, the cases of media violating the reputation and privacy of individuals become increasingly more frequent. In general, media are not concerned about infringing on the rights of others, and they are even less concerned about compensating people for damages done to reputation or privacy. Many newspapers do not devote the same space within their pages to legal retractions regarding individuals, businesses, or institutions as they would for the original charges against the same entities.

Yet, unpleasant memories of the Communist regime that annihilated freedom of expression, combined with more recent memories of violence against media at the beginning of the transition period, led to the widespread opinion that strengthening the ethical spirit among the media must stem mainly from the self-regulation of the journalists themselves. Even though the media community drafted and approved a Code of Ethics some years ago, this code is virtually ignored. Based on demand from the journalists to create an ethical regulatory body within the journalism community, the Albanian Media Institute and the US Agency for International Development (USAID) began an initiative in November 2005 to establish an Order of Journalists. This initiative becomes increasingly important in advance of the decriminalization of defamation and libel measures currently under debate in the parliament.

Albanian laws do not stipulate any privileges for the public media. However, according to some panelists, Televizioni Publik Shqiptar (TVSH) still enjoys some privileges regarding advertising, the infrastructure of electronic broadcasting, and in collecting information from public institutions. According to Iris Luarasi, a journalist and professor at the Department of Journalism at the University of Tirana, it is not normal that the law on electronic media does not define what share of the advertising cake TVSH can benefit from in one year. According to Iris Luarasi, "TVSH, thanks to the great capabilities it possesses, can attract almost 70 percent of the advertising market, thus rendering life difficult for many private stations." It must be added that in addition to advertising revenue, TVSH's other income is derived from a license fee. This double source of revenue is perceived as a privilege that damages competition in the media market and even promotes corruption with the TVSH funds.

To Fabiola Haxhillari, a panelist and the Organization for Security and Co-operation in Europe (OSCE) representative, the fact that TVSH continues to own the mountainous peaks where the broadcasting antennas are located is a privilege that generates considerable revenue for TVSH. The station collects fees that private media outlets must pay in order to transmit their signals. According to Haxhillari, "Many of the private television stations are indebted to public television, and this is a great benefit that TVSH still enjoys."

According to Bashkim Hoxha, "The process of licensing electronic media in Albania continues to be politically controlled, noncompetitive, and unfair."

Meanwhile, many of the panelists consider it problematic that TVSH continues to disseminate propaganda in favor of the party in power or the government. In this way, the station distances itself from the mission of a genuine public station. According to Aleksandër Cipa, journalist and head of the Union of Albanian Journalists (UGSH), this harmful dependency of the public television on government is exacerbated by the fact that the electoral procedures of the general director of the station favor the preferences of the prime minister. This viewpoint was confirmed by Genc Ymeraj, a journalist and editor at TVSH. "It is true that politicians appoint the directors of public media according to their own will. Even after the ascendance of the right wing to power, we still hear that some 30 names are mentioned as potential appointees to the high-ranking positions of TVSH, all of them belonging to the right wing. This is the way it has been, and this is the way it will always be," Genc Ymeraj said.

The panelists shared an almost unanimous opinion that while the law acknowledges the right to equal access to public information for all media and journalists, the reality presents some problems in this regard. Due to the dependency of public television on the government, several directorates feed news to TVSH in a privileged and exclusive manner, at the expense of private media. Meanwhile, cases in which government officials refuse to inform journalists are more frequent when it comes to local government administrations.

In Albania, access to the journalism profession is rather open. The government does not require licenses or impose other restrictions. The panelists found that this situation has given rise to a new concern, namely the involvement of unqualified people in the journalism profession. Consequently, this has negatively affected the quality of overall reporting. According to the panelists, this problem can be solved only through the establishment of the Order of Journalists, which is expected to take place in 2006.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Albania Objective Score: 2.07 / 4.00

When it comes to journalism standards, all panelists provided generally poor assessments on this objective. Even though significant attempts to provide sources and balanced reporting have occurred, ethical codes are underdeveloped. In fact, ethical standards for Albanian journalists do exist. In 1996, the Albanian Media Institute cooperated with two existing journalism associations to hold a roundtable, resulting in a draft Code of Ethics for journalists. This document was produced after reviewing similar documents from countries with more consolidated democracies. In the end, the draft met the standards upheld by international professional journalism associations. However, in the absence of an institution that would implement this code, the document was ignored for several years. It is precisely for this reason that Albanian media continue to experience ethical violations in reporting, which lead to privacy infringements or cases of slander against individuals and even institutions. At the same time, rumored cases of paid-for articles or broadcasts in which journalists are paid directly by political or business representatives abound. This "business" is rather widespread at public television, where some companies prefer to advertise via on-air news editions or articles by bribing the reporter rather than by buying advertising time.

According to Fatos Baxhaku, a well-known editorialist, "Working without contracts, the lack of a strong union of journalists, and therefore the absence of protection for journalists against media owners has been and will be one of the main causes not just for self-censorship, but also for all the silent, psychological intimidation and pressure exerted on journalists."

Even though there is hardly any censorship in Albania, self-censorship is still present. Why is that? To many panelists, the main reason is the lack of protection for journalists vis-à-vis the media owners. There are many instances in which Albanian reporters and journalists bow to pressure from their owners in order to publish stories that favor friends of the owners. Similarly, journalists are pressured to not publish or broadcast stories that affect the interests of individuals, businesses, or politicians close to the owners. If journalists do not obey, they risk losing their jobs. Media owners have exercised their relatively unchecked power when they have fired entire groups of journalists. In 2005, for example, the television station Telenorba Shqiptare underwent a change in ownership that resulted in the firing of almost the entire staff of journalists. The staff was let go without meeting any of the contractual requirements. A similar situation happened with television station TV Koha. According to Fatos Baxhaku, a well-known editorialist, "Working without contracts, the lack of a strong union of journalists, and therefore the absence of protection for journalists against media owners has been and will be one of the main causes not just for self-censorship, but also for all the silent, psychological intimidation and pressure exerted on journalists."

The fact that almost 90 percent of journalists continue to work without contracts is still a cause for alarm. This has led to the perception that the journalism profession is not a career to which people are dedicated and which can earn them a living. In addition, the flow of journalists entering and exiting the profession is constant. "Currently there are only 5 to 10 journalists in the entire country who started in the profession 15 years ago, when transition started, and have remained faithful to this profession. The overwhelming number of media professionals have slowly moved on to other careers," editorialist Lutfi Dervishi said.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

The departure of journalists to other professions has made accumulating professional experience difficult, thus eroding the considerable investments made by different donors in training journalists and improving the overall quality of reporting.

In October 2005, the journalism community, supported by IREX and USAID, established the Union of Albanian Journalists, a trade union tasked with providing all journalists with regular work contracts and protecting the rights stipulated in these contracts.

Panelists accepted the fact that media in Albania cover key events and issues with little restriction.

In Albania, the range of salaries for media employees remains rather low. In this context, the monthly salaries of some editors-in-chief or news directors at private stations are considered very high if they fall in the range of $1,500 to $2,500. However, these are isolated cases, as the overwhelming number of journalists earns salaries that fall in the range of $200 to $500 per month. Even though this wage rate is higher than the salaries in the public sector, these wages are not enough to prevent corruption or hold journalists back from offering to publish articles and broadcast stories to the highest bidder. Journalists are even more vulnerable to such temptations because many outlets do not pay for Social Security or health insurance for the journalists.

News information is plentiful. In general, all television stations have their own daily news programs, with the exception of the small local television stations. News editions do not overshadow entertainment, or vice versa. Is the environment for gathering, producing, and distributing news modern and efficient? The answer would be positive for private television stations such as Top Channel, TV Klan, or Vizion Plus, based on the amount of capital they possess. "The equipment of some Albanian stations with the latest digital technology would be envied by many stations in the USA or Europe," Luftim Vani said. In some relatively big cities such as Durrës, Vlora, Elbasan, or Korça, the media situation has improved in recent years. However, the media landscape in other towns and cities is much different. In smaller cities and in rural regions such as Puka, Kukës, or Bulqize, the equipment resources are very poor. "Similar to the people, media in Albania are extremely polarized between rich and poor," Luftim Vani said.

With regard to reporting genres, the panelists agreed that all kinds of reporting exist in Albania. Economic reporting, social reporting, cultural reporting, and sports reporting have increasingly accompanied political reporting over the years. For example, two newspapers and one magazine are dedicated to economic reporting. Weekly magazines that deal with cultural issues and social groups like women compete with daily newspapers that also cover these issues. Furthermore, specialized reporting is present in mainstream and in local media. However, even though niche journalism exists, the quality of such reporting leaves room for improvement. Depending on the nature of the reporting, when it comes to political reporting, readers find a lot of passion and bias. On the other hand, economic reporting lacks professionalism and accuracy. The whole situation results from the fact that beat reporting developed faster than journalism training that covers niche reporting. Do quality reporting and programming exist? Aleksandër Cipa said: "I will answer 'yes' to this question, omitting the word 'quality,' though."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Albania Objective Score: 2.29 / 4.00

The pluralism of media and information sources is, at least in theory, one of the most acclaimed achievements during the transition years in Albania. Censorship of foreign media no longer exists in Albania. This is

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

a far cry from the country's communist past, when total censorship of foreign media left Albania isolated from the rest of the world. However, in practice, this achievement is diminished by the financial hardships that prevent many people from obtaining most of these information sources. Due to the widespread poverty that persists in the country, many people cannot afford to buy even one daily paper, which costs about 50 cents. Meanwhile, it is understandable that these same people could not afford Internet service, which is quite costly, or a subscription to a satellite television service, which is also very expensive relative to the income of most Albanian citizens. The situation is alleviated somewhat by the spread of cable television to some cities—an advance that, combined with the sale of pirated broadcasts of programs and movies, offers people more sources of information.

According to Bashkim Hoxha, "There is a strong contrast when it comes to accessing sources of information. People living in large cities and especially in the capital have greater access to media sources."

Poverty is one of the primary factors that continue to stunt the circulation of daily newspapers. Currently the circulation of most daily newspapers does not exceed 5,000 copies, while the two top newspapers in the country do not sell more than 20,000 to 25,000 copies per day. This situation sparked a debate on newspaper prices in 2005. Some owners of the low-circulation newspapers, making use of their contacts among members of parliament and the presence of a newspaper owner on the Parliamentary Media Commission, prepared a draft law seeking to establish a floor price of no less than 50 cents for all newspapers. The aim was to legally deprive newspapers that sold at 20 cents per copy of their competitive edge. Fortunately, this initiative did not pass in the parliament. If the law had been approved, not only would it risk a further decline in circulation, but it would also endanger free-market competition. Even without the law, the print media environment is not healthy and finds itself struggling for survival. The press is struggling, in particular, vis-à-vis competition with the electronic media. It is a paradox that newspapers continue to claim sales as their main source of revenue, and not advertising or subscription income, which remain underdeveloped revenue streams. In this situation, survival is impossible without the support of business or political interests. This outside influence threatens media independence, since media become vulnerable to pressure from businesses or politicians.

The available sources of information reflect significant polarization and lack of balance. According to Bashkim Hoxha, "There is a strong contrast when it comes to accessing sources of information. People living in large cities and especially in the capital have greater access to media sources." The quality of Internet services is significantly better in the capital than in other cities. In the rural areas, Internet access is nonexistent. These rural areas, estimated to host more than 50 percent of the population, continue to suffer from lack of access to print media. Due to the bad roads, newspapers cannot be distributed to the villages. Not only does this leave a large part of the population uninformed, but it also artificially halves the newspaper market, making it difficult for print media to survive. This appears even more alarming since local newspapers are nearly extinct in Albania. During the early transition period, more than 60 such newspapers existed. However, facing tough competition from Tirana-based papers, most of them had to close down. Their closure left a disturbing vacuum that has yet to be filled.

Most of the panelists explicitly stated that public media outlets are still partisan mouthpieces for the government. This role further removes the outlets from their mission to serve the public. The public television station TVSH was once again the focus of much discussion. According to Iris Luarasi, "It is without doubt that TVSH reflects the viewpoints of the political spectrum in power." The station's links to politics, and more specifically the government, have traditionally led to TVSH's politicized coverage. It has always been difficult for TVSH, the largest station in the country, to adopt an editorial policy that more closely parallels public interest. To one panelist, it is somewhat unnatural that the news edition on TVSH always starts with a political event and almost never with a social problem. In fact, these government ties in some cases have led TVSH to censor those programs that do not mirror the interests and propaganda of the government or the ruling party. For example, in March 2005, TVSH began broadcasting an investigative program called "Hapur" that is produced by Albanian journalists with the support of IREX and USAID. Loosely modeled on "60 Minutes," "Hapur" investigates instances of corruption in Albanian government and society. However, the program did not manage to broadcast two episodes before it was pulled off the air. The producers of "Hapur" learned that this censorship, reminiscent of the communist-era Iron Curtain that had once been imposed on the media, resulted from irate phone calls that TVSH directors received from officials of the then-Socialist government.

In spite of TVSH's somewhat more balanced record regarding the broadcasting time allocated to

government and opposition representatives, the tendency to favor the party in power, the excessive politicization of news coverage, and the ignorance of real public problems remain visible. These problems led one panelist, Lutfi Dervishi, to define public television in this way: "Public television is not public television."

For different reasons, independent news agencies have not been successful in Albania. All private enterprises in this area have largely failed because of poor professionalism and the lack of adequate investment. Even the state news agency (ATSH) is no longer used by private media outlets (television stations and newspapers) that currently produce their own news. Many view the state agency as overly politicized and supportive of the government. As media outlets gradually lost interest in the agency's information products, referencing ATSH in newspapers and on television news became a rare phenomenon.

The law on broadcasting forces all media outlets to produce local news at least twice per week. Most television stations meet this requirement. Some of them even produce news programs on a daily basis. Some private stations in Tirana (Top Channel, TV Klan, TVA, TV Vizion+, TV Koha, and others) produce news comparable to international standards, while others meet reasonable levels of quality for local news production. However, there are stations in distant areas that still experience problems with news reporting. The difference between news broadcast by private stations and news broadcast by public media is that the latter is always filtered according to the interests of the party in power. The private media are not always subject to this screening process. Those outlets that do receive support from political parties or businesses support those interests in return. However, in general, private media are more pluralistic and independent than "public" media, since the ties of private-sector media to the government are not as entrenched. In this sense, the promise of the pluralism of information in Albania is not realized through public media; it is rather through the private media.

The panelists offered very low assessments regarding the transparency of media ownership. This is due to the fact that legal requirements regarding the transparency of ownership and funding are not complied with or enforced. Legally speaking, public television is forced to publish biannual balance sheets stating revenues and expenditures. In practice, this does not happen. Even private media must submit annual financial records to the KKRT. The KKRT and the banks, while preserving financial confidentiality, should investigate the sources of media funding. However, no investigation takes place, and therefore the public remains uninformed about the sources of media funding. The situation becomes even more mysterious based on frequent allegations of dirty money invested in the media. Statements by the politicians have supported these charges time after time. For example, during the course of the election campaign that brought him to power, current Prime Minister Sali Berisha participated in a media debate with the owner of a well-known television station. Berisha mentioned "the white powder," alluding to the dubious financing sources of the station. At the same time, when the ownership of a media outlet changes hands, it is not public information. Some television stations such as Alsat TV, Koha TV, and the newspaper *Tema* have changed their ownership recently, but no public information has been available to provide details of the transactions.

According to Iris Luarasi, "It is without doubt that TVSH reflects the viewpoints of the political spectrum in power."

The lack of media transparency is further complicated by contradictory recommendations from representatives of international organizations, according to one of the panelists. Musa Ulqini stated, "I am surprised by the reaction of these institutions in the remarks that have come from the OSCE office." According to Ulqini, contradictions are evident between the European Union (EU) requirements to solve the issue of media transparency and the suggestions made by the OSCE presence in Tirana. The OSCE does not advise attaining transparency in legal dispositions, at the risk of limiting media freedoms. However, Ulqini maintains that the EU advocates the legal regulation of media ownership structures.

There is no public pressure to limit coverage of a wide range of social issues in Albania, including minority problems. From the legal standpoint, anyone can establish a television or radio station or newspaper in any minority language. If outlets are established at a slow pace, the lack of financial means is to blame. Meanwhile, public television continues to broadcast programs in Greek and Macedonian for the minorities in the southern part of the country.

OBJECTIVE 4: BUSINESS MANAGEMENT

Albania Objective Score: 1.88 / 4.00

In general, Albanian media are still far from operating as efficient and profitable businesses. Bashkim Hoxha said, "If the law on electronic media is implemented to

the letter, three quarters of the media will go bankrupt since they are maintained by other businesses. The law demands that the media work as separate businesses on their own means." In this sense, the large number of newspapers and television stations in Albania owes its existence mainly to funding by parallel businesses and to the weak implementation of the law. From the professional point of view, this parallel funding makes many outlets vulnerable to the pressure or censorship of the businesses that support them, some to a greater extent than others.

Printing houses are private and profit-driven. Meanwhile, the press distribution network—consisting of several private companies created by the media owners—remains limited to the main cities and does not cover the rural areas. Even in some distant cities, newspapers do not arrive until the late afternoon, thereby affecting the citizens' access to information and driving down newspaper sales. The main distributors are the companies owned by the two main dailies, *Shekulli* and *Panorama.* The Albanian Courier Service delivers most of the rest of the print publications.

The funding sources for private media still consist of advertising revenue, sales, subscriptions, foreign donations. and subsidies from private companies that own the media outlets. For newspapers, the main source of income comes from sales. In the broadcast sector, the extremely small advertising market in Albania has limited even the most successful media. For example, the two or three most powerful stations in Tirana (Top Channel, TV Klan, and TVSH) have not yet managed to break even despite rising ad revenues. According to estimates by the Albanian Media Monitoring Center in March 2005, the advertising market amounts to about $15 million per year. However, 56 television stations and 32 radio stations compete for this amount. Out of this pool of competitors, the lion's share goes to four or five national stations based in the capital. Meanwhile, the share of advertising left to local stations is significantly smaller, since the greatest economic activity, as well as the resulting need for advertising, is located mainly in Tirana and in some coastal areas.

Advertising revenue is even less for newspapers. Therefore, all daily newspapers are based in Tirana, while local newspapers have slowly died out over the years. Even the three remaining local newspapers (in Berat, Gjirokastër, and Shkodër) are published on a weekly basis and survive only through subsidies from a local printing house or from frequent donations from a foreign foundation. Without this external funding, the publication of these newspapers would cease. This unhealthy financial situation could affect the editorial policy of owners that subsidize these media outlets. Meanwhile, due to close ties between business and politics, the latter influences editorial policies through the owners.

Advertising agencies do not really function as such. "Advertising agencies function mainly as advertising managers, because they do not buy broadcasting time from the stations; they just offer them advertising," said Bashkim Hoxha. Advertising revenue, especially for print media, remains less than sales revenue or subsidies. It often happens that television stations significantly lower their fees to attract more advertising. However, while this strategy increases the competition for advertising spots, the corresponding growth in revenue is not commensurate. The poorer the station, the lower the ad fees are.

Legally speaking, private media are not allowed to receive state subsidies. However, in practice, some indirect cases of government favoritism toward certain media are visible. It is now an accepted fact that the newspaper or television station that is known as pro-government receives more advertising. This source of funding disappears if this same party falls out of power. Other forms of favoritism include renting public offices for television studios or newsroom offices at very favorable prices.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

At the moment there is no agency seriously engaged in media market research. The television and radio stations carry out their own surveys to gauge the tastes and preferences of readership and audiences in order to adjust their programs and publications. Until a year ago, a study of television audiences and newspaper readership was conducted by the private Institute for Statistics and Opinions (ISO) with the support of IREX and USAID. In 2004, ISO announced a partnership with AGB Nielsen to produce monthly television ratings. However, this partnership fell through, making it more difficult for advertising agencies to make their decisions and for media to determine their editorial policies.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Albania Objective Score: 2.44 / 4.00

Years have passed since three journalists' associations (the League of Albanian Journalists, the Association of Professional Journalists, and the Association for the Protection of Media) were established. However, they have been entirely ineffective in providing any actual services to the journalists. Members do not pay any dues, and in effect, the associations exist only on paper. While these associations do make public statements following incidents between journalists and the authorities, these statements have reflected the political biases of their directors. Overall, journalists find themselves exposed vis-à-vis their owners. The media owners have also established their own organization, the Association of Albanian Publishers, which is still vaguely defined. In fact, this group of owners emerges only when it wants to discuss tax problems or lobby for its own interests with the government.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

The absence of real supporting organizations has led many Albanian journalists to work without regular employment contracts. They are almost helpless when faced with the arbitrary decisions of owners, who can fire their staff without cause. No organization has stepped forward to offer legal protection to journalists in the event of disputes with owners. This situation creates an unfavorable climate in which to practice professional journalism. Journalists' integrity is easily vulnerable in these circumstances. Naturally, journalists have increasingly demanded changes. In response to this demand, the Union of Albanian Journalists was established in October 2005 with the support of IREX and USAID. The organization aims to protect the economic rights of journalists in their relations with media owners. The goal of the Union is to sign a collective bargaining agreement between the journalism community, the Ministry of Labor, and the association of media owners before the end of 2006. Afterward this contract will serve as a judicial cornerstone for all individual employment contracts that will be signed between every journalist or media employee and the media owners.

Overall, when it comes to public opinion, there is a favorable opinion of the media. In spite of the dissatisfaction regarding the lack of ethics or professionalism, the public is extremely sensitive to violations committed against the media. This attitude is reflected among the community of nongovernmental organizations (NGOs), such as the Albanian Helsinki Committee and the Albanian Center for Human Rights, which have joined in solidarity with the media by acting to protect journalists in cases in which they have been abused.

Until recently, training of journalists has been supported mainly by grants from NGOs or foreign foundations, such as the Open Society Institute, IREX, and Press Now. Currently only IREX is present in Albania with a media program that is part of the more extensive USAID-funded Democracy and Governance in Albania project. Journalism training is carried out through practical means by IREX and the Department of Journalism at Tirana State University, as well as by the Albanian Media Institute.

Panel Participants

Fatos Baxhaku, Journalist, Vizion Plus, Tirana

Andi Tela, Editor-in-Chief, *Panorama,* Tirana

Luftim Vani, Owner, TV Mati, Bulqizë

Lutfi Dervishi, Journalist, Tirana

Iris Luarasi, Co-owner, Radio Ime; Professor of Journalism, University of Tirana

Ylli Pango, Member of Parliamentary Commission on Mass Media, Tirana

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

Genti Ibrahimi, Lawyer, Tirana

Aleksandër Cipa, Journalist, Head of the Union of Albanian Journalists, Tirana

Genc Ymeraj, Director of Programming, TVSH Public TV, Tirana

Bashkim Hoxha, Owner, Teuta TV, Durres

Fabiola Haxhillari, Assistant to Press Officer, OSCE, Tirana

Moderator

Andrea Stefani, Senior Media Advisor, IREX, Tirana

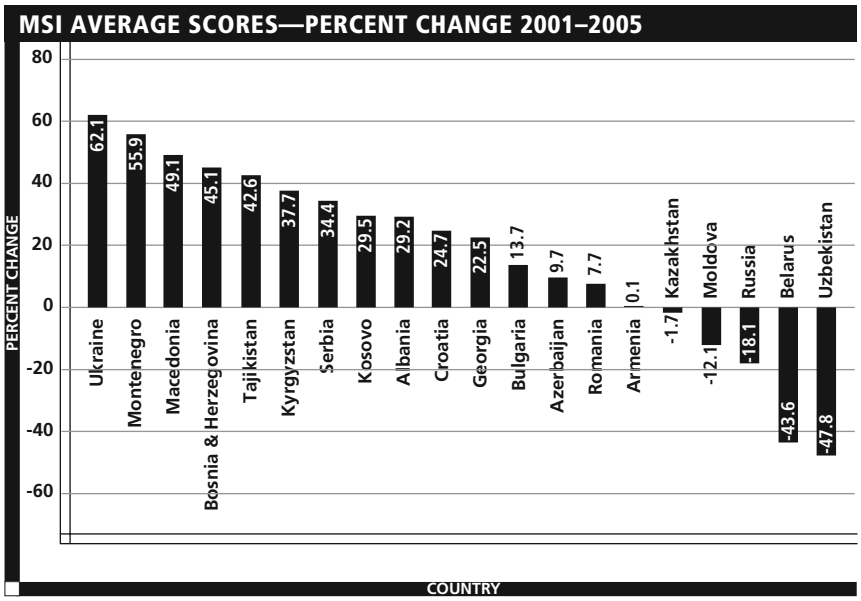
ALBANIA AT A GLANCE

GENERAL

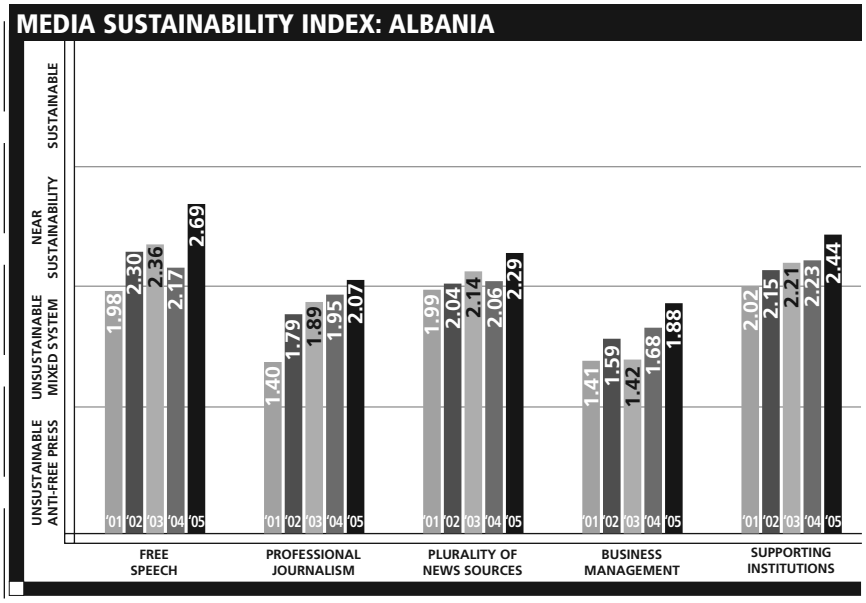
- **Population:** 3,400,000 *Demographic Atlas of Albania*
- **Capital city:** Tirana
- **Ethnic groups (% of population):** Albanian 97.79%, Greek 1.95%, Macedonian 0.23%, Montenegrin 0.03% *Demographic Atlas of Albania*
- **Religions (% of population):** Muslim 68.5%, Christian (Catholic and Orthodox) 28.5%, Bectashi 2% *Demographic Atlas of Albania*
- **Languages (% of population):** Albanian 97.79%, Greek 1.95%, Macedonian 0.23%, Serb 0.03% *Demographic Atlas of Albania*
- **GDP:** $8.36 billion *IMF*
- **Literacy rate (% of population):** 86.5% *CIA World Factbook*
- **President or top authority:** President Alfred Moisiu
- **Next scheduled elections:** Fall 2006

MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** Approximately 75,000. *Shekulli* is the largest daily paper with 20,000 copies. *Albanian Media Institute*
- **Broadcast ratings (top three ranked stations):** Top Channel, TVSH, TV Klan *Institute for Statistics and Opinions*



- **Number of print outlets, radio stations, television stations:** Approximately 150 print outlets; 86 radio and television stations *Albanian Media Institute*
- **Annual advertising revenue in media sector:** Approximately $15 million *Albanian Media Monitor 2004*
- **Number of Internet users:** 30,000 (2003) *CIA World Factbook*
- **News agencies:** ATSH (Albanian News Agency), ALNA, ALP *Independent News Agency*



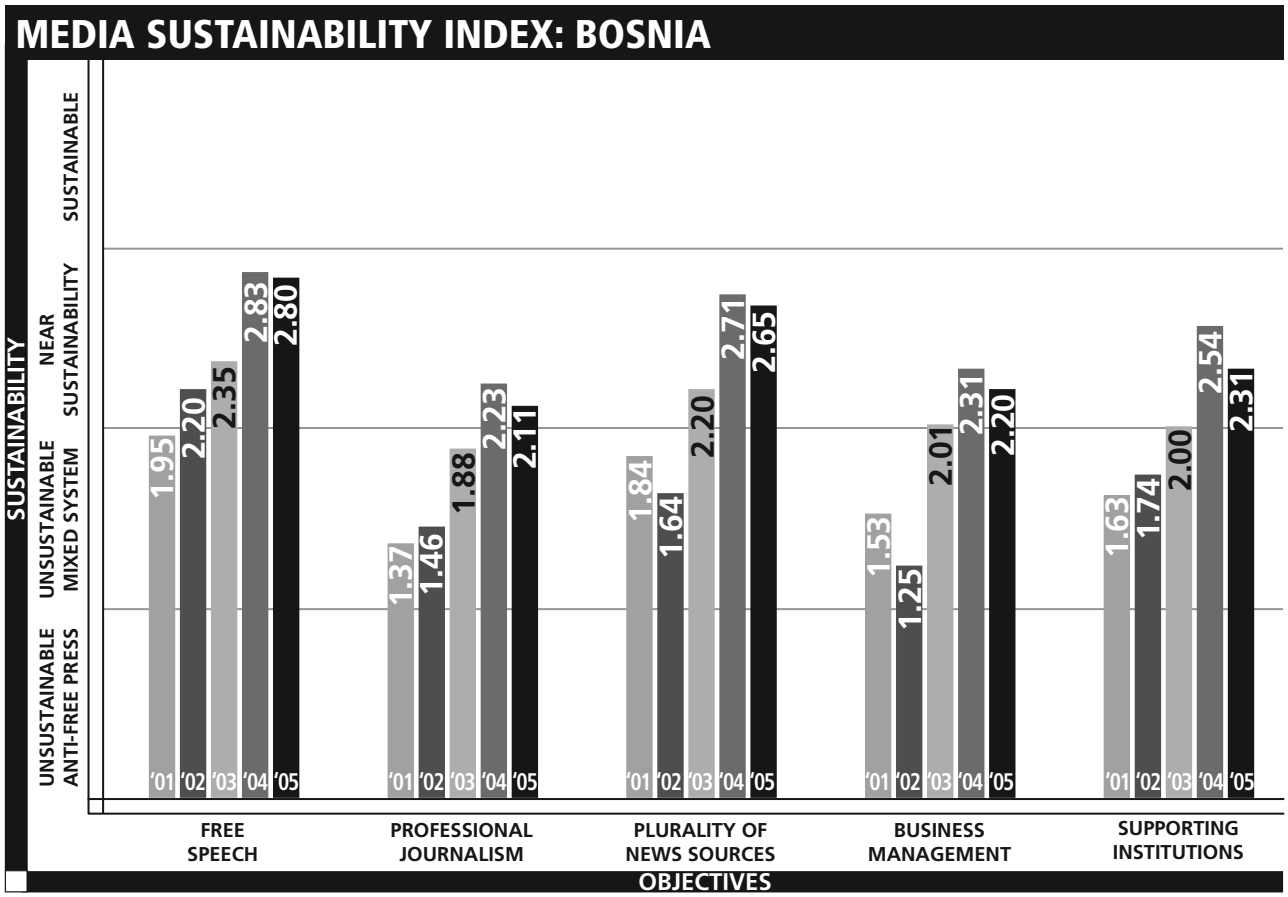
THE MEDIA SUSTAINABILITY INDEX (MSI) PANEL AGREED THAT THE MAIN DYNAMIC IN THE DEVELOPMENT OF THE MEDIA SECTOR IS THE COUNTRY'S EFFORTS TO JOIN EUROPEAN INTEGRATION PROCESSES, AND AS A RESULT THE MAJORITY OF RELEVANT LAWS ARE IN HARMONY WITH EU LEGISLATION.

Introduction

Bosnia and Herzegovina's recent history is shaped by the decade-old Dayton Peace Agreement, which successfully ended the four-year war but also paved the way for an extremely complex state structure. The media system forms a key part of this structure, and its reform and transition processes are yet to be completed.

Bosnia and Herzegovina consists of two roughly equal entities, with a weak central government. In addition, there is the Brcko District, which is under the formal authority of the state but is greatly influenced by a special foreign supervisor for the city. Implementation as well as interpretation of civilian aspects of the peace agreement falls to the Office of the High Representative (OHR), who is selected by the Steering Board of the Peace Implementation Council made up of 55 countries and international organizations sponsoring the peace process. His extensive powers are affirmed by the United Nations Security Council and include supreme legislative and administrative authority in the country, as well as the mandate to impose laws and decisions and to discharge officials at any administrative level if their activities contravene the letter and spirit of the peace accord. Along with the complex political system, the slow process of postwar reconciliation and a devastated economy influence the situation in the country.

The OHR now tries to use its powers as rarely as possible, insisting that the local governments take responsibility for running the country. However, the High Representative's role is still dominant and it is difficult to imagine the country functioning in the near future without the direct presence of the international community. In October 2005, the European Commission recommended a start to negotiations on signing a Stabilization and Association Agreement with the country, recognizing that Bosnia and Herzegovina had fulfilled 14 requirements to reach that stage. One was passage of a Law on the Public Broadcasting System of Bosnia and Herzegovina, adopted in October despite strong resistance from Bosnian Croat political parties that had demanded three separate public televisions be established in the Croatian, Serbian, and Bosnian languages. The law



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

that ultimately passed, although formally in line with European Union (EU) principles, is to a certain degree a result of compromise between European principles and these parties' demands. The law envisions the existence of a Public Broadcasting System with programming produced in three studios (Sarajevo, Mostar, and Banja Luka) with equal status. This would additionally complicate the operation of the already intricately structured Public Broadcasting System, and media experts generally consider the proposed solution to be too complex, inefficient, and costly.

The Media Sustainability Index (MSI) panel agreed that the main dynamic in the development of the media sector is the country's efforts to join European integration processes, and as a result the majority of relevant laws are in harmony with EU legislation. The reduction of the public broadcasters' role in the market continued in 2005. According to Mareco Index Bosnia data for 2005, the rating of the leading broadcaster, Federal Television, dropped from 23.8 percent in 2004 to 18 percent in 2005. This shift was in favor of commercial outlets, rather than other public-service broadcasters.

The most discouraging factor the media sector in 2005 was the underdeveloped market, characterized by the population's limited purchasing power, fragmentation along ethnic lines, little interest among foreign investors, and very limited donor involvement. Furthermore, the size of the advertising market did not change significantly in relation to 2004, with a large number of outlets continuing to compete for the limited market coupled with a privileged position of media from other countries.

Media outlets remain vulnerable to political pressures. In addition, while a good part of the media are trying to operate in line with professional norms and ethical standards, the MSI panelists noted that a certain number of outlets—mainly newspapers—continue to produce content with the nationalistic themes that in part instigated the war in Bosnia and Herzegovina.

OBJECTIVE 1: FREE SPEECH

Bosnia Objective Score: 2.80 / 4.00

The legal foundation that ensures free speech is contained in the Constitution, which has as an integral part the European Convention on Human Rights. Bosnian-Herzegovinian legislation generally emerged under direct international influence, and for that reason the free-speech statues surpass laws in other countries in the region and are comparable to those with the longest democratic traditions. Especially important in this regard is the defamation law, which considers defamation a civil rather than criminal issue. A pronouncedly progressive Freedom of Access to Information Act is also in effect. However, implementation of these laws encounters various barriers, the most important of them the judiciary's treatment of defamation lawsuits, the MSI panelists said.

Borka Rudić, general secetary of the association BH Novinari, emphasizes that "according to initial analysis done by the Office of Ombudsmen and lawyers who have defended journalists, the implementation of laws indicates that freedom of speech is threatened in Bosnia and Herzegovina. How our courts apply the law shows that case law developed by the Strasbourg (human-rights) court is not being used sufficiently."

Mehmed Halilović, Federal Ombudsman on Media, cited as an example of this problem the 2004 judgment by the Cantonal Court of Tuzla that stated "the burden of proof with regard to the truthfulness of allegations in the case of defamation, as a civil law issue, lies on the defendant, because allegations regarding the plaintiff are presumed to be untrue until proven otherwise."

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Although it has been four years since the Freedom of Access to Information Act was passed at state level, it is still not broadly applied. Furthermore, there is general ignorance with regard to how the law should be implemented. This does not refer solely to ordinary citizens, but to journalists as well. The MSI discussion showed that journalists also refer to the law in their work, rather than expecting public authorities to provide journalists with information as a matter of course.

Borka Rudić stresses that "politicians have a very selective attitude to journalists—i.e., to whom they will give information."

Access to public information, according to the panelists, is obstructed most of all by the arrogant conduct of authorities. MSI participants did not exclude representatives of the international community from this behavior. Borka Rudić, stresses that "politicians have a very selective attitude to journalists—i.e., to whom they will give information."

Vildana Selimbegović, editor of *Dani* magazine, contended that certain public information, mainly public spending, simply cannot be accessed. "I have tried everything, but there are expenditures from certain coffers that are unavailable to journalists," the editor said. "I have tried using the Law on Access to Information, and I have 24 rejections. Six months overdue. End of story."

Legislation differentiates between private and public media, but not in terms of access to information. This, however, does not mean that in practice media with better political connections do not get privileged information. This issue became the subject of public attention in late October, when *Dnevni Avaz* exclusively "disclosed" the name of a suspect in a series of explosions in Sarajevo. When later it turned out that the information received from a "confidential source" was not true, Avaz revealed that it had been obtained from a Cantonal Ministry of Interior spokesperson and offered video footage made by security cameras confirming that the named official had come to Avaz's building at the specified time.

On the other hand, authorities are not restricting access to international news and sources either formally and legally, or in practice.

The legislative framework does not differentiate between media companies and other companies entering the market. The Law on value-added tax (VAT), scheduled to go into effect early in 2006, envisions a single tax rate of 17 percent. This development does not bode well for the profitability of print media and the publishing industry in general. Numerous organizations, such as the Press Council, journalists' groups, and associations of newspaper publishers, have requested that press and publishing be exempted from taxation, stressing the particular role of media in democratic societies. A press release issued by the Association of Newspaper Publishers of Bosnia and Herzegovenia, newly formed in 2005, says: "We, publishers of print media in B&H, strongly feel that the imposition of value-added tax, as well as customs duties on raw materials needed for the publishing industry, actually constitutes taxation of information, opinion, and knowledge." The state parliament rejected requests for exemptions from VAT, although discussions continued.

The licensing of broadcasters is essentially fair, competitive, and apolitical, most panelists agreed. Powers in this area were bestowed upon an independent state agency, the Communications Regulatory Agency (CRA), which is in charge of the licenses and controls the broadcasting spectrum. The CRA's Dunja Mijatović underlined that the agency has won all lawsuits challenging its decisions from 1998 to this day.

The term public media in Bosnia and Herzegovina encompasses public broadcasters at state level established under the Law on the Public Broadcasting System of B&H, as well as municipal and cantonal broadcasters founded by municipal and cantonal assemblies. There is no doubt that local media are more susceptible to direct political influence than state-level public broadcasters. But the latter are also placed under pressure, although the methods used are somewhat more sophisticated. Amir Zukić, Bosnia and Herzegovina Television (BHT) news program editor, assesses the state's influence on public media from his own experience: "The influence doesn't take place through any structures, but it will happen that a politician will say: 'Don't watch a certain program and don't pay the television license fee.' Or, he will call one of my bosses and try to influence me through him." An article in the weekly *DANI* described in March how top Bosnian Croat politicians called for conditioning payment of the license fee on their insistence that Federal TV include an ethnically defined Bosnian Croat channel in the Croat language.

There were several attacks on journalists during 2005. The gravest was an assault on *Dnevni List* journalist Nermin Bise, who was beaten by police officers while attempting to cover football fans rioting in the streets

of Mostar. The panelists also expressed concern about failure to bring closure to court proceedings against suspects in other attacks on journalists over the past years. The insecurity of journalistics is reinforced by undemocratic conduct on the part of some politicians. For instance, Milan Radmilović, Mayor of Gacko, declared RTRS journalist Biljana Bokić a *persona non grata* in 2005 because he was unhappy with her coverage of scandals in the town. However, there are no legal restrictions on who may enter journalism, or work in the media.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Bosnia Objective Score: 2.11 / 4.00

Comparing the situation in 2005 with the war or postwar periods, the MSI panelists agreed that considerable progress had been made in the implementation of professional standards of journalism. However, they said, there remains room for improvement.

Research done by the Prizma agency in May 2005 showed that as many as 75 percent of the 250 respondents felt that journalists' work is influenced by certain political parties and politicians. Media monitoring carried out by the Press Council in June 2005 showed that the most commonly violated articles of the journalistic code refer to privacy, followed by those on coverage of persons suspected of committing criminal acts and on the way that comments, suppositions, and facts are expressed. This indicates that journalists and editors still encounter considerable difficulty in respecting the truth and the public's right to know, in working in the spirit of fairness, truthfulness, and decency and in reporting and expressing opinions.

There is a significant difference between print and electronic media with regard to respect for ethical norms. Broadcasting is regulated by the *Broadcast Code of Practice,* which empowers the Communications Regulatory Agency, in cases of violation of the Code's rules, to take a number of restrictive measures. Among these are demanding apologies, issuing warnings, imposing fines, suspending licenses, entering premises, seizing equipment, suspending activities, and withdrawing licenses. The Press Council, working with the print media, operates on the principle of media self-regulation and is not authorized to impose sanctions.

Nihada Hasić, editor of Banja Luka-based *Nezavisne Novine,* said that "in practice, there is a lot of irresponsibility and many people abuse space in media for destroying others' careers and private lives …, using freedom of speech as a pretext." This referred not only to journalists, but also to others given space by journalists to express their opinions. Examples of lack of respect for ethical principles are reported in both "pro-state" and "independent" media.

Nihada Hasić, editor of Banja Luka-based* Nezavisne Novine*, said that "in practice, there is a lot of irresponsibility and many people abuse space in media for destroying others' careers and private lives …, using freedom of speech as a pretext."

The panelists felt that self-censorship continues to be present in journalists' and editors' work, primarily steming from fear of being fired. This fear, according to the panelists, is becoming more pronounced with the worsening of the country's general economic situation. Furthermore, this kind of conduct on the part of editors is affected by pressure from the advertising industry. With the advertising market too small for the number of outlets, media have developed a particular sensitivity to issues that may turn away existing or potential advertisers, panelists said, and this is why coverage of certain issues is unthinkable at some outlets.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

Nihada Hasić expressed concern about the financial insecurity to which journalists are subjected. She said their "wages are usually irregular and low, which may affect their objectivity and adherence to professional standards." A particularly pronounced problem is irregular pay and failure to pay contributions for social and medical insurance by many public and private media. For example, employees of the state (BHRT) and federal (RTFBIH) broadcasters announced they would strike in 2006 if their managements did not ensure they were paid three overdue salaries and all contributions.

"Wages are usually irregular and low, which may affect their objectivity and adherence to professional standards," said Nihada Hasić.

Some panelists expressed concern that programming is too commercial and that the information dimension of media will be overshadowed completely in the future. Most of the media content consists of daily political events and entertainment, while professional analysis of specialized issues is less frequent. Investigative journalism is also rarely practiced.

There is a significant difference between print media and broadcasters in terms of equipment used for collecting and producing news. The panelists agreed that the level of technical capacities of print media is satisfactory. However, although there are a few large media companies that have modern equipment, a large number of local electronic media use outdated equipment for broadcasting. Dunja Mijatović of the Communications Regulatory Agency emphasized that inspection of all television and radio stations established that many did not have proper technology, mainly due to their difficult economic situations.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Bosnia Objective Score: 2.65 / 4.00

There are approximately 190 electronic media outlets in the country. Most are local radio and television stations, and only state-level public broadcasters and a handful of commercial networks have coverage of the majority of the country, with public broadcasters reaching approximately 80 percent. There is no reason for the existence of such a large number of outlets in the poor and fragmented Bosnian-Herzegovinian market, so it is difficult to understand the real reasons for this situation. Clearly, it does not reflect a vital market with development potential and an ability to offer diverse voices and opinions, the MSI panelists said. Therefore, it is only a matter of time before significant consolidation takes place in the broadcasting sector.

There are also seven daily newspapers and at least five significant weekly or biweekly magazines. A significant change between 2004 and 2005 is that *Ljiljan,* once the most important weekly, stopped publishing after changing its format and losing its market position.

The circulation of all daily newspapers is estimated at about 80,000 sold copies per day for the population of around 3.8 million people. There are several reasons why newspapers sell so poorly. First of all, citizens have low purchasing power. Many simply cannot afford to buy a daily at a price of €0.50 or a weekly or biweekly for €1.5. Furthermore, strong competition from neighboring Serbia and Croatia lowers sales of domestic newspapers. There are 13 daily newspapers from those countries, as well as 61 foreign weekly or monthly newspapers. Another limiting factor is the ethnically fragmented market. Most papers primarily cover the entity where they are based. This division is a result of the war, but it also reflects the structure of the country's territorial and institutional arrangements. The exception is Banja Luka's *Nezavisne Novine,* which

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- Citizens' access to domestic or international media is not restricted.
- State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- Independent news agencies gather and distribute news for print and broadcast media.
- Independent broadcast media produce their own news programs.
- Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

targets readership from the whole territory.

Cable operators have a developed infrastructure in all large towns and cities, and their offer of regional television stations has brought unexpected competition for the Bosnian-Herzegovinian channel. In 2005, a dispute arose between cable operators and Mreža Plus, a regional television network, concerning broadcasting of the Croatian station Nova TV program. The cable operators were rebroadcasting Nova TV's popular television series (such as "Desperate Housewives") and thus reducing advertising revenues for local television stations that had brought rights for these programs for Bosnia-Herzegovina. The dispute was resolved under Communications Regulatory Agency auspices with approval given only for broadcasting the station's domestically produced programming. In the meantime, as many as 18 cable operators were fined for violating the license for cable distribution of radio and television programming.

Internet access is still limited. According to the most recent data, Internet providers gave services to some 55,000 private users, around 32,000 businesses, and approximately 3,000 primary and secondary schools and universities. The official data on Internet penetration per 100 citizens is between 1.5 and 2 percent.

Public broadcasters at the state level have an obligation to reserve 40 percent of their time for domestically produced programs of all formats, not counting news and sport. Public broadcasters also have other obligations aimed at ensuring coverage of areas that commercial broadcasters generally do not consider profitable. However, bearing in mind that collection of the license fee is still low, it is understandable that these outlets are fighting to win advertiser favor by producing more commercial programs.

The most important news agencies are the state-subsidized FENA and SRNA and the independent ONASA. Although the former two have a better market position because they have secure state funding, these agencies deal with their clients selectively. One of the panelists, Adnan Osmanagić, director of Sarajevo's Radio Stari Grad, said, "Some pay the full price, some compensate, some pay 50 percent, and some never pay."

Since the media market is still underdeveloped and overpopulated with outlets, there is no particular concentration of ownership. In fact, foreign capital, with which the term "concentration" is usually associated, although deeply involved in the markets of neighboring countries, has not entered the Bosnian-Herzegovinian print media market. It seems that the big western corporations that bought top Croatian and Serbian media have realized that they can accomplish their goals in Bosnia-Herzegovinia by distributing insignificantly changed Zagreb and Belgrade editions. For example, Belgrade's *Blic* is in second place in B&H with a readership rating of 13 percent, while Zagreb's *Vecernji List* is in the respectable fifth place with 9 percent, according to 2005 data from Mareco Index Bosnia.

Regarding news agency subscriptions, Adnan Osmanagić, director of Sarajevo's Radio Stari Grad, said, "Some pay the full price, some compensate, some pay 50 percent, and some never pay."

In terms of transparency of ownership, the MSI panel noted that there are sufficient provisions, as well as public registers, and that it is theoretically possible to access information on ownership structures. However, in practice, it is very difficult to do this because there is no central database, and also because the largely hard-copy archiving system is outdated.

Furthermore, in light of the inefficiency of state bodies in establishing the real relationships among various business players, it is very possible that the nature of these relationships significantly differs from that which has been declared. Therefore, because it is extremely difficult to access more complex information, although there are no visible media monopolies in B&H, the possibility cannot be ruled out entirely.

Some minority groups have their own papers and radio programs. Such newspapers are mostly limited to the minorities they target. Although coverage of minority-related issues is not met with resistance in the general media, what is evident is that even minority groups are not interested in this type of programming. MSI panelists suggested that the state should take a more active role in encouraging and funding these kinds of projects.

OBJECTIVE 4: BUSINESS MANAGEMENT

Bosnia Objective Score: 2.20 / 4.00

Most media outlets are not efficient and profitable businesses. The biggest problems for print media are high distribution costs and printing difficulties. Vildana Selimbegović said her magazine was forced to start printing in neighboring Croatia due to constant holdups at the printing company. Dario Novalić,

director of the Sarajevo biweekly *Start,* mentioned a similar experience, saying that the "printing press always 'breaks down' when an independent newspaper is supposed to be printed."

An exception is the Sarajevo media company *Avaz,* which modernized its printing proceses, built a modern business building during 2004, and planned to launch a television station by the end of 2005.

Media outlet revenues come from the usual sources: sales, subscription, and advertising. In addition, some outlets continue to receive donor support. The chief problem in media development is the insufficiently developed advertising market, particularly taking into account the large number of outlets operating in the B&H media market.

Data collected by Mareco Index Bosnia, a media and market-research company, put the gross value of the television advertising market for 2004 at around €97 million. However, the panelists said that it would be safe to assume that the discounts that media gave to clients exceed 50 percent. For example, Jasmin Duraković, director of Federal Television, said that advertising revenues of his outlet for 2004 were about €7.5 million, while Mareco Index Bosnia estimated Federal Television's share above 20 percent of the total market, or more than €19.5 million.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

The gross value of the daily newspaper ad market was an estimated €2.35 million, and for magazines €344,000. Mareco Index Bosnia estimated the total advertising revenues for the first six months of 2005 at €49.2 million (96.43 million KM). Judging by these figures, it can be concluded that there were no major changes for 2005 compared with 2004. Still, it must also be underlined that all these figures are very rough estimates and that there are still no precise figures on the size of the Bosnia-Herzegovina advertising market. It is clear that advertising revenues of magazines are especially low. Panelists point out that they make up only 8 percent of magazines' total revenues.

Cooperation between advertising agencies and outlets is still at a low level and is aggravated by the nonexistence of precise information on the size of the ad market. A census of the population has not been carried out in Bosnia and Herzegovina since 1991, as a result of which basic reliable data are lacking for any secondary research. This situation makes it very difficult for potential advertisers to choose the right outlet and creates room for various kinds of manipulation with circulations and ratings.

Further complicating the industry dynamics is the presence of media from neighboring countries because they see the B&H market as an additional source of revenues and thus have more freedom in establishing advertising rates. The situation is exacerbated by a large number of media operating in a disorderly market, driving down advertising rates. Some of the panelists pointed out that the private television OBN has brought down its advertising rates so much that they are lower than advertising rates on radio in the Republic of Croatia.

Statistics show 15 out of 39 television stations and 63 of 143 radio stations are still owned by local and regional governments. The greatest influence is exerted on media editorial policies at the local and cantonal level because these outlets are directly funded from cantonal and municipal budgets. However, state authorities also find nontransparent mechanisms to support privately owned media, the panlists said.

Media outlets are mainly interested in viewing ratings in order to use them to increase advertising revenues. Dino Đipa, Director of the Sarajevo-based research agency Prizma, says that an increasing number of media outlets feel a need to use market research in shaping their business policy but lack of money is a hurdle to moving forward with this. There are several research agencies, such as Mareco Index Bosnia, Prism Research, and Puls and Partner, that research viewing, listening, and reading rates.

Some panelists expressed doubt about the validity of television rating research done so far. However, it is expected that the situation will improve in the coming period because a Joint Industry Committee for the broadcasting industry started operating at the beginning of 2005. It is composed of 13 members (seven advertising agencies, three public broadcasters, and three private broadcasters), and it is anticipatd that this new independent agency, which has succeeded in bringing together broadcasters and marketing agencies, will set generally accepted standards for measuring the television and radio markets.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bosnia Objective Score: 2.31 / 4.00

The Association of Electronic Media (AEM) has been operating in Bosnia and Herzegovina for several years, promoting the interests of its member broadcasters. Also, the Association of Newspaper and Magazine Publishers appeared in October 2005. The country's journalists are represented by several associations, and this situation reflects the ethnic division, with at least a third of the journalists being members of ethnically defined professional groupings.

The multiple trade associations are typical of countries in transition from communist systems, where the professional associations were arms of the party and journalists who were dissatisfied with this situation founded parallel organizations. With the establishment of BH Novinari (B&H Journalists) in December 2004 from the merger of three associations—the Independent Union of Professional Journalists from Sarajevo, the Association of Journalists Apel in Mostar, and the Independent Association of RS Journalists in Banja Luka—the situation improved somewhat. Membership, however, is low, and activities remain rather fragmented.

There are not enough nongovernmental organizations (NGOs) working actively to protect and promote free speech, the MSI panelists said. This is particularly pronounced in small communities. The most important role in this area belongs to the Helsinki Committee for Human Rights, but the work of some other organizations is also prominent, such as that of the Media Plan Institute, Mediacentar Sarajevo, the Centre for Free Access to Information, and Open Society Fund B&H.

In Bosnia and Herzegovina, journalism is studied at five faculties—one in Sarajevo, one in Tuzla, one in Mostar, and two in Banja Luka. The large numbers of journalists produced by these faculties are not necessarily required by the B&H market. The MSI panelists expressed dissatisfaction with the quality of education received at these faculties and stressed that newsrooms are getting staff who are unable to work independently. But there was progress in this area during 2005. For instance, the NGO Internews organized training for journalism students at the Sarajevo Faculty of Political Science, and students are increasingly being sent to media outlets during their education to do practical work there.

There are not enough nongovernmental organizations (NGOs) working actively to protect and promote free speech, the MSI panelists said. This is particularly pronounced in small communities.

Panelists expressed a high opinion of short-term journalist training programs. However, the Media Plan Institute year-long specialized journalism school, which trained students from all over the region, did not open to new students during 2005 due to lack of funding. Mediacentar organizes training for media managers, as well as short training programs on various aspects of investigative journalism. Of particular significance is Mediacentar's regional project, the Online Journalism

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Resource Center at www.netnovinar.org, launched in cooperation with Belgrade's Media Centre and the Investigative Journalism Centre from Zagreb.

Although most transmitters for RTV program broadcasts are still owned by the state, some transmitters are owned by commercial stations. Adnan Osmanagić said a state monopoly still exists in allocating locations for transmitters and that fees for maintaining these locations are extremely high.

Internet access is not restricted by the state or private conglomerates. The CRA is in charge of this area and imposes rules of conduct on Internet providers. For example, the CRA obliged telecommunications operators to offer more favorable Internet services by the end of October 2005, with the goal of supporting growth in Internet usage. This included a rate scheme in which special numbers for use by Internet Service Providers would be available at prices more favorable than those for voice services.

Presses in B&H are mostly in private hands. But panelists said the political and business interests of owners of printing companies have resulted in selective approaches to clients. As a consequence, some media outlets, unable to reach agreement with local printing companies, switched to presses elsewhere in the region.

Panel Participants

Vildana Selimbegović, Editor-in-Chief, *Dani* magazine, Sarajevo

Amir Zukić, Editor, PBS, Sarajevo

Jasna Kilalić, Democracy Office, USAID, Sarajevo

Dino Đipa, Director**,** PrismResearch, Sarajevo

Mehmed Halilović, Assistant Ombudsman for Media, Sarajevo

Dunja Mijatović, Director of Broadcasting, CRA, Sarajevo

Milivoj Šiljegović, Chemonics USAID Media, Sarajevo

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

Adnan Osmanagić, Director, Radio Stari Grad, Sarajevo

Borka Rudić, Journalist Association BH Novinari, Sarajevo

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

Nihada Hasić, Editor, *Nezavisne Novine* daily newspaper, Banjaluka

Moderator

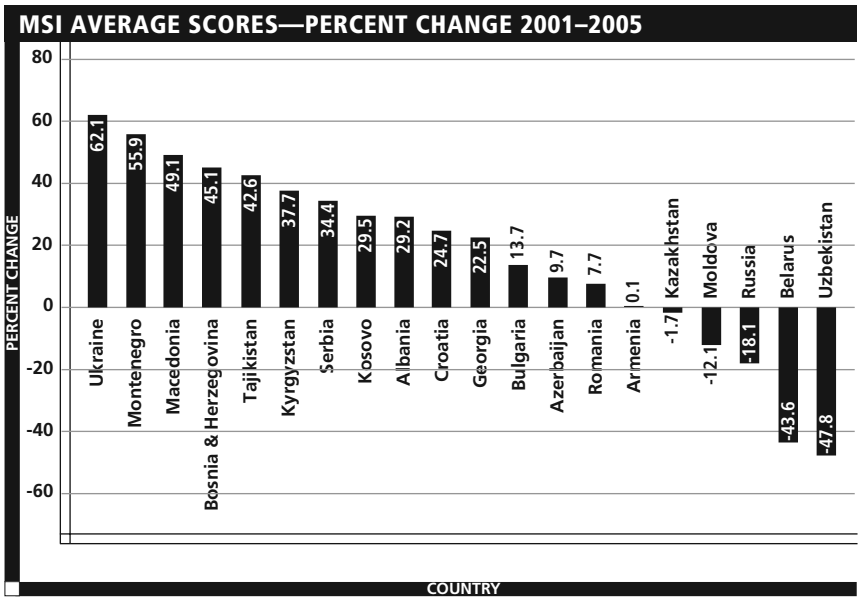
Tarik Jusić, Program Director, Mediacentar Sarajevo

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

BOSNIA AND HERZEGOVINA AT A GLANCE

GENERAL

- **Population:** 3,832,301 *Agency for Statistics of Bosnia and Herzegovina; June 30, 2003*
- **Capital city:** Sarajevo
- **Ethnic groups (% of population):** Bosniak 48%, Serb 37.1%, Croat 14.3%, other 0.6% *CIA World Factbook*
- **Religions (% of population):** Muslim 40%, Orthodox 31%, Roman Catholic 15%, other 14% *CIA World Factbook*
- **Languages (% of population):** Bosnian, Serb, Croat (no percentage data)
- **GDP:** $8.530 billion (2004) *Bulletin No. 2, Central Bank of BiH; June 2005*
- **Literacy rate (% of population):** 94.6% (over age 15), (2002) *UNDP Human Development Index*
- **President or top authority:** Tripartite rotating presidency (eight months each); current president: Ivo Miro Jović (Croat); other two members: Sulejman Tihić (Bosniak), Borislav Paravac (Serb)
- **Next scheduled elections:** 2006

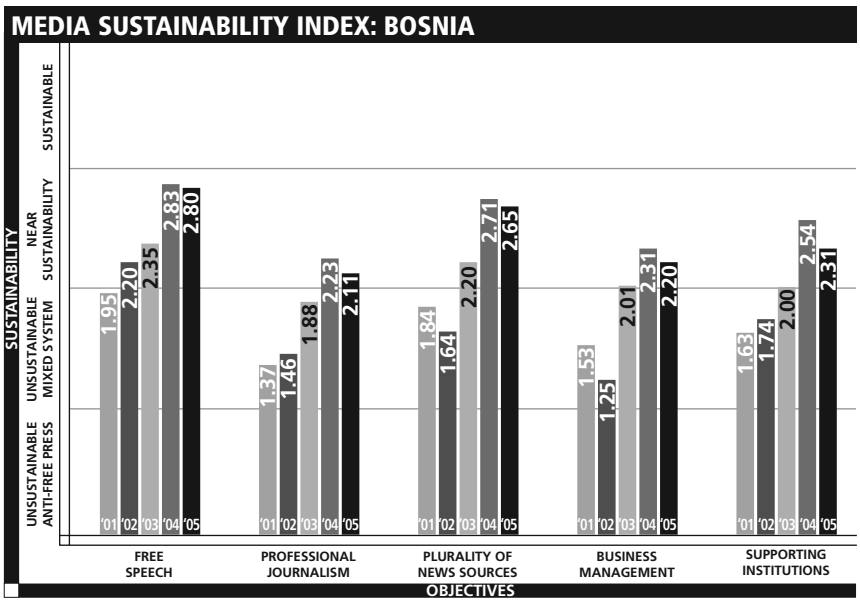


MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** Official circulation statistics are not available.
- **Reading rates of daily newspapers (from at least once a week to every day):** *Dnevni Avaz* 60%, *Oslobodjenje* 13%, *Blic* (S&M) 13%, *Glas Srpske* 11%, *Vecernje Novosti* (S&M) 9%, *Vecernji List* (Croatia) 9%, *Jutarnji List* (Croatia) 8% *Mareco Index Bosnia*
- **Reading rates of magazines (from at least once a week to every day):** *Azra* 14.7%, *Gloria* (Croatia) 12.5%, *Dani* 9.4%, *Slobodna Bosna* 7.2%, *Expres* 5.3% *Mareco Index Bosnia*

VIEWING/LISTENING RATES:

- **Television stations:** Federal TV 18%, Pink BiH 11.6%, Mreža Plus 11.4%, Croatian TV I (Croatia) 7.2%, RTL (Croatia) 7.2% *Mareco Index Bosnia*
- **Radio stations:** Radio BIG 9.2%, BN Radio 6.5%, BM Radio 5.6%, Kalman Radio 5.1%, Radio Stari Grad 5.1% *Mareco Index Bosnia*
- **Number of print outlets, radio stations, television stations:** 7 daily newspapers, 46 weekly and monthly newspapers, 42 television stations, 143 radio stations (2004)
- **Annual advertising revenue in media sector:** NA (Estimates place ad revenue at around 50 million KM net [€25 million], while gross value amounts to around 100 million KM net [€50 million].)
- **Number of Internet users:** Approximately 55,000 private users, 32,000 companies, approximately 3,000 users in the education sector (Dunja Mijatović, "Digital Distribution—Present and Future," in *Novi pogledi,* Vol. 1, No. III, summer 2004, p. 59)
- **Number of information agencies:** 7



Media developments in 2005 were marked by the impact media had on the general and municipal elections and by the increased commercialization of the media. The strong showing of the "Ataka" movement is partially blamed on the influential presence of its leader, journalist Volen Siderov of state-owned national television, and on his own television program on one of the national cable channels.

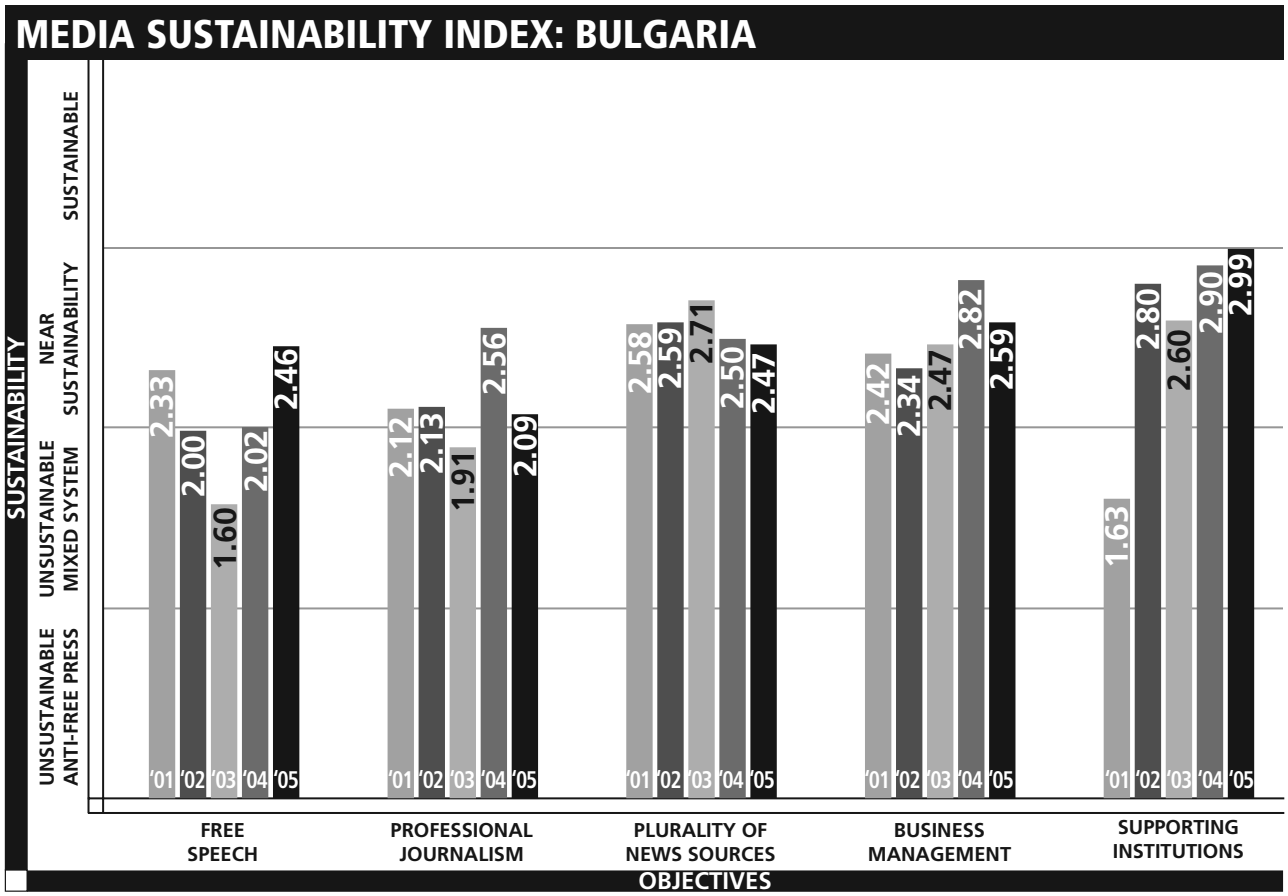
Introduction

Bulgaria is in a final and decisive stage of its full integration into the community of democratic nations. In April 2005, the country signed an accession agreement with the European Union (EU) and is scheduled to become a regular member on January 1, 2007. Improved rule of law, judicial reforms, control of corruption, and the increased capacity of public administration are among the major areas in which Bulgaria needs to make rapid progress in order to avoid possible delays with EU membership. The EU and its individual member states will make a final decision on the date for Bulgaria's membership by the end of 2006.

After the general election of June 2005, Bulgaria is governed by a three-party coalition consisting of the Bulgarian Socialist Party (former Communists), the former king's party (National Movement Simeon the Second [NDSV]), and the Turkish minority party (Movement for Rights and Freedoms [MRF]). The government, led by Socialist leader Sergey Stanishev, has an unprecedented majority in parliament and is pledging full support for EU membership and the reforms needed to achieve it. On the other hand, the country has been slow in implementing reforms in several key areas (judicial reform, minority rights, anticorruption measures), which may slow its European accession.

A series of demonstrative mob-style killings, including the murder of one of the richest Bulgarian bankers, has underscored the threat organized crime poses to the rule of law in the country. In addition to the threat of slowing reforms, the strong showing of the far right nationalist movement "Ataka" (Attack) has stirred racist and xenophobic emotions that were virtually unknown in Bulgaria. The country's model of ethnic tolerance has been put to the test by the rise of anti-Roma feelings and ethnic-based violent attacks between ethnic Bulgarians and Roma across the country.

Media developments in 2005 were marked by the impact media had on the general and municipal elections and by the increased commercialization of the media. The strong showing of the "Ataka" movement is partially



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

blamed on the influencial presence of its leader, journalist Volen Siderov of state-owned National Television, and on his own television program on one of the national cable channels. Another populist, former police Chief Boiko Borisov, successfully used his media-generated popularity to win the mayoral elections for the city of Sofia. From the perspective of the media industry, 2005 was marked by further growth in the advertising market, an increase in commercial content dominated by "reality" shows like the first Bulgarian edition of "Big Brother," and the increased concentration of media ownership.

Bulgaria maintained a consistent level of media sustainability, as 2005's Media Sustainability Index (MSI) scoring suggests. Despite the increase in some objectives, such as legislative guarantees for the freedom of speech and access to information and the institutions supporting the independent media, unresolved issues continue to slow Bulgaria's advance toward a higher level of sustainability. For example, the scores indicate that the media sector is still too dependent on current political and government processes.

Despite low scores, the problematic indicators in 2005 have gone up compared with previous MSI surveys. This indicates that despite the obstacles, a process is likely to have begun that could lead to a higher level of sustainability. Maintaining 2004's values in 2005 shows that the country is set on a stable course. The development may not be sufficient to move the country into a higher level of sustainability, but it reflects the positive features of the process of media development in Bulgaria.

OBJECTIVE 1: FREE SPEECH

Bulgaria Objective Score: 2.46 / 4.00

In 2005, the level of legal and social norms protecting free speech indicates that Bulgaria has begun to move toward sustainability. However, this sustainability is not yet proof against interference from political and government forces. According to Rosita Popova, a board member of the Union of Bulgarian Journalists, "There's a drive toward establishing legal norms for the media, but their implementation is inconsistent. We have a rule of economic compulsion, affecting the independence of the outlets."

The country's advancement in the legislative and social aspects of media development is mirrored by an almost half-point increase in objective scoring. Several factors determined the panelists' favorable assessment: the relatively undisturbed work of public media, the increasingly lively and diverse media market, and the absence of incidents undermining freedom of speech and media independence. All of the important indicators of this objective have scored higher than in previous MSI surveys, registering a trend of positive development.

According to Rosita Popova, a board member of the Union of Bulgarian Journalists, "There's a drive toward establishing legal norms for the media, but their implementation is inconsistent. We have a rule of economic compulsion, affecting the independence of the outlets."

The access to international sources of information has remained unrestricted and problem-free. In fact, the highest—near maximum—rating in 2005 was again given to this indicator. The media in Bulgaria have practically unchecked access to international

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

"Our society lacks the awareness and is not conscious of freedom of speech," stated Vessela Tabakova.

sources. This is a sustainable pattern over the course of recent years.

There are no particular impediments to entry into the journalistic profession. However, the unimpeded entry into journalism is sometimes regarded as a setback, as it is believed to compromise the quality of journalistic output, especially at regional outlets. In such cases, these outlets are recruiting young and untrained new staff. Many of them are willing to make personal and professional compromises to keep their jobs.

Another positive development in 2005 is the more favorable market setting for the media, resulting from the general improvement in all business areas. The country's economy has been growing steadily for the past eight years. In 2005, Bulgaria signed its accession agreement with the EU, further increasing investor confidence. The advertising market is also rapidly expanding, and tax structures are not restrictive on media.

Forward movement was also registered regarding the journalists' access to public information. Journalists have improved their skills in seeking information from state institutions, which in turn are more and more aware of their responsibility to provide information. The increased awareness of the Access to Public Information Act by the public and the media has helped Bulgarian journalists more successfully request information from state institutions. Another positive result has come from the increased publicity generated by lawsuits against institutions that refuse to provide requested information.

Despite stable development in key areas, the licensing process is one aspect that is still lacking sufficient growth. The total absence of licensing over the past few years has placed the legitimate licensees at a disadvantage against outlets that broadcast without undergoing the official procedures. Station ownership can only change hands by acquiring already existing operators or by obtaining temporary broadcast permits. Most of the temporary permits have long since expired, but because no new licenses are being awarded, the permits are still considered valid. This results in a kind of licensing that circumvents legal provisions instead of adhering to them. As a result, the previously licensed outlets have a disadvantage against those transmitting without a license. "What we lack is professionalism and clear-cut rules. Numerous outlets (radio and television) are operating with temporary permits, and many are the outspoken pirates. Deregulation was taken to extremes," explained Juliana Toncheva, a member of the Council on Electronic Media.

Licensing had been stopped since 2001, when parliament passed amendments in the Radio and Television Law requiring the adoption of a strategy for the development of broadcasting before any new licenses were issued. In 2005, this strategy was finally adopted by the government and submitted to parliament, which opens the way for renewed licensing. While the formal removal of the moratorium on licensing is still not reality-tested, it is an encouraging sign going forward.

The punishability of crimes against journalists was also considered problematic. It would be fair to say that there are no drastic transgressions against journalists, but on the other hand, crimes against journalists fail to provoke public indignation. This is possibly because pressure against journalists—being mostly psychological and economic—is hidden from the people's eyes. "Our society lacks the awareness and is not conscious of the freedom of speech," stated Vessela Tabakova, a professor at Sofia University and head of the Center for Independent Journalism. Journalists at small and regional media appear to be most vulnerable to such pressure.

Slight improvement was registered in the equal treatment of commercial and public media and the provisions for former state outlets' editorial independence. Although formally granted independent status, the public media have not yet been weaned away from the state. First, these outlets continue to receive subsidies from the state budget, and second, they are potentially prone to manipulation through the appointment of their general directors. For example, the public outlets' directors are appointed by the Council on Electronic Media, which is composed of members elected by the political parties represented in parliament.

The means of settling libel disputes remains problematic. Libel is no longer a penal code matter, but according to the domestic legislation, defendants should prove the truth of their statements. Accountability of public figures is held in no great esteem. "For years we've seen no attempts to solve the problem of transferring libel and defamation from criminal into civil terms," said Gergana Jouleva, executive director of the Access to Information Program.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Bulgaria Objective Score: 2.09 / 4.00

The quality of journalism and compliance with professional standards scored lower in 2005 than in previous years. Panelists noted the difficulties some regional media are experiencing in gaining access to certain events. Yet, the decrease is to a greater extent explained by the continuing self-censorship practiced by both reporters and editors. MSI panelists have been addressing self-censorship in every survey to date. In 2005, the increasing self-censorship was attributed to economic, not political, drivers.

It cannot be understated that self-censorship by reporters and editors remains among the most serious problems Bulgarian media are facing. "Journalism is failing. There are symptoms of censorship. Self-censorship is omnipresent," stated Vessela Tabakova. Despite existing provisions for the freedom of speech, both journalists and managers continue to practice self-censorship. This practice arises because some outlets are either owned by certain business groups or the media owners have certain political or business affiliations. Therefore, editorial policies and sales plans take into consideration the need to protect those interests. As a result, critical coverage or investigations into business partners are restrained, while the improprieties of the competition are widely publicized. Whereas national media practice this less visibly, self-censorship is more apparent at smaller outlets, especially in cities with more developed business sectors. Self-censorship has proven to be an alarmingly persistent practice for years now, and seems impossible to overcome. "Professional standards are pursued by the nationals and undermined in the local media, because of unskilled or untrained staff and quite sustainable self-censorship," declared Rosita Popova.

> ***"Journalism is failing. There are symptoms of censorship. Self-censorship is omnipresent," stated Vessela Tabakova.***

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- Reporting is fair, objective, and well sourced.
- Journalists follow recognized and accepted ethical standards.
- Journalists and editors do not practice self-censorship.
- Journalists cover key events and issues.
- Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- Entertainment programming does not eclipse news and information programming.
- Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

The coverage of key events and issues takes place largely without discrimination for political or economic reasons. Every outlet strives to ensure coverage of the key events to enrich its information content and improve its competitiveness. This was proven during the pre-election campaign for the 2005 general elections.

The pay levels for journalists and other media professionals are relatively high and proportionate to other industries, but only at the large national media. Top professionals there may earn more than 10 times the national average. On the other hand, smaller local media often pay only the minimum wage for the country. Low pay for journalists at small or local outlets is often compounded by the lack of proper employment contracts. Journalists are frequently paid at the minimum state wage level. These wages can be supplemented, depending solely on the owner's whims. Thus, journalists become financially dependent on the owners, thereby leading to an unstable workplace, staff turnover, and the loss of a skilled force to other industries.

Overall, the quality of journalism in 2005 scored lower compared with previous MSI surveys. The decline does not reflect a deterioration of the professional coverage of events and work with sources. Instead, the regression is largely due to the tendency of enhancing entertainment programming at the expense of news and information. For the time being, programming is not overly unbalanced, but even the public media's output is beginning to be dominated by entertainment. Faced with extremely tough competition, the leading radio and television companies have increasingly begun to air quiz shows, raffles, and reality shows as a major part of their programming. Although not entirely subordinating news and current affairs, entertainment has visibly started to expand its reach.

"To me, we've moved forward compared to last year. The Code of Ethics was adopted after last year's panel. A number of outlets have adopted it, albeit its enforcement is still a problem," explained Dimitar Sotirov, executive director of the Bulgarian Media Coalition.

A success in 2005 is the continued effort by the media community to invest in ethical self-regulation. After the adoption of a common Code of Ethics, the focus is now on establishing an Ethics Committee to enforce the code. Its membership is still taking shape, but within the media community there is mutual consent and understanding regarding its structure. "To me, we've moved forward compared to last year. The Code of Ethics was adopted after the last year's panel. A number of outlets have adopted it, albeit its enforcement is still a problem," explained Dimitar Sotirov, executive director of the Bulgarian Media Coalition.

Corrupt practices among journalists are limited; there are hardly any attempts to directly influence journalists. And such practices are almost never manifested through direct payments. However, there are other incentives available at the news desks. Such incentives include covering travel expenses for the journalists or offering certain privileges (e.g., hiring the relatives or friends of a journalist). That said, the national media have aired no major investigation into corruption during 2005.

Technical facilities for gathering and distributing news are up-to-date, modern, and unrestricted.

Quality beat reporting is still underdeveloped. There are outlets that pursue quality beat coverage (the newspapers of the Westdeutsche Allgemeine Zeitung (WAZ) group and the national television channels), but they are an exception. There are examples of specialized reporting by many outlets, but they are occasional and mostly driven by individual reporters, rather than resulting from overall editorial strategy. For example, some reporters gradually become specialized in covering law or business but continue with general coverage as well. The mainstream national media have specialized reporters in several "must-have" areas such as business, politics, and crime. Niche reporting is nearly absent in areas such as civil society and vulnerable groups or minorities. According to Gergana Jouleva, "One of the national media, it strikes me, does not cover the NGO sector. Like it doesn't exist, even though there is much going on there." The lack of quality niche reporting is a particular drawback for small and local outlets.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Bulgaria Objective Score: 2.47 / 4.00

The plurality of Bulgaria's media environment has not changed significantly in 2005. Citizens' access to local and foreign sources of information is not openly or indirectly restricted by the government. Where there is limited access to media, the reasons are mostly economic, or with regard to local outlets, educational. Cost is the most common reason for not buying or subscribing to different publications. The online reach of print media is still insufficient due to the still small number of people with Internet access.

International media have little penetration because of the language barrier. A meager 16 percent of the population speaks a foreign language with the proficiency that could allow access to foreign sources of information.

Panelists indicated near sustainability regarding the degree of independence news agencies have in distributing news to print and broadcast outlets.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Along with former state agency BTA, electronic news agencies like BGnes and Focus News as well as Internet news portals like SEEnews and novinite.com are active. They are available through standard subscriptions and, increasingly, through value-added services via websites and mobile telephony providers.

The level of transparency of media ownership remains unchanged. Formally, the majority of media outlets have well-known owners, but there is public doubt about behind-the-scenes ownership. Doubt remains due to some ownership claims cloaked in offshore transactions, figurehead stakeholders, and bearer bonds. "There's no transparency of ownership of private media," declared Vessela Tabakova. Meanwhile, all formally legal means of ownership for media are those that apply to businesses in general; there are no media-specific prerequisites.

Independent broadcast media produce their own news programs. "The production and the quality of the outlets' own programming strongly depend on economic factors. There are many which still try to pass quantity for diversity," stated Rosita Popova. Some outlets specialize in a particular format of current affairs and commentary programs. Most notable are two cable channels: Sofia-based 7 Dni and the SKAT cable network. They have almost nationwide reach through cable networks but relatively low production quality. Their programming is dominated by talkshows, and the hosts of these shows frequently run for office in local elections. In 2005, one of them was elected to parliament by gaining more electoral support than the entire audience share of the channel. The two channels are closely tied to the economic and partisan circles of members of the former Communist Party. The two channels manage to attract viewers and supporters by using an overtly oppositionist and nationalistic tone.

Vessela Vatzeva, chair of the Association of Regional Media, argued: "Regional media are more objective than the national media, which resort to simply marking off the events. The media still seem to be fascinated by the selling power of yellow journalism." Regional outlets cover local events more extensively and accurately than the nationals do through their correspondents. The national media seem to devote less time and attention to regional issues, and coverage of local events is sketchy. National media often overlook a wide variety of perspectives in trying to sort through the local events of national importance.

The diverse supply of products on the media market can satisfy a variety of public needs and interests. There is a certain imbalance in conveying the social purpose of programming, which presumably should be the priority of public media. Judging by the relative number of such programs, commercial outlets do not seem to have conceded that function entirely to public media. For example, private radio and television stations with national coverage—like Darik, bTV, and Nova—despite their commercial status, offer educational programming and coverage of issues of social significance (children/youth rights, vulnerable group issues). They also provide investigations into priority areas of public importance (corruption and judicial reform). Thus, despite operating without state funding, commercial media contribute to the needed coverage of socially significant topics.

"There's no transparency of ownership of private media," declared Vessela Tabakova.

Without experiencing political or legal restrictions, minority-language media have failed to develop and increase their reach. Their potential coverage is generally low because of the market conditions and the desire of minority groups to be integrated into society. Furthermore, minority populations are relatively small in number and are diffused throughout the country, which makes specialized outlets less effective and impedes their distribution. The existing Turkish-language newscasts on National TV are not universally welcomed and even receive the political disapproval of one of the parliamentary factions, which introduced a bill to stop them.

OBJECTIVE 4: BUSINESS MANAGEMENT

Bulgaria Objective Score: 2.59 / 4.00

In recent years, the media in Bulgaria have been unfailingly judged as well-run businesses. The national bTV Channel, for example, was announced as the fastest growing News Corp. station in the world. The business development of media can be described as consistent. However, sustainability is not totally irreversible, and, in some aspects, outlets are still vulnerable to political currents. The 2005 election campaigns, for example, have shown that many media oultes, including some of the largest ones, are participating willingly in the political PR campaigns of the best-paying candidates.

Nothing has changed regarding the independence of outlets from state subsidies. There are no financial levers by which the state or its institutions can manipulate the content and management of commercial media. The existence and financial viability

"There are means of concealing funding (state and municipal) of private outlets, regardless of their circulation," said Rumiana Emanouilidou.

of independent printing and distribution companies is another sign of stability.

The Bulgarian media are able to generate revenue from a variety of sources: advertising, sponsorship, and sales. The annual advertising revenue in the media sector has grown by one-third compared with 2004, according to rough estimates. The actual breakdown is difficult to calculate because not all outlets report them officially. However, according to journalist Rumiana Emanouilidou, "There are multiple sources of revenue. It is a free market, but none of those sources seem to contribute enough to the media development." The majority of the outlets are not funded by the state, with the exception of public radio and television. Some regional media receive funding from municipal budgets. "There are means of concealing funding (state and municipal) of private outlets, regardless of their circulation," continued Rumiana Emanouilidou.

Despite alternatives, the source that continues to provide the most revenue remains advertising. Thus, some outlets cannot cast off their dependence on advertisers, in both the economic and political aspects of their relationships. The smaller the outlet, the more dependent it is on its advertisers, some of which carry specific political agendas. This political bias can be observed in the distribution of revenue from the general election media campaign in 2005. Small outlets received nearly all of their annual income during the general election campaign, simply by airing candidates' spots. At national outlets, revenue from political advertisements amounted to 10 percent of the total, whereas at smaller channels advertising revenue consisted of 30 to 50 percent of their annual total. These outlets managed to sell almost 50 percent of their time for the duration of the campaign.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

Most advertising agencies are very professional and operate by observing free-market rules in distributing media accounts. Advertising agencies are generally well-staffed and efficient. However, the market is still partly monopolized, and overly close ties between advertising and media structures tend to favor some media at the expense of others. Regional outlets are the most vulnerable in such a situation, as they can rarely get a share of advertising profits. Vessela Tabakova said, "The advertising business is somewhat monopolized. Ratings cause conflict and suspicion. Advertising is channeled to selected outlets."

Advertising conglomerates have a set of affiliated outlets with appropriate formats to secure the widest coverage of major target groups. The distribution of ad money follows professional criteria and standards but is limited to the circle of media—such as bTV—that are affiliated with the agencies. Meanwhile, the professional staff at agencies and at outlets as well as the developed media market as a whole ensures that commercials are aired in compliance with corresponding norms and regulations. Subscription fees represent a minor source of revenue for outlets.

The large national broadcasters like bTV and Nova TV and national radio networks like Darik and BG Radio use market and audience research to shape content. This is not a well-established and sustainable practice, however. Smaller outlets do not use research and rarely employ audience measuring to strategize on their development. Vessela Vatzeva stated: "There is total neglect for the number and makeup of the audience. Enough advertising goes to smaller outlets that have good programming. However, budgets are not spread according to professional criteria but are driven by owner's interest. To me, 45 percent of advertising is commission-driven. Nobody cares about the audience. Advertising agencies work with old data and do not take into account changing audiences and target groups. The media market is not researched."

The efficient market-driven operation of the Bulgarian media is compromised by the lack of reliable ratings and circulation figures. The only people-meter group—TNS in partnership with a local business—producing television viewership figures does not provide information from its sample even to the consumer committee that was set up by the firm's owners. The objectivity of the people-meter system is widely questioned also because its owners have stakes in media outlets and advertising agencies. The same people-meters that produce viewership data also provide circulation figures and radio-audience measures. A new company, the consortium GFK–Austria, has announced intentions to run a people-meter system, but it is still in the planning stages.

A Bureau for the Independent Audit of Circulation exists, but it is not fully functional or reliable. Not all print media are members, and the information submitted is not representative. As a result, the figures are not even used by advertising agencies in planning their print media ad campaigns.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bulgaria Objective Score: 2.99 / 4.00

In developing the media in Bulgaria, the supporting institutions in the sector have consistently achieved success. Organizations supporting the independent media not only exist but are efficient, authoritative, and consistently improving. In 2005, as well as in previous years, the supporting institutions in the media sector were the most highly developed objective. Moreover, the growth in supporting institutions will be most unlikely to be overturned by a change in the political environment. Supporting institutions have continued to grow and positively affect the general media setting in the country. The high scores awarded to this objective reflect the agreement of the media community to adopt a common Code of Ethics, establish an Ethics Committee, and invest joint efforts in drafting the new media law.

The highest level of sustainability relates to the free and apolitical access to sources of newsprint and printing facilities. These facilities are entirely private owing to direct capital investment by WAZ, or through the privatization of the former state printing houses. They are well-run, independently funded, and independent from the state. Channels of media distribution (e.g., kiosks, transmitters, and the Internet) are in private hands, apolitical, and unrestricted. Though some of these channels have insufficient reach in particular regions, they are rapidly expanding. The distribution channels for the print media and the reach of the electronic media have been expanding throughout 2005 and have almost covered the whole country. They remain underdeveloped in regions of low population density. Overall, they provide a solid foundation for the sustainable development and independence of media in Bulgaria.

Trade associations representing the interests of media owners are among the strongest supporting institutions in the media sector. In 2005, the Union of National Media emerged by bringing together the associations of media owners in print and broadcasting. It was actively involved in addressing the problems of the media community by discussing and presenting statements on current media issues and consulting with institutions on matters of media legislation.

The nongovernmental organizations (NGOs) supporting free speech and independent media—the Access to Information Program, the Free Speech Forum, the Center of Independent Journalism, and the Association of Investigative Journalists, among many others—have maintained their solid presence and active public-advocacy roles. Their joint body—the Bulgarian Media Coalition—has for years maintained its high public authority, good record of media assistance, and effective relationship with the state and the legislature. It has alerted the public when attempts to violate the freedoms of national and local media take place, thereby emerging as an advocate of free speech.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

The state of the professional associations in protecting the rights of working journalists is not secure. These groups are ineffective and fail to include journalists from commercial outlets. Media owners are not supportive of such organizations and in practice attempt to undermine the protection of journalists' rights. For example, membership in organizations for the protection of journalists' professional and labor interests is tacitly forbidden. The relations between journalists and employers are settled face-to-face. "Every owner is firmly against journalists uniting," said Rumiana Emanouilidou. Together with the low wage levels at local outlets, this opposition from media owners leaves journalists strongly dependent on the owners and confined by editorial policies, compromising the freedom of speech. Membership in the two main professional associations, the Union of Bulgarian Journalists and the Podkrepa Union of Journalists in Bulgaria, is very limited and their ability to effectively support journalists' rights is poor. Vessela Tabakova explained that "there is considerable division among professional associations in the media. There's no professional community in public media. Journalists in private media have no protection of their interests." Vessela Vatzeva added: "Journalism is not a free profession as it is in other countries. Journalists themselves are unwilling to unite. They depend on contracts and employers. If they were strictly freelancers, they would have united and become more active. Just like in any other business, they cannot be brought together. They are refraining from such attempts for fear of getting hurt, or getting fired. "

Journalism degree programs at older universities are still not considered satisfactory. The newly established journalism programs at regional higher-education centers are also of questionable quality. They focus on theoretical training, and practical skills are largely overlooked. These programs need to be updated; practical training is still the weakest part of journalism education. It is still very common for journalism students to start working at media outlets before graduation in order to get some practical experience.

Organizations offering short-term journalism training contribute to the improved quality of reporting in Bulgaria. Organizations like BTC-ProMedia and the Media Development Center are well-established and have gained the respect of the media community. These organizations cater not only to national outlets, but also to small and local ones. The owners of small regional outlets cannot afford to send their staff to every available training program, as it undermines their capacity to provide daily coverage. Owners are also unmotivated to train their workforce because of the considerable staff turnover at small media outlets.

Panel Participants

Jasen Boyadjiev, Program Director, Info Radio; Cofounder/Chair, Free Speech Civic Forum

Rumiana Emanouilidou, Journalist

Petko Georgiev, Executive Director, BTC ProMedia; Political Analyst, Radio New Europe

Gergana Jouleva, Executive Director, Access to Information Program

Georgi Losanov, Professor, Faculty of Journalism and Mass Communications, Sofia University

Rosita Popova, Board Member, Union of Bulgarian Journalists

Dimitar Sotirov, Executive Director, Bulgarian Media Coalition

Peter Stefanov, Manager/Owner, Roma TV

Vessela Tabakova, Professor, Faculty of Journalism and Mass Communications, Sofia University; Head, Center for Independent Journalism

Juliana Toncheva, Member, Council on Electronic Media

Vessela Vatzeva, Chair, Association of Regional Media

Moderator

Rumiana Bachvarova, Sociologist, Managing Director, LINKS Market, Media & Public Opinion Research Agency

BULGARIA AT A GLANCE

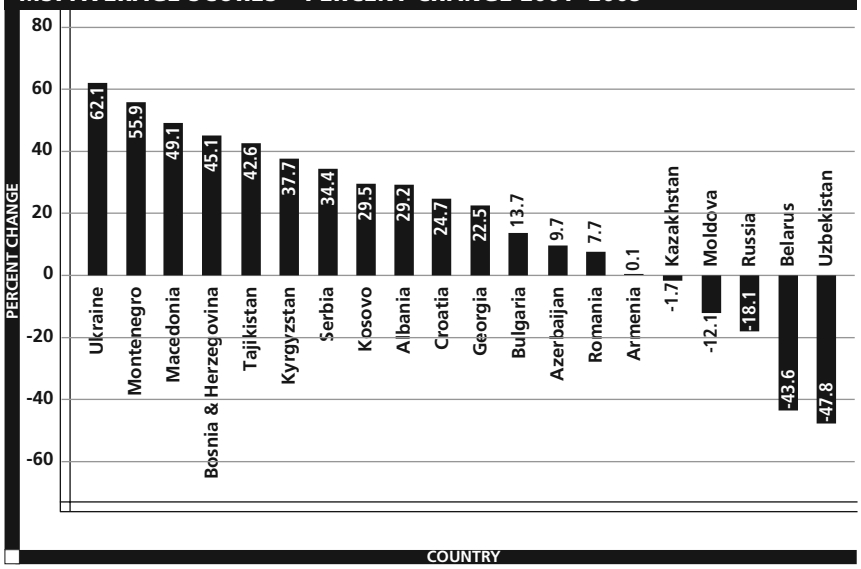
GENERAL

- **Population:** 7,761,049 *National Statistics Institute*
- **Capital city:** Sofia
- **Ethnic groups (% of population):** Bulgarian 84%, Turk 9%, Roma 5%, other 2% *National Statistics Institute (2001 Census)*
- **Religions (% of population):** Eastern Orthodox 83%, Muslim 12%, Catholic 1%, other 1%, NA 3% *National Statistics Institute (2001 Census)*
- **Languages (% of population):** Bulgarian 85%, Turkish 10%, Roma 4%, other 2% *National Statistics Institute (2001 Census)*
- **GDP:** $24.1 billion *National Statistics Institute (2005)*
- **President or top authority:** President Georgi Parvanov, Prime Minister Sergey Stanishev
- **Next scheduled elections:** November 2006, presidential

MEDIA-SPECIFIC

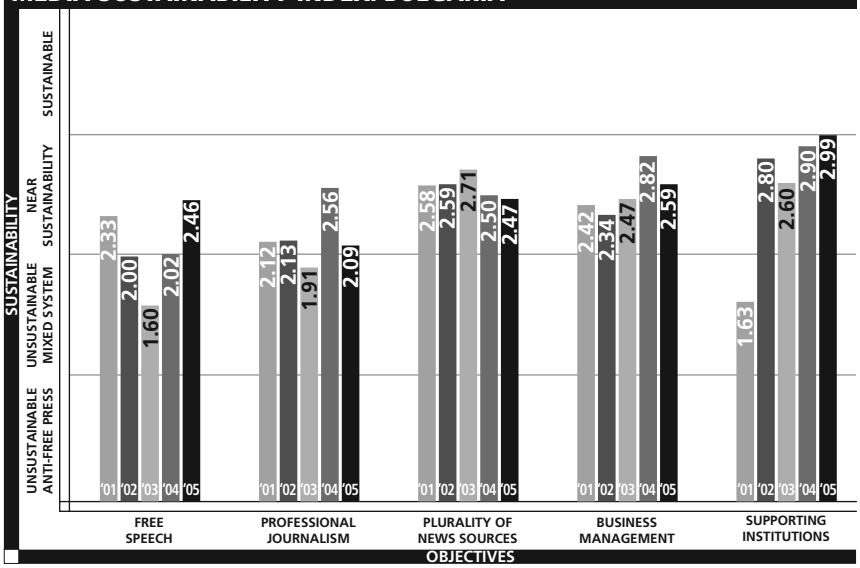
- **Newspaper circulation statistics (total circulation and largest paper):** 318,069 (*National Statistics website*). *TRUD* is the best-circulated daily, but the exact figure is unavailable. 424 total publications in 2004.
- **Broadcast Ratings (top three ranked stations):** bTV, NOVA, BNT Channel One (public operator)

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



- **Number of print outlets, radio stations, television stations:** 24 dailies, over 900 other print media, 424 newspapers, 111 radio stations (*Council of Electronic Media Register of Licensed Radio Operators*), 187 television stations
- **Annual advertising revenue in media sector:** Approximately $125 million *MM Links*
- **Number of Internet users:** 1.3 million *MM Links*

MEDIA SUSTAINABILITY INDEX: BULGARIA



PANELISTS WERE HEARTENED THAT THE STRENGTH OF CROATIAN CIVIL SOCIETY, COMBINED WITH THE GENUINE POLITICAL WILL TO ADOPT HIGHER STANDARDS AND STRICT EU MONITORING, WOULD MAKE ANY OPEN POLITICAL PRESSURE, HARASSMENT, OR DIRECT POLITICAL CONTROL OVER MEDIA ALMOST UNTHINKABLE.

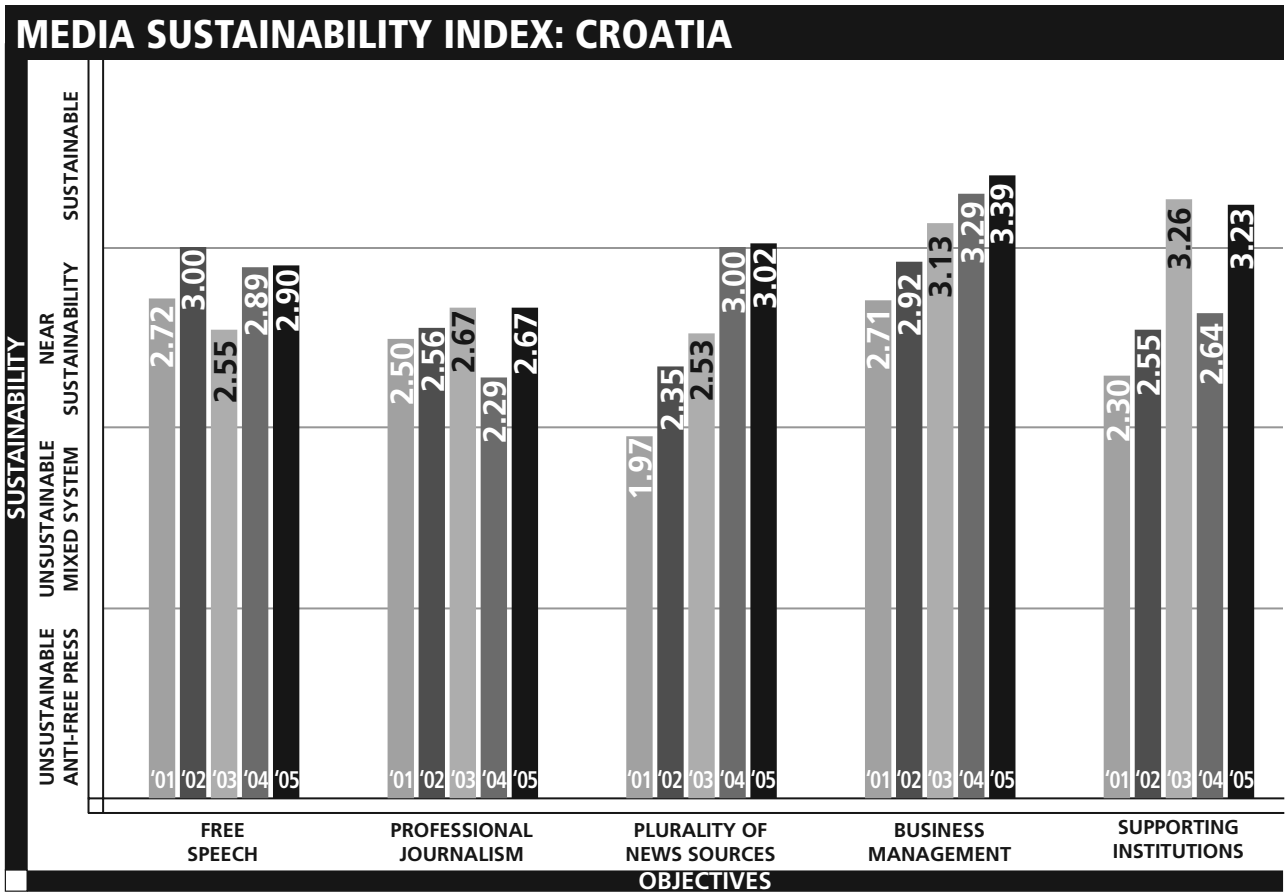
Introduction

Croatia continued its progress toward acceptance into key European institutions in 2005. In the fall, the European Union (EU) decided to open negotiations with Croatia on membership, representing one more step toward full acceptance into Europe, a goal of both the ruling Croatian Democratic Alliance (HDZ) and the opposition Social Democrats (SDP). This step will have a profound impact on the overall political, economic, and social structure of Croatia, as it must move toward harmonization of key legislation. At the same time, Croatia had to pledge to fully cooperate with the Hague Tribunal as it seeks extradition of Croatian citizens charged before the court.

The media scene in Croatia, as in other republics of the former Yugoslavia, is still affected by the specific elements of Yugoslav socialism. Unlike many other former Communist states—even some that are now EU members—Croatian media enjoyed a level of freedom from the 1960s through the late 1980s. Thanks to this legacy and to the support of local civil society and the international community, independent media managed to survive the 1990s. This period was marked by wars with Bosnia and Serbia, economic hardships, political control over most media outlets, and open pressure and harassment over the surviving independent media.

After the hard-line HDZ government lost to a center-left coalition in elections in 1999 and 2000, the new government dismantled open political pressures and harassment, even if falling short of meeting expectations for rapid democratic reforms. The individual incidents of harassment that have occurred after this period (including those that followed the return of the reformed HDZ to power in December 2003) have been seen more as a reminder of the past than as a real threat to the media.

While 2005 saw improved scores and the attainment of a "sustainable" rating, the panel did express some concerns. With foreign investment in the media and locally owned outlets now dependent on the market, the panel felt that "trivialization" of the media contributes to a drop in quality of the overall media market. Many of the new media seek the lowest common



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

professional denominator and are almost "brutally commercialized," in the words of one panel member. While solid news organizations continue, these new outlets tend to slant the market toward the commercial and away from a public-service ethos. In addition, this has resulted in a lowering of the professional standards, even in some of the "serious" media, as they are faced with commercialized, and at times unscrupulous, competition.

On the other hand, panelists were heartened that the strength of Croatian civil society, combined with the genuine political will to adopt higher standards and strict EU monitoring, would make any open political pressure, harassment, or direct political control over media almost unthinkable.

OBJECTIVE 1: FREE SPEECH

Croatia Objective Score: 2.90 / 4.00

MSI panelists agreed that existing legislation (the Constitution, the Media Law, the Electronic Media Law, the Law on Public Radio and TV, the Freedom of Access to Information Law, and the penal code) provide a quality, well-defined framework for enabling and safeguarding freedom of speech. Croatian media legislation and its implementation has been moving in a positive direction since the 1990s, and this has also been reflected in a political culture increasingly supportive of freedom of speech. As international panelist Antonella Cerasino noted: "It is a good sign for Croatian society that when there is a violation of freedom of speech, it causes an immediate public outrage."

Attempts to interfere with media and journalists are more often on the local level, where municipalities and local government still participate actively in the financing of the local media. This does not mean there has not been attempted interference in media at the national level. The Minister of Foreign Affairs, for example, tried to intervene in a HINA news agency dispatch from Brussels to change the content concerning his participation in EU meetings. The Deputy Prime Minister tried to directly intervene in a news show on the public broadcaster. Both instances were made public, and the backlash has partly contributed to the marginalization of these political figures.

However, the panel noted a unique feature of Croatia that is a potential setback for freedom of speech in Croatia, at least at the level of basic principles. Croatian journalist Josip Jovic was arrested on October 6 under a request from the International Criminal Tribunal for the former Yugoslavia (ICTY) and indicted for "revealing the identity of a protected witness" and for "disrespecting the Court" as it relates to articles published in 2000. However, as international human rights and journalists' rights organizations have pointed out, the information was available on the website of ICTY and others had already published the identities. Emil Havkić, a media lawyer, argues that "the ICTY decision to prosecute a journalist for publishing information that has already been available to the general audience has created quite a peculiar situation. Croatia has achieved certain standards of media freedoms, but these standards of free speech are now jeopardized from the least expected source—a high international institution designed to promote justice and stability in the region."

"It is a good sign for Croatian society that when there is a violation of freedom of speech, it causes an immediate public outrage," said Antonella Cerasino, of the OSCE Mission to Croatia.

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

The licensing of broadcast media and the allocation of new frequencies is part of the mandate of the Council for the Electronic Media. As in 2004, the panelists questioned the professional competence of the Council's members, pointing out that most of them could hardly qualify to be "experts" or "well-known professionals." Still, there have been no indications of direct political control over the Council's activities, as was the case in the 1990s. Most of the objections point to a nontransparent licensing procedure. "I am sure that this Council is not politically controlled as it was in the 1990s, but this is still no guarantee that the Council is not corrupt or, more likely, incompetent," panelist Denis Kuljiš of Europapress Holding stated.

Panelists agreed that the Council should be more active in cooperation with the Ministry of Telecommunications in providing new frequencies, instead of waiting to get a list of frequencies and then putting them on tender. "The last radio frequency in Zagreb was allocated back in 1998. In the meantime, the radio advertising market has almost tripled its volume. The Council should be more active in providing new frequencies, especially where the market can support it," Davor Glavaš of the BBC Croatian Service objected.

"Croatia has achieved certain standards of media freedoms, but these standards of free speech are now jeopardized from the least expected source—a high international institution designed to promote justice and stability in the region," said Emil Havkić.

Additional comments on the Council's nontransparent decision-making process were generated by the recent decision on the allocation of funds from the Fund for Pluralism. Up to $150,000 of small grants have been given to commercial radio and television stations for productions of "public interest," yet panelists objected to the lack of transparency and fixed criteria. "I don't think there was direct political intervention in these decisions. I am not that sure that there were no shady deals with the owners whose media received grants," one panelist concluded.

Market entry and the tax structure for media are fair and comparable to other industries; there are no notable changes since 2004. No special requirements exist for starting a media outlet, aside from the general provisions for all commercial enterprises or specific antimonopoly requirements as defined by the Media Law. The Croatian Association of Publishers is still engaged in advocating for reduction of the value-added tax (VAT) of 22 percent for print media outlets. If successful, this initiative would give even better positioning to the print media compared with other industries, but reduced VAT for print media is a widely accepted international practice so it would not be out of the norm. For broadcast media, the main obstacle to starting a new outlet was seen as the inefficiency of the Council for Electronic Media and other related institutions.

Crimes and threats against journalists are rare and declining year to year. "So far, nobody has beaten me this year [2005]," commented panelist Denis Kuljiš, well known for almost 150 court cases against him and many close encounters with organized crime. More often, lower-profile types of harassment are used against journalists. While the public is seen as very sensitive on this topic, the prevailing opinion of the panelists is that the police and the judicial system should be more active both in protecting journalists' rights and prosecuting the violators. Nonetheless, "Croatia is definitely much more advanced in that regard than the other countries," according to Antonella Cerasino, who expressed the unanimous view of the panel.

The nature of support to public media remains a topic that evokes dissenting viewpoints. Many in the media believe that HRTV receives preferential status by collecting and using subscription fess, while at the same time enjoying high advertising revenue. Others believe that advertising revenue is of vital importance for public media, not only as an additional source of income, but also as a safeguard against political interference in editorial decisions. "It would be much harder to prevent political interference on the public television if subscriptions were the only source of income," said Tena Perišin of HTV, the public broadcaster.

The panelists agreed that interference still exists in editorial decisions, particularly at the local level. For instance, in local radio stations, where municipalities have some ownership, they can change the editor-in-chief with relative ease, leading to a situation of influence over content. There have been attempts to interfere in the editorial policy of HTV, but panelists believe this is more a relic of the past than current policy.

Libel remains regulated by the criminal code. The law remains seldom used, and recent changes have defined that the offended party must prove falsity or malice. However, leaving the law on the books as a criminal code is seen as an unacceptable situation. After the resignation of the Minister of Foreign Affairs, mostly due to questionable business deals exposed by the media, public officials have been held to higher standards.

Panelists warned that public officials (especially at the local level) are still discriminative in providing information. "We can always find our own sources from the government for any needed information, but the real problems occur on the local level, where the officials talk only to 'their' media," warned Neven Šantić of the Rijeka-based Novi List.

Access to local and international news is completely open and absolutely unrestricted, both for media outlets and for the general public. The high price of the international papers and relatively expensive online services do serve as a deterrent to access, although there has been improvement with lower rates for Internet access. There remain no restrictions or limits to entry into the journalism profession.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Croatia Objective Score: 2.67 / 4.00

Although all of the panelists, both local and international, agreed that journalism in Croatia is more professional and sophisticated compared with all countries in the region, including Slovenia, Hungary, and the other new EU members, this was not enough for a higher mark. This objective has improved only slightly since 2004.

The MSI panelists discussed "trivialization" as a new and devastating trend on the media scene. At the same time, it was recognized that this trend is characteristic of most transitional countries as media migrates to a market-based approach and new investors, foreign and domestic, enter the market. The media in Croatia that survived repression in the 1990s and reached higher professional standards are now faced with a new and very different challenge: Commercial media are interested first and foremost in profit and are seizing an ever bigger market share. As a direct consequence, most of the "serious" and more professional media are having commercial difficulties and have lost part of their audience. Some of them have found a solution in lowering their own professional level, offering more trivial and pure commercial content. However, the panel noted that the final consequences of this trend and whether it is permanent or a temporary market condition remain uncertain.

"There are a number of journalists in Croatia who are very good and maintain high professional standards. But there are also many who don't check their sources and are unfortunately very subjective in their reporting," said Antonella Cerasino. The growth of low-quality commercial media has significantly contributed to the offensive, subjective, and sensationalistic type of journalism. Pressure to be "more commercial" also discourages good investigative reporting or checking information with multiple sources. Editors too often don't want to allow journalists the additional time needed for checking information or for conducting in-depth investigations. They want to be ahead of the competition—to be the first on the market—even at the expense of the facts. Since 97 percent of the circulation of Croatian papers is sold on newsstands, the practice of "screaming headlines" is seen as a necessary sales tool.

"After the 1990s, with its high level of adrenaline and socially and politically engaged journalism, journalism today is mired in certain apathy. Ethically engaged journalism is in crisis," said panelist Denis Kuljiš.

Croatian journalism is well known for its relatively efficient self-regulation and high standards as defined in its ethics code. More than 90 percent of active journalists are members of the Croatian Journalists' Association, and a large majority of them do follow basic ethical standards. But there is also a minority

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

"The 'average' salary in Croatian journalism simply does not exist. I know journalists working for 400 euros a month, but I also know journalists working for 15,000 euros a month. In general terms, we could say that journalists in Croatia are relatively well paid," one panelist said.

who do not necessarily follow basic standards. Probably the best case is an e-mail sent by the then editor-in-chief of one daily paper to his staff: "I want good-looking T&A, not politicians, on the cover. I want sensations. Don't tell me there are no sensations; create them, I don't care." This paper is one of the largest daily papers in Croatia.

"After the 1990s, with its high level of adrenaline and socially and politically engaged journalism, journalism today is mired in certain apathy. Ethically engaged journalism is in crisis," said panelist Denis Kuljiš. Other panelist didn't agree, replying that "non-engaged" journalism is a sign of the society returning to normality.

Panelists agreed that politically motivated censorship is extremely rare, existing only marginally in some local media. But, as was stressed in 2004, occurring ever more often are cases of editors promoting the agenda of owners, siding not so much with political parties but with different—and elusive—interest lobbies. They are not practicing censorship, but reports based more on "who am I writing for" than on fact are actually not that far from some forms of self-censorship. "With a bit of cynicism we could change the title 'Transparency of media ownership allows consumers to judge the objectivity of news' into 'Reading of papers allows consumers to judge who the owners of the media are,'" said panelist Davor Glavaš. "We all know more stories than we have written or published," added another panelist.

Unlike in the previous years, Croatian media have faced more subtle forms of influence over content, which is not unknown in the more developed media markets. The corporate world in Croatia is exerting an ever larger impact on media content. First, the corporate world's advertising money discourages investigative reporting on big business. Second, panelists felt that big businesses don't like to see their ads and commercials placed by the serious social and political reports, but are looking or specifically asking for more entertaining content. Therefore, they have both a direct and indirect negative influence on media content.

Most of the panelists agreed that Croatian journalists cover all key events and issues. Citizens still must read more than one paper, or combine reading papers and watching television news, to get the complete picture of what has really happened. However, the panelists agreed there are no noncovered or deliberately overlooked issues. "The whole range of information is available to the public. But, one could say that there is ever less good investigative reporting, background information explaining some of the key local or international issues. Not because of any censorship or self-censorship, but simply because of editors who think that this type of journalism is not commercial enough," media lawyer Emil Havkić said.

"The 'average' salary in Croatian journalism simply does not exist. I know journalists working for 400 euros a month, but I also know journalists working for 15,000 euros a month. In general terms, we could say that journalists in Croatia are relatively well paid," one panelist said. Panelists agreed that there is no direct relationship between salary level and corruption in Croatia. If a journalist tends to be corrupt, then he or she will be corrupt, regardless of the salary level. Unlike in many transitional countries, the public broadcaster is still the highest rated in Croatia. The relatively decent news production on HRT is still the main source of news for most of the audience. Panelists expressed concern over the increasing entertainment content in both print and electronic media as a result of the ever growing pressure of the commercial media.

Technical facilities for most of the national media outlets are modern and efficient. Some of the local media are underequipped, but these are more marginal examples. Also, the variety of media outlets in Croatia (some 960 dailies, weeklies, and periodical editions for a population of 4.5 million) shows that all the market niches are covered at least in number of editions, if not necessarily in the quality of reporting. On the day of the MSI panel, one large international corporation and one local company almost simultaneously announced the launching of two business weeklies, pointing to the market's seeking to fill certain niches.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Croatia Objective Score: 3.02 / 4.00

Panelists agreed that a plurality of news sources on the Croatian media scene exists, in terms of "print" and "broadcast" (plus online), "local" and "international," and "public" and "commercial" media. With more than 3,000 registered journalists (in a country with a population of 4.5 million); more

than 1,100 freelancers; about 150 registered radio and television stations on the city, county, or national level; about 960 print media outlets; 40 percent of the population using online services; and about 10 percent of households connected to the broadband Internet, one could say that the plurality of news sources in Croatia is absolutely secured. Access to local and international news is completely open and absolutely unrestricted, except by cost for the lower-income portion of the population (pensioners, unemployed, rural population).

Issues do exist, however. Access was limited by income and while the sheer number of sources was increasing, the quality was not. One panelist cited a Russian journalist, speaking recently of media pluralism, who said that dozens of lies do not make the truth. While this situation is far better in Croatia, the panel argued that it takes more than one paper or more than one broadcast news show to understand what has really happened.

Panelists were also very concerned about the issue of affordability. The cover price of daily papers (6kn or $1), weekly papers (12kn or $2), Internet rates (starting at $20/month), and the high prices of international dailies and weeklies ($3 to $5 on average) are prohibitive to a substantial part of population, who therefore rely on information from the "open sources" (terrestrial television and radio).

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Foreign broadcasters (BBC, Voice of America, Deutsche Welle, RFI, etc.) operate freely in Croatia, most of them on their own networks of local radio stations. Almost 40 percent of households have access to satellite television and radio stations or cable television networks. Due to the geographic shape of the country, most of the population has access to foreign terrestrial television and radio stations as well. The biggest Croatian phone operator will introduce IPTV (Internet-provided television) early in 2006, with a combination of local and international terrestrial and satellite stations, plus video-on-demand service. Most of the users of the broadband Internet (about 10 percent of households) will probably use this new service as well.

Public media cover the entire political spectrum and a wide range of views. One panelist argued that there has been less quality, in-depth investigative reporting or analysis of international events, but the majority of panelists concluded that this is not a specific feature of the Croatian media scene, but rather a global trend. Panelists have expressed more concern over the situation in local media, which remains dependent on local governments and too often serves a certain political, rather than the public, interest.

"Which media outlets have been the most active in opposing pro-democratic and pro-European government policy?" panelist Denis Kuljiš asked.

There are three news agencies operating in Croatia (HINA, STINA, and IKA), but only HINA provides a general news service for print and broadcast media. In the 1990s, HINA had been a government mouthpiece, but in the past five years it has developed into a respectable and professional news agency. HINA offers a variety of services and "packages" to its clients, but the starting level of subscription fees is still prohibitively high for many of the local media. In addition to the domestic and foreign news services (mostly Reuters), bigger national media outlets have their own news-gathering teams, including foreign correspondents and niche experts.

The Croatian Electronic Media Law strictly defines that commercial broadcasters (on the local, county or national level) must have their own news production. As a consequence, there are a variety of news

"It is rather interesting that two [of the] most outstanding opponents are media outlets owned by an Austrian and an American company. Do the owners know the editorial policy of their outlets in Croatia? Have they created it? Do they care about it? We don't know," said Denis Kuljiš.

productions in quantity, but not always on the expected quality level. Some commercial broadcasters treat news production not as content in the public interest, but more as content they are obliged to produce by legislation. It is more akin to "alibi" news production, as one panelist defined it.

News programs are still the most watched production in Croatia, and therefore neglecting it (as some commercial broadcasters do) is not smart market-wise. But this is not the only paradox related to this indicator. "Which media outlets have been the most active in opposing pro-democratic and pro-European government policy?" panelist Denis Kuljiš asked. "It is rather interesting that two [of the] most outstanding opponents are media outlets owned by an Austrian and an American company. Do the owners know the editorial policy of their outlets in Croatia? Have they created it? Do they care about it? We don't know." Still, the predominant opinion was that public and commercial television and radio stations do offer a sufficient level of political, social, and cultural pluralism.

Transparency of the media ownership is still an open issue. All businesses in Croatia, including media, must register their owner's structure with the Commercial Court. This registry is publicly available, and in theory media ownership is transparent. But there are reasons to believe that at least some of the media outlets have registered only "cover names," hiding their real owners. It is not only or exclusively about political interests; more often, it is the case in the broadcast sector, where "cover names" are used to bypass strict antimonopoly provisions. Some panelists expressed their concern over a recent takeover of the third largest daily paper in Croatia (*Slobodna Dalmacija*) by the biggest Croatian publisher, Europa Press Holding (EPH). Although EPH formally hasn't been in breach of antimonopoly provisions, most of the panelists think that this acquisition brings the Croatian print market close to the type of media concentration that could be prohibitive to market competitors.

Panelists agree that the sheer number of media outlets in Croatia guarantees that all of the major social, political, cultural, or other issues will be covered. There were different opinions on minority-language sources. Some panelists think that minority-language information sources could actually increase a minority community's feeling of living in a social or political ghetto. As a good example, panelist Neven Šantić mentioned a daily paper in Italian ("*La Voce del Popolo*") that has been serving the Italian minority for many decades, "supporting the Italian minority's cultural identity without being a victim of a different political interest."

OBJECTIVE 4: BUSINESS MANAGEMENT

Croatia Objective Score: 3.39 / 4.00

The growing number of media outlets in Croatia and the entry into the market of many respectable international companies is the "ultimate proof that media in Croatia is a highly profitable industry," said panelist Denis Kuljiš. Given the relatively small market of Croatia, it takes certain managerial skills to develop a media business to the point where it is profitable enough for local owners or for serious foreign investors. The biggest publisher in Southeast Europe, EPH, was founded by a group of young Croatian journalists in late 1980s and has been managed exclusively by local managers. It has since generated a

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

pool of local professional skills as well as contributed substantially to the country's overall entrepreneurial climate.

The Croatia media receive revenue from a multitude of sources. Some of the more traditional sources of income, such as subscription to newspapers, are still in very low percentages (in many cases, only about 3 percent). Some of the panelists think that the 97 percent of the circulation sold in kiosks has had a direct impact on the type of journalism, favoring "screaming headlines" on the cover page, in order to distinguish the paper on the newsstands, even in more serious papers. Advertising revenue both in print and broadcast media is constantly growing.

The MSI panel debated the multitude of income sources for the public television. It annually receives between $120 million and $130 million from the mandatory subscription fee, an average of $10 per household per month. The public television also has the lion's share of the advertising market, earning an estimated $200 million from advertising per year. Panelist Tena Perišin (of the public television) said that advertising income is substantially important for the broadcaster, making it less vulnerable to different forms of political pressures than it would have been if the subscription were the only income source. Some other panelists would like to see more transparency or consistency in spending the subscription money.

"I would like to see my subscription used for the news production, educational, cultural, and similar productions. I don't want to finance reality shows on public television with my money. Public television earns on advertising, fine, but then it should use this money, not subscription fees, to buy and finance commercial programming," Davor Glavaš said.

Advertising is one of the faster-growing industries in Croatia, supporting the stable market position of most of the national media. The recent market entry of the third mobile-phone operator will additionally contribute to the growth of the advertising market. Most of the biggest global advertising agencies have opened branch offices in Croatia, making the advertising market ever more professional. In fact, one of the biggest international advertising agencies, McCann Erikson, opened its local office in Zagreb back in 1984, which points to the sophistication of the Croatian advertising market even then.

The advertising revenue of the Croatian print media is, in percentage terms, still lower than in Western markets. Some of the largest national daily papers are earning 60 or more percent of their overall income from advertising, but this percentage is substantially lower in local media. Some panelists think that a balance between advertising and income from copy sales should be kept. "Content matters more if the percentage of cover-price income is in balance with advertising. Some of my colleagues from more developed markets say with a bit of cynicism that the journalist's job in a media with a very high percentage of advertising income is only to fill the gaps between the ads. It is really more than just cynicism in this," said panelist Ante Gavranović, president of the Croatian Association of Publishers.

The Independent media in Croatia do not receive government subsidies. This is a general conclusion, but with certain variations in a real-life situations. Namely, a relatively large percentage of the local media (especially local radio and television stations) still depend on financial and in-kind support from local governments, with all the potential negative implications for editorial independence. It is not about direct financial support (although this is not excluded, it is relatively rare), but more often about so-called contracts on regular coverage of local government activities. In other words, local governments are paying to have their activities covered in the local news on local broadcasters. The professionalism of such productions is, of course, questionable. In-kind support to local media is most often in the form of using office space, communications, or other services provided for free or at lower-than-market rates by local government. Providers of such financial and in-kind subsidies may expect more favorable treatment in those media supported in this way.

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As of 2005, there is an additional source of finance for independent media. According to the amended Electronic Media Law, 3 percent of the subscription fee (a tax on radio and television sets) goes to the

Fund for Media Pluralism. The intention of the Fund is to "support productions of the public interest on commercial broadcasters" and is allocated to the recipients by the Council for Electronic Media. The total amount is approximately $3 million per year; individual grants vary from $1,500 to $150,000. Although the Fund could have an important role in upgrading production in local radio and television stations, it is still necessary to define allocation criteria more precisely, to implement strict oversight measures, and to introduce more transparency into the decision-making process.

Market research and strategic planning are even more important in Croatia. Media and advertising agencies are using sophisticated market-research methods and tools. Still, panelists mentioned a large gap between the national media—which are in line with the newest global trends and solutions—and the local media, who are too often managed in an old-fashioned style with little use of research or strategic planning.

Print and broadcast figures are still not provided by a generally accepted independent source (i.e., an Audit Bureau of Circulation or an accepted ratings agency that serves as the "currency" between advertisers and broadcasters), but most of the larger advertising agencies do undertake a serious analysis of ratings and circulation figures independently. People-meters are quite common for broadcast ratings, and estimates of the print circulation are quite precise.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Croatia Objective Score: 3.23 / 4.00

Croatia has an excellent reputation among transition countries for its professional supporting institutions. The Croatian Journalists' Association (CJA) has a membership of almost 3,000 (more than 90 percent of active journalists). This is an almost unique case of a single effective association that encompasses almost all of the professionals in the country, regardless of their political positions and interests. The CJA had a critically important role in the 1990s, defending and promoting basic human rights and professional standards. Today, the CJA is a well-organized, financially self-sufficient professional association that promotes and safeguards industry standards and free-speech rights. Neighboring countries have competing (and often ineffectual) journalists' associations.

The CJA example could be applied to the Croatian Journalists' Trade Union (CJTU), a partner association that collaborates with CJA to protect the professional interests and labor rights of journalists. Due to its reputation and results, the Croatian Journalists' Trade Union has been appointed by the IFJ (International Federation of Journalists) as the referral center for the trade unions in transitional countries. CJTU has helped partner institutions in both Southeastern Europe and the wider region (e.g., Ukraine and Belarus) to organize themselves into more efficient professional organizations.

Both the CJA and the CJTU have been active in drafting media legislation in Croatia. It would be proper to say that there has not been any action of civil society in Croatia since the 1990s in the wider spectrum of human rights without the active participation of both the CJA and CJTU.

However, not all panelists rated the CJA so highly. Denis Kuljiš argued that the CJA is "a dinosaur, a species in extinction" and called for new organizations to represent more specific interests of the journalist community. "It is now high time for smaller, task-oriented, efficient, and flexible pressure groups," according to Denis Kuljiš.

In addition to the CJA and CJTU, there are a wide variety of professional and trade associations actively promoting the professional agenda of different media interest groups. Local media are organized in the Croatian Association of Local Radio and Print (HURIN). Local television stations are organized in the National

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Association of Local TV Stations (NUT). Together with the national television stations (Croatian RTL, Nova TV), local television stations have formed a joint national association of commercial television stations that has been very active lately. A group of local radio stations are organized in the Association of Independent Radio stations (AIR). The publishers also have their own association, although very tense relations between some of the publishers diminish its efficiency. All of these organizations have been very active in promoting their agendas and ensuring that the policy process includes the views of diverse interests within the media.

There also exists a lively nongovernmental organization (NGO) scene in Croatia. The NGO sector was shocked in late 1999 and early 2000 after most international donors withdrew from Croatia, but the NGO scene has recently consolidated its activities. Some, such as the Croatian Helsinki Committee (HHO), have earned an international reputation for their activities. Still, panelist Antonella Cerasino said she would like to see "more activities of NGOs which promote freedom of speech."

The quality of available journalism education divides the media community. Tena Perišin argued that journalism study is professional, giving students both theoretical knowledge and well-equipped training centers for practical activities. The CJA is active in organizing training for both young and mid-career journalists, especially in its training center in Opatija (the International Center for the Education of Journalists). However, as Tena Perišin stated, "Media owners and editors are still not willing to encourage staff to participate in trainings and workshops." Neven Šantić mentioned specific problems in the local media, where owners and senior editors "don't want their journalists to become more educated or more aware of their position and rights, or simply operate in such small newsrooms which couldn't afford to send a person for a week or longer to trainings or workshops."

Denis Kuljiš argues that the journalism degree from the University does not prepare journalists for a real professional environment: "The journalism degree is based on the old-fashioned notion that it is enough to learn theory and get some practical journalism experience. But, there are many other professions and skills that are indispensable for media, such as graphic designers, web designers, cameramen, and software operators. Where are they going to acquire their knowledge and skills?"

Panelist Ante Gavranović thinks that Kuljiš is too critical: "Croatia has the ICEJ; this is recognized by the EU as a referral regional educational center. This should be enough to conclude that in Croatia there exists quality education and training for journalists." Neven Šantić believes there are "enough opportunities for journalists to learn and improve their skills. Yet another question is how many of them are willing to accept the idea of permanent education? Not the majority unfortunately."

"The journalism degree is based on the old-fashioned notion that it is enough to learn theory and get some practical journalism experience. But, there are many other professions and skills that are indispensable for media, such as graphic designers, web designers, cameramen, and software operators. Where are they going to acquire their knowledge and skills?" said Denis Kuljiš.

Newsprint acquisition and printing facilities are completely deregulated, private, and offer a multitude of options to publishers. There are currently more privately owned printing facilities than the market demands for this service, which is beneficial to publishers. Consequently, printing prices have decreased recently. Although one could rightly say that the cover price of the papers is high, the fact is that all daily papers are in full color, offering a greater variety of supplements at the same price than the black-and-white editions with no supplements did only a few years ago.

Distribution is still dominated by one single company, Tisak. Unlike the 1990s, when this company was owned by one of the most notorious Croatian tycoons and used by the Tudjman regime as a tool for extortion of independent media, Tisak now operates as an efficient market- and profit-oriented company. Panelists agreed that other distribution means (Internet, broadcast transmission) are completely apolitical, privately owned, and offer professional, efficient, and unrestricted access under market conditions.

Panel Participants

Antonella Cerasino, Public Affairs Unit—Spokesperson, OSCE

Ante Gavranović, President, Croatian Association of Publishers

Emil Havkić, Media Lawyer

Denis Kuljiš, Editor, Europa Press Holding

Zdenko Duka, Vice President, Croatian Journalists' Association

Tena Perišin, Editor, Croatian Television (HTV)

Zdravko Tomić, Media and Political Specialist, US Embassy

Neven Šantić, Journalist, *Novi List*

Moderator

Davor Glavaš, Director and Editor-in-Chief, BBC Croatia

CROATIA AT A GLANCE

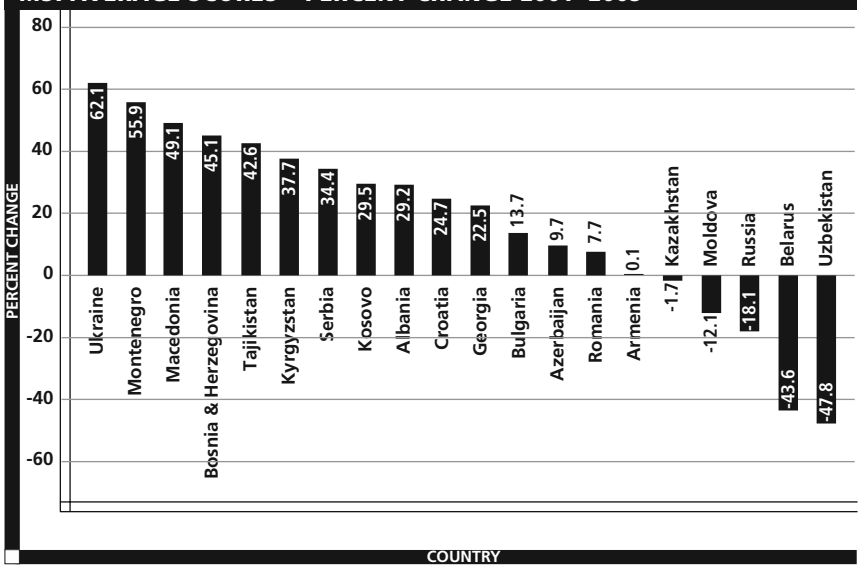
GENERAL

- **Population:** 4,495,940 *CIA World Factbook, June 2005 est.*
- **Capital city:** Zagreb (773,000, est. 2004)
- **Ethnic groups (% of population):** Croat 89.6%, Serb 4.5%, Bosnian 0.5%, Other: 5.4% *2001 Census*
- **Religions (% of population):** Roman Catholic 87.8%, Orthodox 4.4%, Muslim 1.3%, Protestant 0.3%, none 5.2% *2001 Census*
- **Languages (% of population):** Croatian 96%, other 4% *2001 Census*
- **Literacy rate (% of population):** 98.5% *CIA World Factbook, 2003 est.*
- **GDP:** $50.33 billion *CIA World Factbook, 2004 est.*
- **President or top authority:** President Stjepan Mesic, Prime Minister Ivo Sanader
- **Next scheduled elections:** January 2010

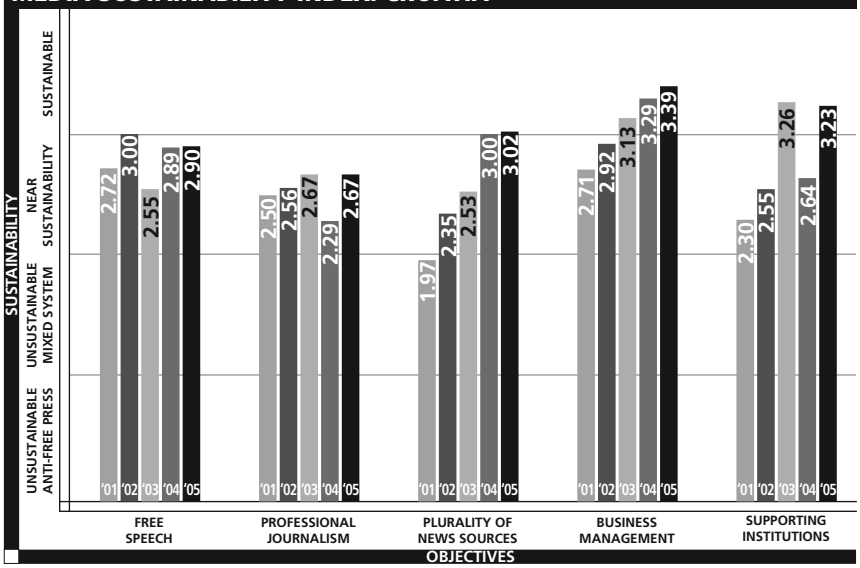
MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** There are no reliable figures on total circulation of the papers. The total circulation of daily newspapers is estimated at 500,000 to 550,000 copies a day.
  - *Vecernji List* (Zagreb) sells 95,000 to 145,000 copies per day.
  - *Jutarnji List* (Zagreb) sells 70,000 to 110,000 copies per day.
  - *24 Sata* sells 45,000 to 60,000 copies per day.
  - *Slobodna Dalmacija* (Split) sells 45,000 to 55,000 copies per day.
  - *Novi List* (Rijeka) sells 40,000 to 50,000 copies per day. *Croatian Journalists' Association*
- **Broadcast ratings (top three ranked stations):** HRT 1 (public television, first channel), HRTL (Croatian RTL), HRT 2 (public television, second channel), Nova TV (private)
  - Narodni radio, Otvoreni radio, and HRT 1 radio are the most listened to radio stations. *Croatian Journalists' Association*
- **Number of print outlets, radio stations, television stations:**
  - **Approximately 900 print outlets:** 14 daily newspapers (five national daily papers, nine local) and 46 weeklies (three major national political weeklies)
  - **131 licensed radio stations:** Five stations have national coverage, and 126 operate regionally and locally
  - Three national television stations (HRT, HRTL, Nova TV) and four national channels (HRT 1, HRT 2, HRTL, Nova TV); 16 television stations operate on the local or county level; cable television is provided by 21 licensed operators
- **Annual advertising revenue in media sector:** Approximately 4 billion kn (about $650,000,000). An estimated 60% of the advertising income goes to broadcasters, 40% to print. *Croatian Chamber of Commerce and Croatian Association of the Advertising Agencies estimates*
- **Number of Internet users:** About 40% of the population uses the Internet at home or at work.
- **News agencies:** HINA, STINA, IKA. IKA (a Catholic news service) provides news only to Catholic media.

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA SUSTAINABILITY INDEX: CROATIA



Important progress was made as well on media regulation. The Kosovo Parliament was finally able to pass, and the UN's Special Representative of the Secretary General signed, a law establishing an independent media commission.

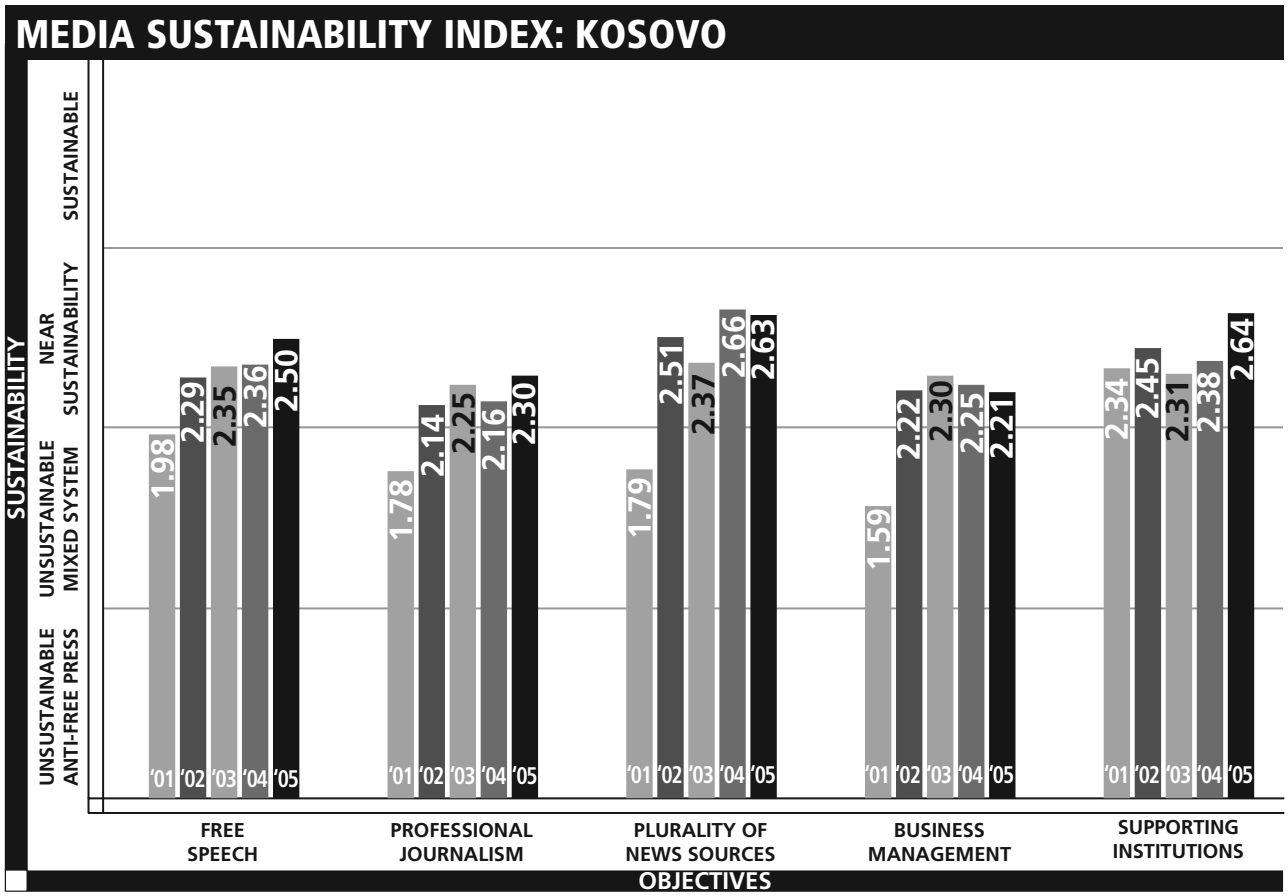
Introduction

The long-awaited progress toward final political status of Kosovo was by far the lead story in this United Nations protectorate. Six years after NATO troops first entered the province and drove out the Serb military, the UN Security Council gave the go-ahead for status talks. A UN envoy, former Finnish President Martti Ahtisaari, was expected to begin a process of shuttle diplomacy among Belgrade, Pristina, and western powers.

The Security Council decision came after months of intensive speculation, as UN Envoy Kai Eide made several visits to Kosovo to determine whether the former province of Serbia had made adequate progress in meeting the political and social standards set by the UN. The standards process was dealt a serious blow early in the year when newly appointed and popular Prime Minister Ramush Haradinaj was forced to resign after being indicted by the Hague Tribunal. Much political in-fighting followed, and even as talks were finally expected to begin, the negotiating team, representing major political parties, was still struggling to establish a unified position. To add to the uncertainty, longtime Kosovo President Ibrahim Rugova, the leader of the negotiating team, was being treated for lung cancer.

Important progress was made as well on media regulation. The Kosovo parliament was finally able to pass, and the UN's Special Representative of the Secretary General signed, a law establishing an Independent Media Commission. Since the end of the war, broadcast media licensing and regulation has been the responsibility of the Temporary Media Commissioner (TMC), under authority of the UN and the Organization for Security and Cooperation in Europe (OSCE).

The new IMC will be responsible for bringing order to the crowded broadcast sector, where 118 broadcasters (including 23 television stations) serve a population of only two million people. The council of the IMC will include seven members selected by the Kosovo Assembly and the SRSG. The IMC will be charged with awarding new licenses to broadcasters (seven years for radio, 10 years for television). An OSCE report recommended a



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

reduction in the number of stations but did not provide guidelines on determining who should survive. That and many other contentious issues will face the new IMC early next year.

The number of daily newspapers increased to seven during the year, sharing a miniscule total circulation estimated at approximately 25,000–30,000. Passage of the IMC law had an impact on the print sector as well. The TMC, which enforced a print code of ethics, through the levy of fines, will no longer have that power. A self-regulating mechanism was established when the newspaper publishers signed a press code of ethics and agreed to participate in a Press Council that will initially be supported by the OSCE. The Press Council is expected to hear complaints against publishers and journalists, determine the validity of complaints, and issue sanctions.

The greatest changes in the Media Sustainability Index (MSI) from 2004 occurred in the area of supporting institutions, which witnessed continuing improvement in the capacity of associations. Other changes were less significant, although free speech and professional journalism scores were noticeably higher. The professionalism scores, which rebounded after the media's much criticized performance during March 2004 riots, still reflect slow progress in developing professional journalism in Kosovo. The remaining two indicators, plurality of news sources and business management, were virtually unchanged. The business climate in Kosovo continues to be poor, although hopes are high that a resolution of the status issue will lead to outside investment and economic growth. If that occurs, and the new IMC finds a way to bring order to the broadcast licensing issue, there could be substantial improvements in the coming years.

OBJECTIVE 1: FREE SPEECH

Kosovo Objective Score: 2.50 / 4.00

In theory, free speech is embraced and practiced routinely in Kosovo, with few, if any, overt challenges or restrictions. But in practical terms, particularly for journalists, there are many impediments. Government and political leaders still seek to manage information by restricting access to public officials and documents. In the worst cases, free speech is limited by threats and violence against journalists and media outlets. Mimoza Kusari, who served as spokeswoman for former Prime Minister Bajram Rexhepi, said very bluntly that "most of our public officials have no respect for journalists; they use them only for their promotion when it comes to the political campaigns, the elections. But when it comes to giving accountability to the people for what they do, they say it's their own business and they treat public money as their own."

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

FREE-SPEECH INDICATORS:

- Legal/social protections of free speech exist and are enforced.
- Licensing of broadcast media is fair, competitive, and apolitical.
- Market entry and tax structure for media are fair and comparable to other industries.
- Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

The Kosovo MSI panel agreed that while there is broad support for free speech, there are practical limits, particularly when it comes to reporting on ethnic issues. Although the constitutional framework calls for rights consistent with the European Union, US Agency for International Development (USAID) Media and Civil Society Advisor Argjentina Grazhdani says the UN administration has promoted freedom of expression as a democratic rather than a legal concept "and this happened because of their fear of interethnic violence."

While it is widely accepted that broadcast licensing is apolitical, there is frustration that few licenses have been issued in recent years pending action on the IMC law. There is likely pent-up demand for new licenses, particularly in Pristina, where there is no television station licensed solely for local broadcast. However, most agree that considering the poor economy and the large number of stations already licensed, there

are practical and technical limitations to the number of stations that can be permitted to operate.

On the issue of tax structure, there is agreement that the media are treated the same as other businesses. However, not all thought that this was a good idea. Panelists representing media companies believe they should be given tax breaks, arguing that the practice is common in some European countries (such as reduced value-added tax [VAT] for print media).

"I want to see that investigations are moving and this is not happening when journalists are attacked or a crime is conducted against them," said Fatmire Tërdevci.

The indicator that scored lowest for this objective concerns crimes against journalists or media outlets. There have been a number of well-publicized attacks on journalists in Kosovo, including the murder of a *Bota Sot* journalist. Panel member Fatmire Tërdevci, an investigative journalist for the daily *Koha Ditore,* was shot and seriously wounded in 2004. Fatmire Tërdevci has received threatening calls in 2005 that refer to the earlier attack, but she says police have not acted. "When I reported them they did not relate it to last year's attack. They want to treat it as a separate case, and I think this is a problem." Fatmire Tërdevci says her case is not unusual. "I want to see that investigations are moving and this is not happening when journalists are attacked or a crime is conducted against them." While there are no clear figures kept, journalists recount numerous cases of harassment, violence, and threats of violence against journalists.

Some panelists expressed a concern that police are not competent enough to investigate the crimes and that journalists are not the only ones being assaulted and threatened. But Virtyt Gacaferi, of the United Nations Development Program (UNDP) and a former journalist, said prosecution is also a problem. "I believe there are cases when the perpetrator is known, is an official, and no action is being taken."

Another serious challenge to journalists is the potential for criminal prosecution for libel.

Although the law is not being used, the panelists believe it has a chilling effect on the practice of journalism. The prime minister's office has undertaken an initiative to decriminalize the law, and the TMC's media appeals board process has provided an alternative to criminal prosecution. Fines may be levied, but journalists have not been sent to jail.

In terms of practical impediments to professional journalism, access to public information continues to be a very significant issue. Journalists are regularly criticized in Kosovo for practicing protocol journalism, focusing on press conferences and staged events. But if reporters, like *Koha Ditore*'s Fatmire Tërdevci want to report independently, or investigate on their own, they will have a very difficult time obtaining access to public documents and officials. "We can only participate in press conferences" said Tërdevci, "and even if we go to the press conferences we can not ask a question which is not the topic of the conference."

Although a law on access to public documents was passed, government workers can claim it is not applicable because institutions have not taken the next step: determining which documents should remain confidential. *Koha Ditore* editor Naser Miftari, formerly board president of the Association of Professional Journalists of Kosovo, says the problem applies to both local and central government: "The law is there, but it is meaningless. It stipulates in basic terms what public documents should be, but the government never made any effort to classify any of these documents."

Although access to local documents and public information continues to be a big problem for journalists in Kosovo, access to international news and news sources is not. The same holds true for access to the profession, as there are no licensing or other restrictions on people who want to work as journalists.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kosovo Objective Score: 2.30 / 4.00

This category dropped significantly in 2004 after reports by the OSCE and the TMC showed how poor reporting by some Kosovo-wide media contributed to the ethnic riots of March 2004. Overall, the scores rebounded in 2005, although the issue of journalists' pay is still a cause for concern. Fatmire Tërdevci said journalism in Kosovo "has begun to meet professional standards in quality. The media is becoming more professional and responsible thanks to short-term trainings and study visits abroad. Hate language is rare; information is more balanced and well-sourced."

The MSI panel found it difficult to reach a consensus on the issue of fair and objective reporting. Most members said the answer depends on the media outlet, the journalist, or the editor. Most did agree that the mainstream Kosovo-wide broadcast media deserved the higher marks, while most of the problems in this area

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

could be attributed to smaller newspapers representing particular political interests or philosophies. Naser Miftari said the degree of fairness and objectivity also depends on the nature of the story: "There is a tendency to be more accurate and diverse in terms of getting both sides of the story in nonpolitical stories than in political ones."

The Director of News and Marketing for Kosovo-wide broadcaster RTV-21, Eugen Saraçini, agreed that the media that are least likely to act professionally tend to be the smaller newspapers with political allegiances. But as he pointed out, it is important to remember that they also tend to be less influential. RTV Tema owner Visar Hoti credited the new dailies *Express* and *Lajm* with bringing news sources of information to the market, and he said they "have also introduced a higher level and volume of investigative reporting."

The score for ethical standards also increased slightly in 2005. Naser Miftari believes that most news organizations had their own internal guidelines, but he predicts additional improvement with the industry's newly adopted print code of conduct: "There is a broad recognition of the ethical standards" Naser Miftari said, "with the print press adhering to the press code of conduct." However, IREX Media Advisor Avni Ahmetaj argued that the widespread use of use of "anonymous sources" was dangerous.

In Kosovo's poor economic environment, self-censorship is more often the result of financial fears than regulatory threats. Naser Miftari says those decisions are not made in the newsroom: "Often times it's not the editors that pressure the journalists; it is the managers or owners, and they are very straightforward in telling them who they can cover and who they cannot." That is not to say political influences don't play a role, too. In Kosovo, where government and international institutions are heavy advertisers, the intimidation may be political, but the threat is still economic: "It's the influence of marketing that comes from the government" said USAID's Argjentina Grazhdani, "and they can use this money that goes to ads to control which newspaper they want to subsidize."

The panel agreed that in Kosovo, where protocol journalism is the standard, media are free to cover all events. But Naser Miftari pointed out that some media may decline because of political affiliations. Niche reporting is still not common in Kosovo, although most media outlets do have business reporters, representing the growth of this specialty. Others have added reporters who specialize in certain social issues. There was a consensus that the availability and quality of niche reporting has improved, but there is still little specialized reporting on such areas as crime, the courts, health, and the environment.

"There is a broad recognition of the ethical standards," Naser Miftari said, "with the print press adhering to the press code of conduct."

There is disagreement about the pay levels for journalists and whether they are enough to discourage corruption. All panelists recognized salaries as low. Although monthly salaries for journalists may be only €200 a month or even less, that is still very competitive by Kosovo standards, according to some panelists. "In comparison with the average salary of Kosovo, it is higher," said Argjentina Grazhdani. Others argued that the Kosovo average is dragged down by very low salaries in the public sector. Eugen Saraçini said his wife, a surgeon, could make more money at the television station by making coffee and doing odd jobs than she can by performing three or four operations a day.

Avni Ahmetaj said English-speaking journalists who have been trained in the profession often leave to take higher-paying jobs in banks and international

institutions. And he termed an "outrage" the practice of some local stations that take advantage of young people who want to enter the profession. "They work for six months and don't get a penny," said Avni Ahmetaj, "Then they become a sort of journalist but then must leave because it's time to get a salary." He says the station then finds someone else to work for six months as an unpaid trainee.

"It's the influence of marketing that comes from the government," said USAID's Argjentina Grazhdani, "and they can use this money that goes to ads to control which newspaper they want to subsidize."

The panel was not particularly concerned about the balance of entertainment and news on the broadcast stations. Although entertainment programs have become more numerous and popular in recent years, the panel felt there was still a good balance between information and entertainment. But there was also specific criticism of the public broadcaster, which some felt should provide more informative and educational programming than the private commercial stations.

There is a considerable discrepancy between the stations in terms of their technical facilities. The public broadcaster is by far the best equipped, and at least one of the two private Kosovo-wide television stations has adequate facilities. Similarly, a few local stations meet technical standards, but most others do not. Many use outdated and poor-quality VHS equipment, and some must find creative but unconventional solutions. Avni Ahmetaj said that when he was asked by one owner to assess his local station in northern Kosovo, he found a toy jammed between a camera and tripod head. "I said what is the teddy bear doing, and he said, 'Oh, that's to keep the camera straight.'"

Print media generally have access to decent-quality equipment and to printing presses that produce suitable-quality editions. However, as with the broadcast sector, the local print media tend to be less well-equipped. In addition, with donor funds declining rapidly for media in Kosovo and with much equipment purchased by donors reaching the end of its useful life, there will be a need for greater investment by the media themselves, which will separate the financially better-off media from those struggling to make ends meet.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kosovo Objective Score: 2.63 / 4.00

There are many media voices in Kosovo, but research consistently shows that television is the overwhelming choice for people seeking news and information. Although the number of daily newspapers rose to seven in 2005, estimates on circulation have fallen to near 20,000, meaning only one person in 200 buys a newspaper on a regular basis.

The issue of "buying" may be the greatest contributing factor in the small newspaper circulation figures. The MSI panel, once again, believes the poor economy and unemployment estimates of more than 50 percent play a large role in determining the state of media in Kosovo. But they also hasten to add that poor circulation does not necessarily correspond to low readership. Newspapers are routinely passed among family members, neighbors, and coffee-shop customers. Poverty may prevent people from buying their own newspaper, but they may be readers nevertheless. There is only one distribution company; circulation figures are not reported, and it is impossible to know precise circulation data.

The picture is clearer with television. Quarterly viewer research clearly shows that large audiences tune in for nightly news programs on the three Kosovo-wide stations—the public broadcaster RTK and the private stations RTV21 and KTV. Many local television and radio stations also broadcast news and information programs. Few people have Internet at home, but access is available in public buildings and there are many Internet cafés with inexpensive rates.

There are no government restrictions to media access, but only 75 percent of the population can receive the Kosovo-wide stations because of technical limitations of the transmission system and the lack of funds for investment in expanding the network's coverage.

In terms of the public broadcaster, the panel agreed that RTK reflected differing perspectives of the political spectrum, but only minimally. The public broadcaster does include views from the major political parties but does not reflect a broad range of opinion or alternative thought beyond the key parties. Virtyt Gacaferi said, "Sometimes the touch with the grassroots organizations and the worries of the people on the ground is hindered. You present the views of the stakeholders, but you forget about the 'lower levels' of society." Argjentina Grazhdani added, "They try not to upset anybody. But being fair and not upsetting anybody, there is a big difference."

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

The public broadcaster has been at the center of several controversies, and the panel members felt they were very self-serving in reporting on those issues. For instance, the allocation of property owned by the former RTP (the state broadcaster prior to international oversight of Kosovo) has raised public controversies. RTK is a direct party to these controversies, as it occupies or controls most of this property. The private broadcaster KTV signed a contract with the Kosovo Trust Agency (which manages former socially owned enterprises) for use of former RTP space. RTK ordered security guards to prevent use of the space. Coverage of events like this were slanted to RTK's point of view in the view of most panelists.

The news agency KosovaLive was established at the end of the war and continues to provide news coverage to subscribing media. But few are willing to pay for the service, and the agency is on precarious financial ground. Members of the panel felt the agency provides professional and credible news coverage, but they said KosovaLive's service was too slow and too limited to be as valuable to the media as it might be.

Independent broadcasters do, for the most part, produce their own news programs with only the smallest local stations being the exception. The panel found that independent broadcasters' news coverage and talk shows may include an "edge" not found on the public broadcaster. "This is particularly true of KTV," said Virtyt Gacaferi, "where there is a real debate with government officials."

Transparency of ownership is clear in the capital of Pristina, where the Kosovo-wide broadcasters are located but the small communities and villages, where the local stations broadcast, is what one panel member called "the grey zone." Although information about ownership was required as part of the licensing procedure, panel members said the small stations are not audited and the current situation is not clear. Visar Hoti said the stations must name shareholders, "but without a credible audit of those criteria in the overall media scene it is pretty unreliable."

The most widely known media owner in Kosovo is Veton Surroi, who is also the head of a political party. As a well-known politician he is frequently in the news, but Naser Miftari says the other media owners don't talk about each other. "I think that writing about other people regarding ownership is discouraged," Miftari said. "Those media could go against the other media in a never-ending struggle." Miftari said media ownership is not open for discussion, "so to that extent we are not transparent."

Reporting on social interests is limited, too, according to the panel. There is reporting on ethnic minority issues, although journalists who do so may be privately criticized by their colleagues. But Virtyt Gacaferi said the coverage of minorities is limited, and "the media lacks coverage of other minorities in terms of social belonging or sexual orientation."

"I think that writing about other people regarding ownership is discouraged," Naser Miftari said. "Those media could go against the other media in a never-ending struggle."

Naser Miftari said the general public has grown increasingly frustrated because so much attention is given to the plight of minorities while the problems of everyday life are ignored. Argjentina Grazhdani added that even that coverage is very limited and predictable: "They show this poor family and they are eating mud and then everybody feels guilty and they build him a house and that's not the point." She says there are few straightforward stories or programs on problems with medical care, raising children, or other health issues that can be educational. One panel member blamed the ongoing reliance on political protocol reporting: "We

get Bajram Kosumi (prime minister)," she said. "Bajram Rexhepi (former prime minister) and whoever the next Bajram is. But we don't get life; we don't get that."

OBJECTIVE 4: BUSINESS MANAGEMENT

Kosovo Objective Score: 2.21 / 4.00

Business management scores were virtually unchanged again in 2005, although the panel discussion reflected general agreement that the media outlets were operating as efficient, professional businesses given the business environment. Fatmire Tërdevci agreed that "independent media are relatively well-managed businesses, but only a few of them allow editorial independence." She said most still showed an inclination to favor certain political or business interests.

Newspaper publishing and distribution in Kosovo can be represented by an inverted pyramid. On the one hand there is a selection of seven daily newspapers. There are fewer printing houses. But at the point of the pyramid is distribution, where there is only one company available to distribute papers to potential readers, Rilindja. The result can be higher distribution prices for publishers, and, because Rilindja refuses to release circulation figures for the newspapers, it also controls important data. "It is not public, and it is not transparent," says Virtyt Gacaferi. "And this then influences the advertising market; it influences to whom the government should give advertising."

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

The issue of distribution was complicated even more in 2005 when municipal officials in Pristina removed kiosks from the city streets. Naser Miftari said most newspapers sold in Kosovo are sold in Pristina, and most of those were sold from the kiosks. "This will be a problem for the future because you don't have the independently known places where you can put your newspapers. That will be strictly up to the shopkeepers themselves."

Despite some concerns about production and distribution, most panelists agreed, at least moderately, that media outlets and supporting firms operate as professional businesses. There is, however, a wide range in business performance between the larger Kosovo-wide broadcasters and many of the small mom-and-pop broadcasters in the smaller towns.

There is also a wide array of revenue sources, some distinct to Kosovo. A recent OSCE report showed that many local television and radio stations are heavily subsidized by the military, through units of the multinational military force (KFOR) still stationed in Kosovo. Avni Ahmetaj said another source of support for broadcasters is the government. He told of one local station that was paid by the municipality for broadcasting its meeting. When other panelists suggested this was corruption, Ahmetaj disagreed: "You had the opposition who could speak, citizens could speak, and everyone could speak. Almost all of the local TV stations throughout Kosovo do this." He and other panelists said the municipality was simply compensating the local station for its production costs.

Naser Miftari said the financial relationship between government and media is not always so honest or transparent: "I have been approached by people asking me to write favorably about certain ministries in order to get advertising contracts, and I think this is the case with all the media." Although it's known that the government spends a great deal on advertising, it was agreed that this is not a subsidy, per se, because they are actually paying for a service.

The panel also generally agreed that advertising is the largest source of revenue for media and that the business is growing. Mimoza Kusari, former spokeswoman for the prime minister, said, "There are signs of improvement in the advertising business due to the awareness of businesses about contemporary marketing." Eugen Saraçini noted that subscriptions, for Kosovar Albanian Diaspora in Western Europe and the United States, are also increasing his station's revenue. He said small local stations can get by on

much less revenue because their technical investments, staffs, and salaries are smaller. Ardita Zejnullahu of AMPEK said "dumping" is a problem in some local markets with multiple television stations: "You have one station in Prizren where you can advertise for one week for five euros."

Advertising agencies are used by some media, but Eugen Saraçini says the local agencies are not well-developed. "All the nationwide stations have relationships with different foreign agencies, but here we have a lot of problems." He said agencies may buy advertising on behalf of advertisers who fail to pay bills incurred by the agencies on their behalf. The result is a chain-reaction, ending with the broadcaster not getting paid. "With foreign agencies we don't have these types of problems." Dealing directly with distributors of international companies isn't necessarily any better. Panelists said some distributors will take money for their parent company and claim to spend it all on advertising, but in reality they may pocket a large amount of the money.

There is a lack of market research in Kosovo, where the government is not even sure about the size of the population. But data on viewing of the three Kosovo-wide television stations is available. A private company, Index-Kosova, conducts quarterly research that some stations have put to good use. Radio-TV 21 has moved from third to first place in the ratings in less than two years, and Eugen Saraçini says the station found the surveys are a valuable tool: "Believe me, we use it very well in making the program scheme and on how to approach the viewers and the clients." The ratings are only done for the Kosovo-wide stations, and local broadcasters must rely on things like public-opinion polls for what little data they do get. On the print side, Naser Miftari remarked that if market research was available there would not have been three new daily newspapers started in Kosovo in the past year.

As for the television ratings research, the panel expressed confidence in the independence of the company doing the work, but there was concern that the relatively inexpensive methodology (face-to-face interviews) might not be as accurate as possible. However, Saraçini said that advertisers accepted the results because their own data confirmed the local findings.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kosovo Objective Score: 2.64 / 4.00

This objective received the highest overall score and the greatest degree of increase over 2004's MSI. Panel members were generally positive about the contribution of associations that represent independent broadcasters and journalists. The highest marks reflect the panel's view that both print and broadcast private media can operate without restrictions imposed by political or other interests, thanks in part to the advocacy and lobbying efforts of the associations.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

AMPEK, the association that represents independent broadcast media in Kosovo, has not grown appreciably in the past two years and it still survives entirely on donor contributions. It has 35 members out of a potential membership of more than 100. But the panel agreed that AMPEK does a good job of representing the concerns of independent media and in lobbying on its members behalf. It has been an active participant in all media law issues before the Kosovo Assembly, UNMIK, and the TMC and is accepted by those institutions as a legitimate representative of the industry.

Three journalist associations exist in Kosovo, but the panel felt that only one, the Association of Professional Journalists of Kosovo (APJK) is functional. The association claims 400 non-paying members. APJK is quick to respond when journalists are arrested or their rights denied. However, Virtyt Gacaferi believes they should do more than react: "They should be more proactive in terms of developing journalism." He says there should be a union of journalists "that would protect their rights in relation to employers." Former

"You can train a person in journalism who doesn't know journalism, but it's harder to retrain a person who was poorly trained," said Virtyt Gacaferi.

APJK board president Naser Miftari said that in order to turn the organization into a union they would need a feasibility study because "the feedback we've had as an association is that the idea of having members pay a fee, even a minimal fee on an annual basis, is not plausible." He says most journalists think the association is there to protect them if they have a need, but they don't believe they have an obligation toward the association.

The nongovernmental organization (NGO) community gets lower marks, although the sector has used its influence in the development of laws that affect the media. Argjentina Grazhdani notes that freedom of expression in Kosovo is not a controversial issue, so the civil-society NGOs tend to become active because of certain issues. "The biggest issues were over open committee meetings, which affect media; freedom-of-information legislation, which affects media," she said. "Are they doing a great job? No, because they are busy building their capacities as everyone else in this country."

Journalism education in Kosovo received a boost with the opening of a master's degree program at the Kosovo Institute of Journalism and Communication. But there will be space for only 20 students in a two-year master's degree program. Undergraduate study is still available only at the unaccredited Faik Konica School, and although a new journalism program at the University of Pristina was announced, Naser Miftari notes that "they have no staff and no plan." That's not necessarily bad news to Virtyt Gacaferi, as a bad program can do more harm than none at all. "You can train a person in journalism who doesn't know journalism, but it's harder to retrain a person who was poorly trained." And he says that while he believes the new masters program will be good, he is not sure the Kosovo job market can absorb the graduates.

Since the war there have been many short-term training opportunities for journalists, but Fatmire Tërdevci says that not all have been high-quality. Naser Miftari said journalists are lacking specialized training, "and there are very few organizations that provide that and it's mostly conducted through in-house training, meaning that older journalists train younger ones." Out-of-house trainings can be a problem, Fatmire Tërdevci says, because editors don't feel comfortable sending their journalists away for two or three days. "Their staff is quite limited, and they do not have the human resources to cover all the events."

Eugen Saraçini says there have been training opportunities in journalism and sales, but "we never see trainings in how to use lighting systems, or how to use cameras. I would prefer to have people who are professionals to come to work with the media."

The panel generally agreed that sources of newsprint and printing facilities are private and not subject to political control. The same was true for channels of media distribution, although some expressed concern about municipality plans to require licenses for future kiosk owners, where most daily papers are sold in Pristina. Local television transmitters and facilities are in private hands, and the Kosovo-wide transmission system is operated by an independent NGO, the Kosovo Terrestrial Telecommunications Network.

However, for broadcasters there is a potential problem with land use, as many transmitters are located on land of socially owned enterprises that face potential privatization. Internet access is unrestricted, with multiple service providers.

Panel Participants

Fatmire Tërdevci, Journalist, *Koha Ditore,* Pristina

Virtyt Gacaferi, Team Leader—Advocacy and Communication, UNDP, Pristina

Naser Miftari, Editor, *Koha Ditore* (former President, APJK), Pristina

Ramush Tahiri, Political Advisor, President of the Chair of the Kosovo Assembly, Pristina

Mimoza Kusari, Former Spokeswoman, Prime Minister's Office, Pristina

Argjentina Grazhdani, Media and Civil Society Advisor, USAID Kosovo

Eugen Saraçini, Director of News and Marketing, RTV21, Pristina

Visar Hoti, Owner/Director, RTV Tema, Ferizaj

Ardita Zejnullahu, Executive Director, AMPEK, Pristina

Avni Ahmetaj, Television Media Advisor, IREX, Pristina

Moderator

Matt Shelley, Chief of Party, IREX, Pristina

KOSOVO AT A GLANCE

GENERAL

■ **Population:** 1.9 million *Statistical Office of Kosovo, 2003 est.*

■ **Capital city:** Pristina

■ **Ethnic groups (% of population):** Albanian 88%, Serbian 7%, other 5% (Bosniak, Roma, Turkish) *Statistical Office of Kosovo, 2003 est.*

■ **Religions (% of population):** Islam, Catholicism, and Serbian Orthodox are the main religions, but no reliable information exists.

■ **Languages (% of population):** Albanian 88%, Serbian 7%, other 5% (Bosniak, Roma, Turkish) *Statistical Office of Kosovo, 2003 est. derived from ethnic group statistics*

■ **GDP:** Projected €2,453 million *UNMIK*

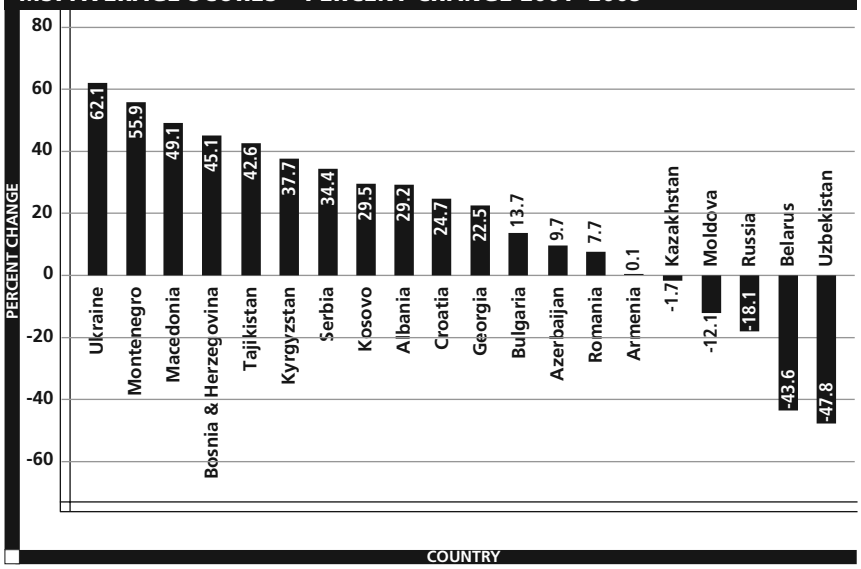
■ **Literacy rate (% of population):** 93%

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

■ **President or top authority:** President Ibrahim Rugova, Prime Minister Bajram Kosumi

■ **Next scheduled elections:** Local elections 2006, general elections 2007

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** Circulation statistics not available. Estimates place total circulation at 25,000 to 30,000 per day. *Koha Ditore* is the largest newspaper.

■ **Broadcast ratings (top three ranked stations):**

- **Television:** RTK, KTV, TV21
- **Radio:** Radio Dukagjini, Radio Kosova, Radio 21
  Index-Kosovo third-quarter survey of 2005

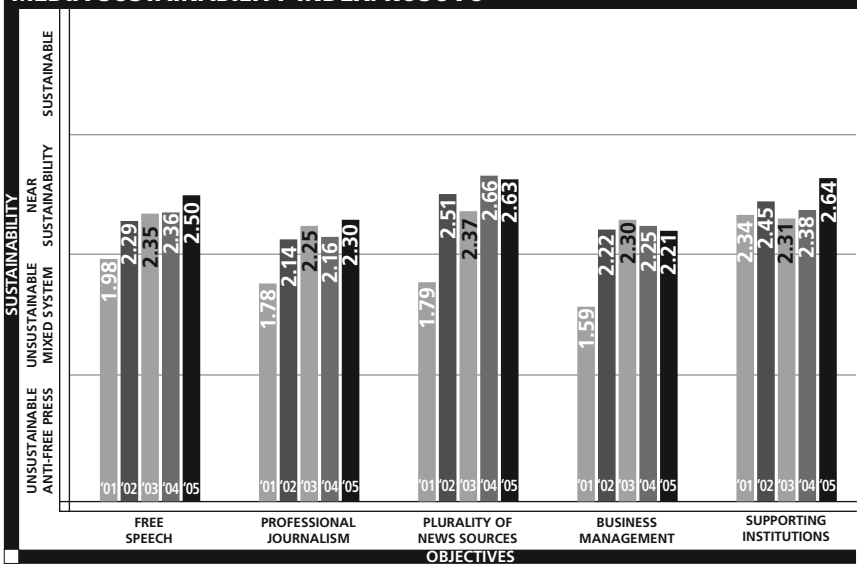
■ **Number of print outlets, radio stations, television stations:** Seven daily newspapers, two weekly newspapers; 23 television stations; 95 radio stations

■ **Annual advertising revenue in media sector:** €5 million to €7 million *Estimates from advertising agencies, IREX business consultants*

■ **Number of Internet users:** Households with Internet service: 6%; people claiming daily use of Internet: 6%, people claiming frequent use: 5% *Index-Kosovo*

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

MEDIA SUSTAINABILITY INDEX: KOSOVO



A NEW LIBERAL LAW ON ELECTRONIC COMMUNICATIONS WENT INTO PLACE, AND A DRAFT LAW ON THE PERFORMANCE OF BROADCASTING ACTIVITY WAS PREPARED FOR PARLIAMENTARY DEBATE. THE GOVERNMENT ALSO INITIATED PREPARATIONS FOR CONSTITUTIONAL CHANGES THAT SHOULD PROVIDE THE FOUNDATION FOR CRITICALLY NEEDED JUDICIARY REFORM.

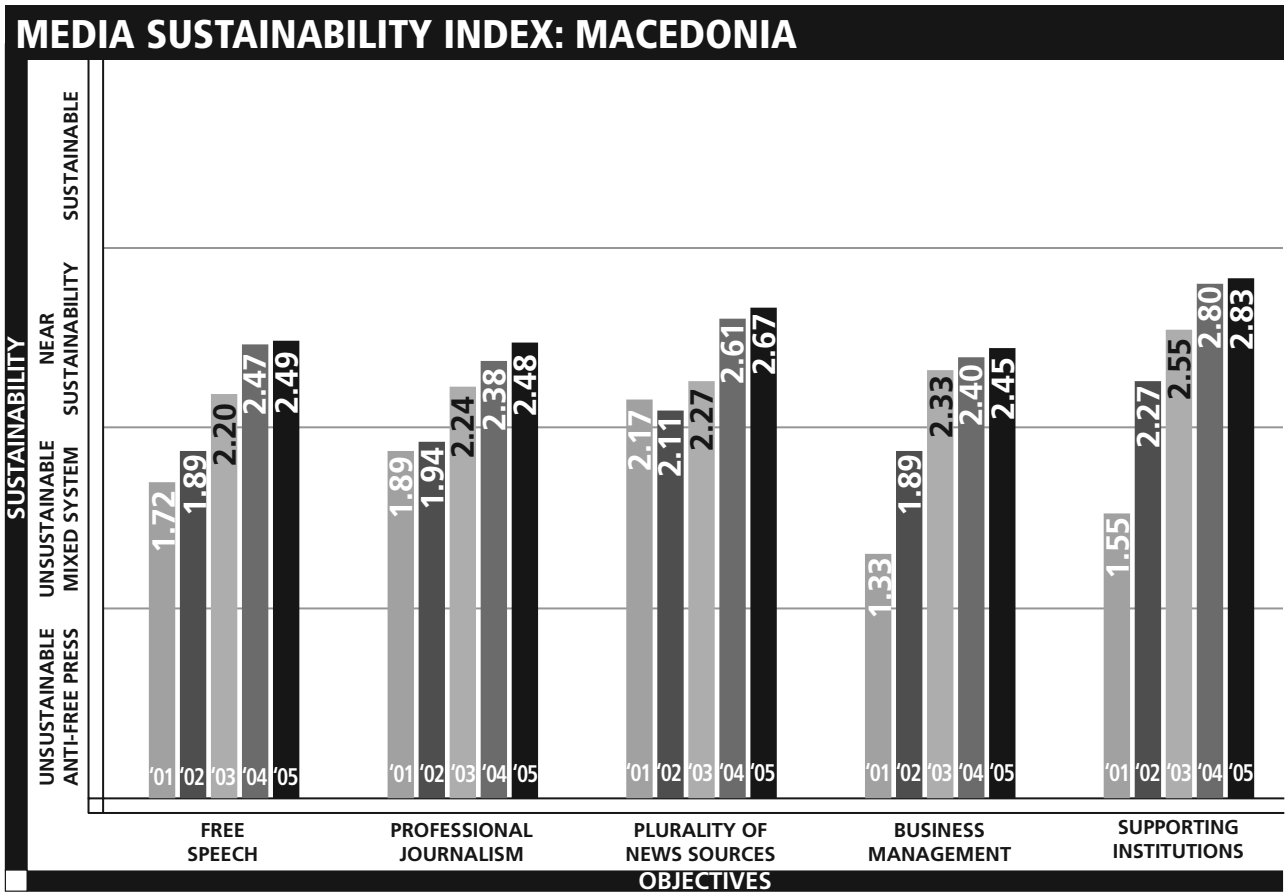
Introduction

European integration procedures were the focus of 2005 in Macedonia. The key event was the completion of the questionnaire delivered by the European Commission (EC) to the Macedonian government, one of the key formal stages required for the process to move forward. This resulted in a wave of legislative activity as Macedonia started on major changes required in its laws, including those related to the media.

A new liberal Law on Electronic Communications went into place, and a draft Law on the Performance of Broadcasting Activity was prepared for parliamentary debate. The government also initiated preparations for constitutional changes that should provide the foundation for critically needed judicial reform. However, the Media Sustainability Index (MSI) panel detected no significant progress in the Macedonian media sector during 2005, with its overall ranking essentially unchanged at 2.58, compared with 2.53 in 2004. No regression was seen for any objective, but the greatest gain, for the professionalism of journalism, was only 0.10, to a ranking of 2.48 for 2005 from 2.38 for 2004.

Municipal elections held in March marked the start of the decentralization process in Macedonia. The ongoing transfer of powers from the central government to local authorities appeared to be proceeding relatively smoothly. There was potential for some serious problems to arise related to ownership of land and infrastructure as well as the organization of some services on the local level, such as education and health care.

The political situation appeared to have stabilized, and hawkish nationalistic rhetoric seemed to have been pushed away from public discourse. Over the course of the implementation of the Ohrid Framework Agreement, which ended fighting between government security forces and ethnic Albanian forces in 2001, it was evident that interethnic tensions remained. But their inflammatory potential appeared to have weakened as the agreement's last stages were put into force in 2005.



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The performance of the Macedonian economy, however, did not see the same improvement. Macedonia remained a country with insignificant foreign investment and high levels of corruption—factors that undermine the stability of government institutions and efforts at reform. The MSI panelists suggested that corruption and poverty appear to be the biggest challenges for the democratic processes in Macedonia in the coming years.

OBJECTIVE 1: FREE SPEECH

Macedonia Objective Score: 2.49 / 4.00

The legal framework that secures freedom of expression derives from the constitution of the Republic of Macedonia. The large number of media outlets and the existing legislation suggest that freedom of expression is generally respected. However, there are still obstacles that limit media freedom. The MSI panelists said considerable work remains to be done in terms of media legislation and its implementation as well as the reform of the judiciary, and recorded no significant change in the ranking for the objective.

The lack of effective access-to-information statutes, the categorization of defamation and libel as criminal offenses, and the politicization of the licensing procedure for broadcasters were considered the three main problems. The sophisticated manipulation of the media conducted through the relations between media owners and political leaders also limit media freedom, panelists said.

The lack of a law on free access to information not only limits the media's ability to conduct thorough reporting and fully inform the public but, by limiting the factual information available, also contributes to the tendency to prosecute journalists under defamation clauses in the penal code, panelists said. "It is unacceptable for the state to prosecute me on defamation charges while, on the other hand, its institutions are not legally bound to provide me with the information," said Naser Selmani, a journalist at the daily *Vest* newspaper.

Furthermore, the government's hesitation to introduce this legislation creates the danger of a new type of pressure on the media: the threat of prosecution on charges of disclosure of state or trade secrets and confidential information. The first case of this type was noted in 2004 when a journalist was brought to court on charges of disclosure of company secrets. The case became a more complex test of media rights when the company that filed the lawsuit offered to drop the case if the journalist involved would disclose the identity of the source that provided the documents. The MSI panel agreed that the access-to-information law should be adopted as soon as possible, but said some major changes in the pending draft prepared by the Ministry of Justice were necessary to safeguard journalists' sources.

Licensing for the broadcast media continued in 2005 to rely on the central government, and the law that would introduce changes in the procedures remained pending in the parliament. In addition, unlicensed media continued to create illegal competition in the already overcrowded media market. Nebojsa Karapejovski from TV Menada in Tetovo pointed out that there the licensing authorities adopt "a populist approach," allowing large numbers of private electronic media that may create many information outlets but also produce sustainability problems in the market. The MSI participants agreed that the tax structure and market entry are fair and in line with the general standards applicable to other businesses.

There were no new recorded cases of attacks or other crimes against journalists or media outlets, with this kind of pressure falling to its lowest level for several

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

years. "The public in Macedonia is more and more sensible to the pressure on the free speech," said Erol Rizaov, editor-in-chief of the daily *Utrinski Vesnik* newspaper. Nonetheless, several cases from the past remained unresolved, such as the wire-tapping of journalists' communications that emerged in 2001 and has not been closed by the relevant court, and there is a general reluctance on the part of the government to tackle these problems institutionally.

Changes in the penal code mean government officials and people in the public eye no longer receive special protection from journalistic coverage compared with ordinary citizens. The last case prosecuted under the previous legislation was completed in mid-2005, when a journalist at *Utrinski Vesnik* was prosecuted by the public prosecutor on behalf of the ex-speaker of the parliament. Libel, however, remains a part of the Criminal Law.

There are no limitations imposed by the government or any other body on the availability of international media, or on entering the journalism profession.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Macedonia Objective Score: 2.48 / 4.00

The MSI panelists agreed that the level of professionalism in the media has not yet reached acceptable standards. In addition, said Naser Selmani, "There is some problem within the profession: The journalists believe that we don't need anybody to tell us how to do our work." Panelists detected numerous reasons for the lack of professionalism, among them inaccessible sources, little attention to fact-checking, market pressure, inexperienced journalists, and bias resulting from the open political affiliation of certain outlets. Salaries are low, creating the possibility of corruption penetrating the profession.

The reporting is described as generally aggressive but lacking in terms of credible and detailed sourcing. "The last media monitoring shows that there is a lack of named and identified sources of information, as well as increased use of anonymous sources," said Biljana Bejkova from the NGO Infocentre. "The lack of official sources forces us to write and base our reporting on anonymous sources, or not write at all," added Naser Selmani.

The panelists noted that there is a generalized fear of journalists among the public, and even ordinary people are anxious when asked to speak to the media. "The unfair treatment scares the people, and we can't blame them," said Roberto Belicanec from the Media Development Center. "Journalism, in general, lacks proper editorial behavior and control ... A 22-year-old person with a microphone in his hand suddenly becomes a judge in the name of the public." With so many anonymous sources being used, journalism takes on an aura of speculation. According to the panelists, the absence of an access-to-information law contributes significantly to this situation.

The panelists noted that not only official institutions are closed, but also big businesses and other economic players. The pressure to use anonymous sources and little checked information also stems from the competition among media outlets and their understaffed newsrooms. "Now we enter the phase of aggressive journalism looking for exclusive news and readership or audience ratings. What worries me the most is that the audience is not reacting to such coverage," said Robert Popovski, the Secretary General of the Association of Journalists of Macedonia. Erol Rizaov said that although there is less and less self-censorship, the interests of big companies are more notable in most of the media.

A general ethics code is in place, developed by the Association of Journalists. The association established a self-regulation body in charge of overseeing compliance with the code, and the panel has been quite active in recent years. Its assessment of the media community tends to be conducted exclusively within the profession, however, and rarely extends to include the public in

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

the discussion, panelists said. For their part, the MSI panelists concluded that the level of adherence to the ethical and professional standards is still rather low. It was the panel's opinion that the journalistic community should clearly indicate who "deserves" to be considered a journalist and who doesn't.

Generally speaking, the journalists do cover the key issues. The problem lies in the tabloid approach to the coverage and the fact that this approach is spreading to the mainstream media. "What was an excess in the past has become the mainstream now," said Aco Kabranov, editor-in-chief of information programs on TV Kanal 5.

Journalists' salaries have remained at the same level for several years and are not increasing, which creates a potential for corruption. "There are no proven cases of corruption amongst the Macedonian journalists, in spite of the fact that influences of certain political and business circles on some commentaries, opinions, and articles in the media are quite visible. In my opinion, it is impossible for the high level of corruption in the country not to be reflected in journalism," said Erol Rizaov.

The news remains the key programming for the major television stations. The entertainment presents no danger to the news because of two main factors: the highly politicized society and the low quality of the entertainment programs. Information programming on radio remains problematic because most stations in Macedonia have a music format and the public has not developed the habit of turning to radio as a valid source of news.

There is ongoing improvement in the technical working conditions in the print media, especially after the 2003 entrance of Westdeutsche Allgemeine Zeitung (WAZ) into the market. One of Germany's media empires, WAZ now owns three Macedonian dailies—*Dnevnik, Utrinski Vesnik,* and *Vest*—and has invested in new equipment, including newsroom systems. The broadcast media, television stations in particular, find themselves in a far worse position. "Huge numbers of television stations still work on the same equipment they had on the day they began broadcasting in the first place," said Aco Kabranov.

The participants in the panel agreed that the quality of specialized journalism is worth mentioning only in terms of business and economy coverage. The situation is the worst regarding film and literature criticism, and coverage of culture in general. The responsibility for that lies with the ownership of the biggest private broadcasters, the panelists said. With most broadcasters owned by big companies primarily in order for them to act as mouthpieces for these companies, the panelists said, it is quite natural that economic journalism was the only niche that developed over the years.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Macedonia Objective Score: 2.67 / 4.00

There are multiple news sources available in Macedonia, and it seems at first glance that there is media pluralism in place. However, most of the media outlets are small municipal radio and television stations with insignificant shares of the market. The situation on the national level is somewhat different: There are a good number of relatively high-quality information and news programs and newspapers, but the number is beyond what the market can sustain. The penetration of the Internet is at about 10 percent of the population, which eliminates the Web as a news source for most of the population. There are only pioneering attempts to create online media, while the traditional media maintain Web pages that mirror their print editions. The cable television penetration in the country is at a relatively high percentage: almost one third of the households are connected on cable, which allows them to follow foreign programming. The circulation and sale of foreign press is low, but it is available.

Subject to the most comments by the MSI panel was biased coverage of topics related to the interests of

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

media owners, particularly their political inclinations. But despite the evident biases in the media, the diversity of media allows news consumers to make up their own minds. The transparency of ownership is not a legal obligation for the media, but the public knows who owns each media outlet. One prevailing problem is the lack of transparency in terms of media financing. There is little knowledge of how the media finance their operations, and from what sources.

"The domestic media do not have a strategy for use of Internet as an information service," said Roberto Belicanec.

The Internet, like radio, is not perceived as a source of information in the traditional sense of the word. "The domestic media do not have a strategy for use of Internet as an information service," said Roberto Belicanec. There are no administrative measures to limit access to the Internet, but the price of Internet access, combined with the conservative, anti-technological mindset of the majority of the population, produces a "digital divide." This makes the Internet information market too small to support the launch of specialized services. The other, traditional media are accessible and have a stable audience and readership. Television is the most influential source of information, followed by the print media. Radio is perceived more as entertainment media.

In terms of plurality of views on the main topics of the society, the panel agreed that such a plurality does exist. The problem is that it does not result from the professionalism of the media, but from the diverse ownership. To put it simply, the most powerful groups in the society own their own media or manage to influence the media through other means.

There are only two news agencies in Macedonia—MIA and Makfaks. MIA is state owned and is subsidized by the government budget, while Makfaks is a small private news agency that sells news to the media.

Almost all serious broadcasters have news departments that usually produce and broadcast two news programs daily. The problem with the quality of the news is due to mechanisms of the ownership control, which, from time to time, greatly influence the way certain topics are covered. The panel noted a new trend: The media are becoming vulnerable to the pressure that comes from business. "The influence is visible from the manner of coverage of a given event. We know in advance how certain media will cover certain topics," said Kabranov.

The problem with the topics concerning minority groups arises from the way they are treated by the mainstream media, panelists said. "Minorities become visible in the media only when they make trouble," said Belicanec. Nebojsa Karapejovski said "local private media produce more programs on minorities, but when they offer to exchange those programs with the national media, they are not interested." Print and electronic media in the languages of minorities exist as independent media outlets, but they have a limited production capacity and audience.

OBJECTIVE 4: BUSINESS MANAGEMENT

Macedonia Objective Score: 2.45 / 4.00

The prevailing opinion is that the media market is overcrowded, which limits growth. There were no foreign investments in the media business in 2005. State institutions do not subsidize the media industry. Collection of the broadcasting tax, designed to finance the public service Macedonia Radio and TV and the Broadcasting Council regulatory body, is at its lowest level ever and is likely to decline further.

The general economic situation in Macedonia, the base for efficient and profit-generating operation of media outlets, is not improving. It is worth noting, though, that there were no cases of media outlets closing, which implies that the media are subsidized from some sources other than the market. It is impossible to estimate the real value of the advertising market with the present accounting and research systems in the country.

The supporting firms, the distribution and printing companies, have been privatized and provide relatively good support to the print media. All the participants agreed that there are no problems related to printing and distribution. There are several distribution networks in the country, as well as multiple options for printing of newspapers and magazines.

Media have various potential sources of revenues, but advertising is the main component. Yet the advertising revenue is not sufficient or sufficiently consistent, especially for smaller and local media. The advertising agencies cooperate mostly with the national broadcast media. "Advertising companies are not interested in the local media, regardless of the fact that they may have good ratings," said Nebojsa Karapejovski. For that reason, media that serve local communities are in such a precarious situation in the market.

The large number of private media and the weak market resulted in a further decrease of advertising

prices during 2005. A significant number of broadcasters even resorted to violations of legal limits regarding the percentage of advertising in their programs.

The general opinion of the panelists was that advertising revenue is not enough to cover the costs of the media outlets, and they have to seek other sources of financing that can influence the independence of the industry. "It would be a different situation if the media outlets depended solely on advertising-generated income," said Roberto Belicanec.

The panelists agreed that advertising agencies in Macedonia do not work in a very professional manner. "Everything depends on them, so we are sometimes in a situation to broadcast low-quality programs only because of the advertisement embedded in the program," said Robert Popovski.

The government has stopped budget subsidies to print media. The broadcasting tax paid by all citizens is the main source of financing for MRTV, the public-service broadcaster. Ten percent of the funds collected through the tax are used to subsidize the production of "programs of public interest" by private broadcasters and production companies. The new draft of the broadcasting law, currently moving through parliamentary review, proposes to stop this type of financial support.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

There are no reliable market-research and audience ratings in Macedonia that could help managers formulate strategic plans and enhance revenues for media outlets. "The problem is the lack of trust in the results of the surveys," said Robert Popovski. "If there is no trust, the results become irrelevant." Even the existing research gets insufficient use at advertising agencies, and media business directors lack the skills to use ratings in their strategic plans. However, Roberto Belicanec said, "There is a positive trend in that there are surveys and there are first signs of actual use of the results." Panelists agreed that creation of a joint industry body focused on research would improve results.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Macedonia Objective Score: 2.83 / 4.00

The support system for the media, including industry associations and civil society organizations, has grown steadily during the past several years. Although the panel identified problems, the main trend remains highly positive. The nongovernmental organizations (NGO) and media associations have proved to be tough and respectful lobbyists, perceived as organizations with clear agendas that know how to deliver services and to protect the interests of their members. The same growth was evident in the supporting institutions that arise from the market, such as those providing distribution, printing, and transmission. They proved to be viable businesses in good economic condition.

Panelists said the two associations that represent print and broadcasting media, the Association of Print Media (APM) and the Association of Electronic Media in Macedonia (APEMM) are functioning and representing their members but could further increase their activities. Ljubica Angelkovska-Mangova, of TV Tera in Bitola mentioned that "APEMM should avoid the populist approach to its membership and should select serious broadcasters."

Robert Popovski said that AJM has transformed itself over the past four years into a new, focused association with a number of quality activities, such as the adoption of an ethics code, establishment of the Council of Honor, and other activities. "If we want more than that, we need to have a professional organization—not an organization that will function on a voluntary basis," he said.

The panelists generally agreed that there are a sufficient number of organizations connected to the industry and active in the field of support of free speech. However, they said that communication

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

between the media-related NGOs and the media industry are not satisfactory. "The media are not mirrored by the nongovernmental sector; the civic society should force the media to face their public responsibility," Roberto Belicanec said.

"Despite the increased competition in higher education in Macedonia, the Faculty of Journalism is still unable to educate quality journalists," said Erol Rizaov. Nonetheless, the general opinion is that enough training for journalists is available. The one-year journalism school offered by the Macedonian Institute for the Media was commended as quality training. The short-term training programs offer visible benefits to the media. Nebojsa Karapejovski, for example, said his station "is not the same after the in-house training organized by the International Media Fund." Ljubica Angelkovska-Mangova, said in-house training is the most needed form of insistence, but "unfortunately, the international community understood that fact only a couple years ago."

Trainings should not concentrate only on journalism because the growing industry has multiple other needs for its human resources. The panel emphasized that the international donors are withdrawing from the region and warned that financing of trainings could be jeopardized in the near future.

Regarding the sources of newsprint, printing facilities, and kiosks, all the participants agreed that they are private, apolitical, and unrestricted. This is not the case with some Internet services and transmitters, which are limited. The panel agreed that in the near future, with the digitalization of broadcasting in Macedonia, the fact that the state-owned Macedonian Broadcasting Company owns the main network of transmitters in the country may create a disturbance in the market.

Panel Participants

Aco Kabranov, Editor-in-Chief, TV Kanal 5

Robert Popovski, Executive Secretary, Association of Journalists of Macedonia

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

Naser Selmani, Journalist, *Vest* daily

Sara Broughton, Head of Media Development Unit, OSCE

Zerijeta Jajaga, Editor-in-Chief, RFE/RL (Albanian-language section)

Roberto Belicanec, Director, Media Development Center

Ljubica Angelkovska-Mangova, Program Director, TV Tera, Bitola

Nebojsa Karapejovski, General Manager, TV Menada, Tetovo

Biljana Bejkova, Project Manager, NGO Infocentre

Moderator

Gazmend Ajdini, Senior Program Manager, IREX Europe

Observers

Melita Cokrevska, USAID

Vesna Nikodinoska, Program Manager, IREX Europe

MACEDONIA AT A GLANCE

GENERAL

■ **Population:** 2,022,547 *Statistics Bureau, Census 2002*

■ **Capital city:** Skopje

■ **Ethnic groups (% of population):** Macedonian 64.18%, Albanian 25.17%, Turk 3.85%, Roma 2.66%, Serb 1.77%, Boshnjak 0.84%, other 1.97% *Statistics Bureau, Census 2002*

■ **Religions (% of population):** Macedonian Orthodox 64.78%, Muslim 33.33%, other 1.9% *Statistics Bureau, Census 2002*

■ **Languages (% of population):** Macedonian 66.5%, Albanian 25%, Turkish 3.5%, Serbo-Croatian 1.2%, Roma 1.9%, other 1.9% *Statistics Bureau, Census 2002*

■ **GDP:** 264,599 million Denars (1US$ = 51 MK Denars) *Statistics Bureau, 2004 est.*

■ **GDP per capita:** $2,230 *Statistics Bureau, 2003*

■ **Literacy rate (% of population):** 96.38% *Statistics Bureau, Census 2002*

■ **President or top authority:** President Branko Crvenkovski

■ **Next scheduled elections:** Parliamentary 2006

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** No reliable sources regarding circulation. *Dnevnik* is the largest daily paper.

■ **Top three ranked television stations:** A1 25.48%, Sitel 12.27%, MTV 1 8.25%

■ **Top three ranked radio stations:** Radio Antena 5 14.1%, Kanal 77 7.18%, Macedonian Radio 1 5.01% *Strategic Marketing and Media Research Institute, September 2005*

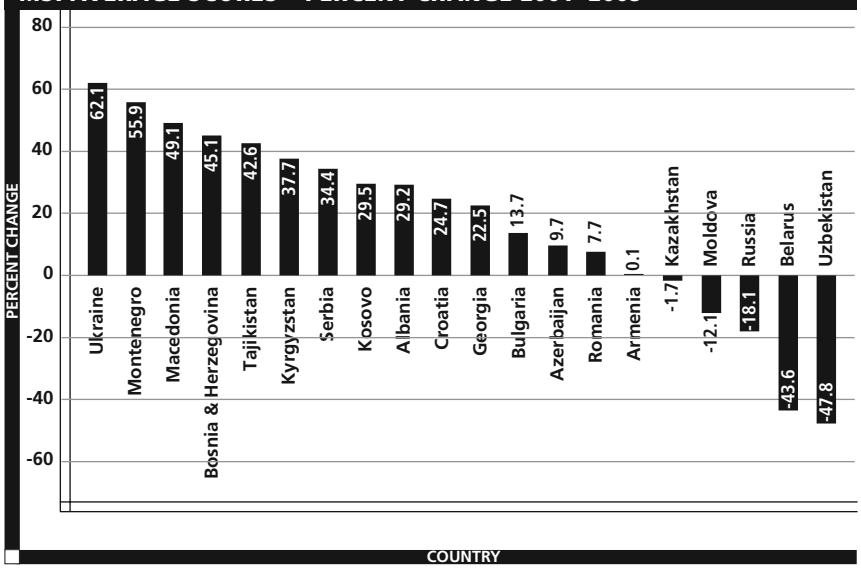
■ **Number of print outlets, radio stations, television stations:** Approximately 600 daily, weekly, biweekly, monthly, and periodical editions *Agency for Information* There are 161 radio and television stations, 3 television channels, 29 local broadcasters, and 6 radio program services. Eight commercial broadcasters have concessions for national coverage. Five of them are television (A1, Sitel, Channel 5, Telma, AlSat), and three are radio (Channel 77, Antena 5, Radio Ros). There are 115 commercial broadcasters with concessions for local area coverage; 50 are television, and 65 are radio. *Broadcasting Council, October 2005*

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

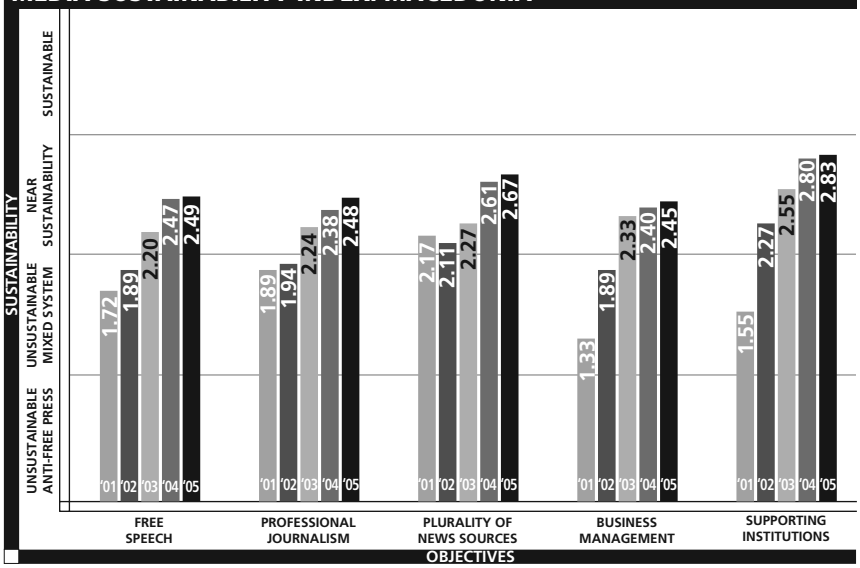
■ **Number of Internet users:** 126,000 *Sector for European Integration*

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

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA SUSTAINABILITY INDEX: MACEDONIA



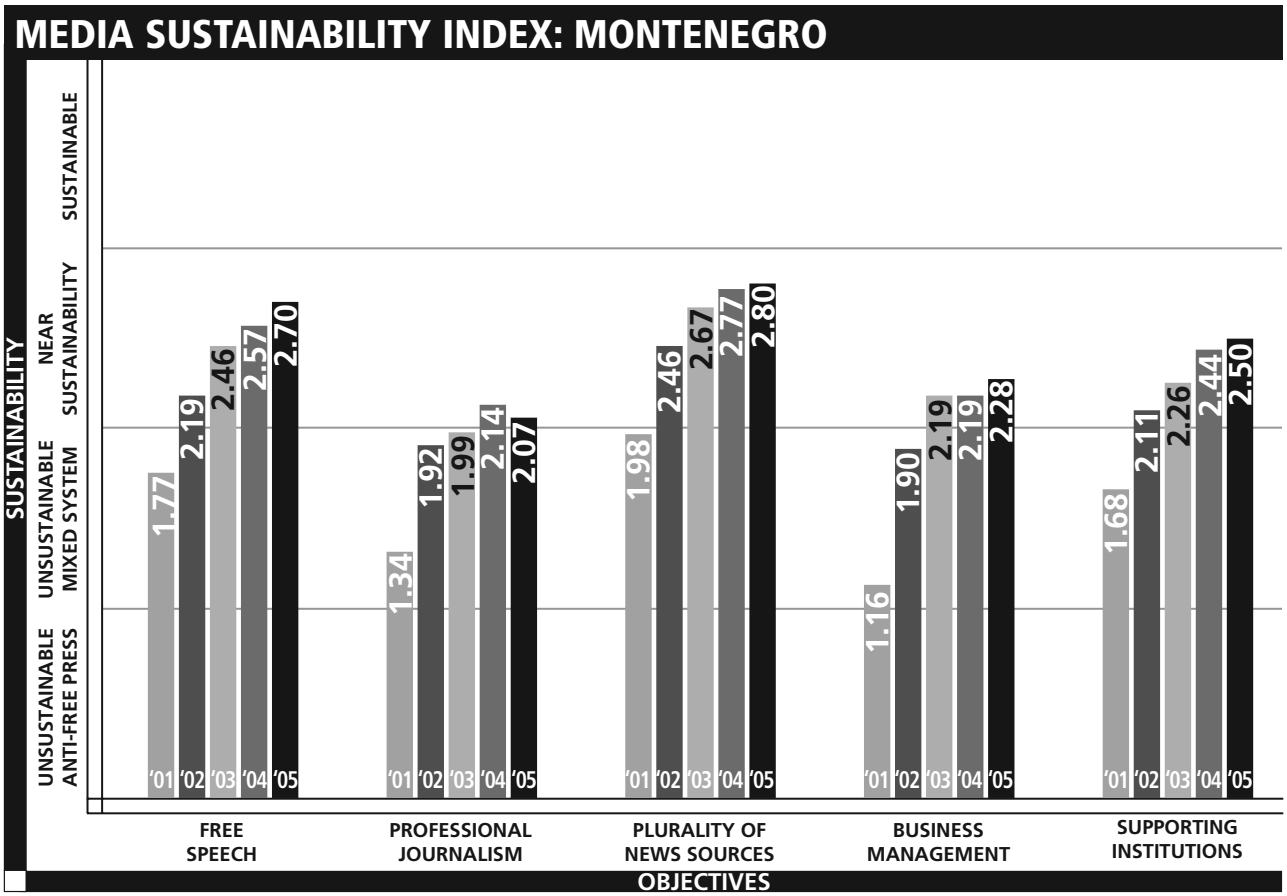
THE MEDIA SECTOR DID NOT CHANGE SIGNIFICANTLY DURING 2005, THE MEDIA SUSTAINABILITY INDEX (MSI) PANEL CONCLUDED, ALTHOUGH THE LIKELIHOOD OF SIGNIFICANT CONSOLIDATION REMAINED EVIDENT CONSIDERING THE LARGE NUMBER OF OUTLETS COMPETING WITHIN THE SMALL MONTENEGRIN MARKET.

Introduction

Although 2005 was a stable year politically in Montenegro, anticipation of a referendum on whether it should remain part of the State Union of Serbia and Montenegro animated the media. While the coalition government formed three years ago routinely exercised its power and the opposition carried out its parliamentary role, the media focused on the referendum expected during 2006. The economic transition in Montenegro moved into its final stages, with more than 80 percent of Montenegrin businesses expected to be in private hands by the end of 2005. Compared with 2004, the macroeconomic indices were improved, with GDP growth at 4 percent, inflation under 2 percent, a sustainable budget deficit, a stable bank sector, and significant increases in foreign investments. Noticeable social ills continue, however, with the poor making up 45 to 55 percent of the population.

The media sector did not change significantly during 2005, the Media Sustainability Index (MSI) panel concluded, although the likelihood of significant consolidation remained evident considering the large number of outlets competing within the small Montenegrin market. The slow transformation of the public broadcast company RTCG from a state-owned entity continued, impeded by the need for a new organizational structure and resistance to the required changes. The envisioned dismissal of up to 400 employees did not take place, further weakening the broadcaster's financial position. Problems with implementing media-related laws and the journalistic ethics code continued, and the economic situation of many media outlets and journalists themselves remained perilous.

However, significant steps forward occurred with the first open tender of broadcasting frequencies and the passage of a long-debated law on free access to information, which went into effect in November. Achievements within the private media sector also were apparent, along with the increasingly effective journalism education offered by the Montenegro Media Institute and the new Department for Journalism Studies.



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

Considering both the ongoing problems and the specific advances, the MSI panel ranked the strength of Montenegro's media sector at 2.47, little changed from the 2004 ranking of 2.42 but showing no regression.

OBJECTIVE 1: FREE SPEECH

Montenegro Objective Score: 2.70 / 4.00

The MSI panel participants gave generally positive evaluations of existing media regulations and noted some improvements during 2005. However, problems with implementation remain, they said. One example cited was the failure of the Council of the Broadcasting Agency to follow the spirit of the law in terms of distribution of funds to the commercial broadcasters. The law envisages that 10 percent of public subscription fees should go to outlets, especially those with programming that serves the public interest but have less commercial potential. However, the agency uses territorial coverage criteria as the main determinant for distributing funds, minimizing the importance of programming. The result, panelists said, is that the outlets with the largest reach, rather than the most publicly significant programming, get the largest shares, and high- and lower-quality broadcasters are treated the same.

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

FREE-SPEECH INDICATORS:

- Legal/social protections of free speech exist and are enforced.
- Licensing of broadcast media is fair, competitive, and apolitical.
- Market entry and tax structure for media are fair and comparable to other industries.
- Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

"A tender for the allocation of frequencies was realized for the first time this year, and all media that applied and fulfilled the required conditions obtained the frequencies," said Ranko Vujovic.

"The media law should be amended because the situation already requires that," said Boris Darmanovic, president of the Association of Young Journalists. "At the time the law was adopted, it was predicted that the law could possibly be amended depending on the success of its implementation." He recommended amendments to better regulate the election and replacement of the RTCG Council members and said the "mechanism of the managerial structure is too complicated for the public service." In order to secure the independence of the council, varying durations are set for the mandates of the members. However, there is no established mechanism to enable replacement of those members who do not adequately fulfill the requirements of the position.

After lengthy debate and delay, a Law on Free Access to Information was adopted in October 2005 that included virtually all the provisions sought by the media community and represented a significant step forward long sought by journalists. MSI panelists said the lack of an access-to-information law had been the main remaining flaw in the reform of the regulatory environment for media. The law was passed by a margin of 38 to 13, with one abstention. It contains an article restricting access to government information if its disclosure could jeopardize national security, defense, security, and various commercial and privacy interests. Putting the law into practice will show whether it adequately serves the public, or if these exemptions are too broad and subject to interpretation, observers noted.

Panelists from the electronic media noted that the Broadcasting Agency now uses a liberal approach to the allocation of frequencies, and, so far, there were no significant problems in implementation of this policy. In March 2005, for the first time, Montenegrin broadcasters received frequencies through a free, open tender requiring only that they show they met technical preconditions and were not affiliated to any political party. "A tender for the allocation of frequencies was realized for the first time this year, and all media that applied and fulfilled the required conditions obtained

the frequencies," said Ranko Vujovic, coordinator of the Union of the Independent Electronic Media. "This is important and represents a big step forward."

Implementation of the libel statute was in accordance with the 2003 criminal code revisions, according to the panelists. Although the code eliminated imprisonment as a possible sentence for libel, panelists agreed that fines of up to €14,000 were very high. "Those penalties should not cause the media closure, but they should enable a fair satisfaction," said Sasa Brajovic, a media expert. "It is necessary to find a balance." Also, panelists noted that it remains the obligation of the journalists to prove their innocence. The courts still reflect conservative attitudes with regard to the responsibility of the journalists, and, as a result, journalists are fined following rather dubious judicial proceedings. The panelists noted, however, that some court cases stem from unprofessional, opinion-laced journalism and in general there are not an overly large number of lawsuits or prosecutions.

The May 2004 murder of Dusko Jovanovic, editor of the opposition daily *Dan,* continued to haunt the Montenegrin media community. The trial was under way in late 2005 of Damic Mandic, a former karate champion and alleged organized crime figure who was arrested in June 2004 and changed with driving the car used in the slaying. There were no other attacks on journalists reported by the panel.

As has been true in previous years, the MSI panel concluded that despite evident improvements in the media regulatory environment, there remain concerns about implementation. "Media laws are excellent, and the Journalistic Code is good too," said Branko Vojicic, president of the Journalistic Self-Regulatory Body. "The legal framework is mostly of good quality, modern, and guarantees the freedom of information. The question arises as to whether the set of media laws is fully implemented." As an example, the panel mentioned the failure of the state broadcaster to carry out fully the steps, such as staff cuts, required to complete the transformation to a public system.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Montenegro Objective Score: 2.07 / 4.00

Montenegrin journalism still does not achieve an adequate level of professionalism, and journalists are not ready to respect their own ethics codes, according to the MSI panel. In contrast with past years, the problems are not as much with the ability of the press to function freely but more with the quality of the media that do exist. The publishing of falsehoods and half-truths is common enough to influence directly the trust of the public in the media and discredit journalists, a situation detected in opinion polls.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

The limited influence on the media community exercised by the Journalistic Self-Regulatory Body concerned the MSI panel. This body, charged with overseeing implementation of the professional code of conduct, was formed by all the media associations in Montenegro and regularly issues reports on violations. However, media organizations for the most part are not willing to publish corrections or to admit that mistakes were made. With the self-regulatory panel not meeting the goals set for it, a review needs to be conducted, the panelists said. "The Journalistic Code was signed by all journalists associations, but few (media outlets or journalists) respect it," said Branko Vojicic.

Despite the shortcomings in professional standards, however, the panel noted cases of effective work within the media. Examples noted included the focus on investigative journalism by outlets such as the weekly *Monitor* newspaper and Radio Antena M, and increased solidarity among media when it is necessary to defend the credibility of the profession.

Self-censorship is still rife and an important impediment to quality journalism. On the one hand it is a legacy of the past, and on the other it is caused by the absence of protection of journalists against arbitrariness from media

owners at a time when jobs are scarce. Self-censorship remains an obvious problem at former state-owned media outlets such as the broadcaster RTCG and the daily newspaper *Pobjeda.* Although there is no longer state or political party control at these outlets, journalists have not embraced thinking freely about the issues they cover. The MSI panelists said there appears to be the impression among some journalists that reporting in the old-fashioned way is safer for two reasons: It does not require much effort, and it does not provoke anyone.

Many private media were founded for political rather than business reasons, Branko Vojicic said. "The owners dictate the editorial policy, but without a direct interference. Usually, submissive editors are being engaged through whom the required editorial approach is realized."

Salaries vary and are dependent on the financial strength of a particular outlet. In general, only key editors are well paid. For example, TV CG editors have salaries up to €1,500, while a typical journalist's salary might be €300. In private media, salaries may be higher, but the problem in these cases is that owners often do not pay adequate social insurance.

Except at the daily newspaper *Vijesti,* which is partly owned by a major German media company, and a very few digitally equipped television stations, most outlets, including the biggest broadcaster RTCG, work with inadequate and outdated equipment. It is almost a rule that owners hesitate to invest in technical facilities, thinking that there is little payoff from such costs, panelists said.

Panelists continued to note as they had in previous years that entertainment programming is increasingly emphasized to the detriment of more serious educational and informative programs. "In public-service broadcasting, there is not a good balance between the informative and entertainment programs," said Duska Micunovic, program editor at TV Montenegro. "We are deficient in entertainment programs and cannot round out the program production as a whole." The panelists recommended that the educational standards of journalists themselves be improved and an "ambiance" conducive to an editorial policy more focused on cultural, educational, and informative programming be created.

The panelists underlined the need for ongoing education of journalists and encouraged the technical modernization of the profession. The importance of having the first generation of future journalists currently studying at the new journalism department of the Law School in Podgorica and the continuing activities of the Montenegrin Media Institute were noted by the panel. "According to the surveys, the problem is that 60 percent of the journalists were not educated at any journalism school," said Branko Vojicic. "That data point to the major deficiency that exists in the journalistic profession."

"The Journalistic Code was signed by all journalists associations, but few (media outlets or journalists) respect it," said Branko Vojicic.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Montenegro Objective Score: 2.80 / 4.00

The general attitude of the MSI panel is that the Montenegrin media field is oversaturated. As a result of the accelerated recent development, there are about 40 private radio stations, 16 television outlets, and four dailies—all competing to serve a population of approximately 670,000. While the multitude of outlets assures there is a certain plurality of information sources, the MSI panelists were concerned that quantity did not necessarily produce quality. Many outlets use the same

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

"New York with its population has about 40 radio stations, and Montenegro with its 670,000 citizens has 25 radio stations," said Ranko Vujovic. "This speaks for itself when observing that the quantity of media does not correlate with professional journalism."

agency sources and have poorly developed networks of correspondents. In addition, the ratio of media per capita, above that of most more-developed countries, is not sustainable over the long term. "New York with its population has about 40 radio stations, and Montenegro with its 670,000 citizens has 25 radio stations," said Ranko Vujovic. "This speaks for itself when observing that the quantity of media does not correlate with professional journalism."

In the Montenegrin case, the large number of outlets cannot guarantee diversity of information. "The problem is a large number of media and journalists," said Darko Sukovic, editor-in-chief of Radio Antenna M. There are too many journalists, but only a few professionals. The current quantity does not correspond to the quality in production or what is required for professional reporting."

There is only one local news agency, the Montenegro Independent News Agency (MINA), which competes with several agencies from Serbia. MINA, accompanied by a few electronic and print outlets with reasonably substantial reporting staffs, represents the main news sources for citizens.

Access to domestic and international media is not administratively restricted. Finances impose limits, however, for both individuals and media outlets, particularly for buying print media and using the Internet. Internet use is estimated at less than 15 percent of the population.

Montenegro has said farewell to state-owned media. A series of laws set out the process for transformation of the state radio and television system into the public broadcaster RTCG. There is an independent Council consisting of 11 members representing civil-society groups and an independent management board selected through a public tender. The former state daily newspaper *Pobjeda* is implementing a privatization plan, with a delayed public tender expected to be published during 2006.

Through its transformation, RTCG has made significant progress in reducing state influence and political bias in its programming, increasing the diversity of voices available from this important source. Branko Vojicic noted significant increases in programs produced in-house by RTCG. "This is the achievement that should not be forgotten when appraising the entire situation in RTCG," he said. Examples include "Otvoreno," a magazine-style show where hot social issues are discussed, *Pecat,* a magazine of small investigative pieces, and "Plus Minus," a program on economics and business.

With regard to private media, the MSI participants said transparency of ownership is better than in the previous years. Although speculation persists, there has been a clear achievement in the publication of several studies that outline ownership structures. Ranko Vujovic said there is no serious concern about media ownership concentration in Montenegro, although the possibility continues to exist that the current legal framework would allow concealment of the true controlling interests. Additionally, the panel said a particular problem concerning the sustainability of the media sector is the lack of serious direct foreign investment in Montenegrin media. The only serious foreign investment was made when the German media giant WAZ bought 50 percent of the shares in the daily newspaper *Vijesti.* There is an expectation that the former state daily *Pobjeda* may attract foreign investment when it is privatized because the company has valuable assets.

The panel agreed that in the next few years, it can be expected that the number of media houses will be reduced as the market consolidates to a more sustainable size. But the panelists also said that this process may not have a detrimental impact on the credibility or diversity of the media sector. Instead, they said, the surviving outlets will become stronger and more professional through their own business approaches and the donor-based model of financing will cease to exist.

OBJECTIVE 4: BUSINESS MANAGEMENT

Montenegro Objective Score: 2.28 / 4.00

The MSI panelists agreed that the media business remains largely unprofitable in Montenegro. Excluding several outlets such as the dailies *Vijesti* and *Dan,* TV IN, Antenna M, and MBC TV, the majority of the local and national media face business problems. A majority of the media outlets face constant threats to their solvency, and this leads to problems with their development plans. This in turn drastically affects the working status of the journalists, whose jobs may be in jeopardy and who often are not covered by the social

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

insurance. "The media were not founded following the logic of the media and the market, but according to the logic of politics," said Branko Vojicic.

Although some independent media outlets survived largely thanks to the financial support of the foreign donors, others succeeded in building from that base. Radio Antena M and the daily newspaper V*ijesti* successfully combined program content and commercial activities. MBC TV used technical assistance for development and advanced in the market by building on a sound business plan and a prudent application of survey results, although it has not entered the top tier of stations.

Consolidation of the market is under way already, with some outlets that did not respect market mechanisms already closed, such as the weekly *Onogost,* or showing indications of impending failure through diminished programming or content. The situation is particularly complex within the crowded electronic media field, according to the MSI panel. In addition to the managerial and commercial problems—the limits of the advertising market, weak staff, and lack of investment—there also is an unwillingness to join together media houses even if that could contribute significantly to their survival and further development.

While donor support remains at certain media holdings, it is clear this form of aid is ending and cannot be counted on to sustain business operations. "There are no more foreign donations for the media foundations," Sasa Brajovic said. Montenegro's policy of directing a portion of public television subscription fees to private media provides key support to some outlets, panelists said.

Human-resources management at media outlets remains a problem aggravated by the weak financial situation at many of them, the panel said. Montenegrin media employ more than 3,000 workers, a third of them at private outlets. Many of those employed at non-state media do not have legal working status, with owners not paying social insurance, health insurance, and other taxes to the state. "That problem has to be eradicated if we want the journalists to perform their work according to the law; and that means that the owners of the media houses should finally comply with the provisions that regulate labor rights," said Tanja Knezevic, a journalist with the daily *Republika.*

The size of the Montenegrin advertising market is not known precisely, but estimates range up to €7 million per year. Media outlet managers do not yet value the results of market research and broadcast ratings. Some have claimed that poor ratings are the result of their competition's efforts to undermine their market position. Panel members said this is beginning to change, however, as the outlets' poor commercial situations force managers to look for new methodologies. However, lack of resources also means that the outlets cannot order surveys, and there are fewer and fewer international organizations able to subsidize research on their behalf.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Montenegro Objective Score: 2.50 / 4.00

The general assessment of the MSI panelists is that the professional associations and unions charged with representing the interests of journalists are not yet effective. There are three associations—the Association of Young Journalists, the Association of Journalists of Montenegro, and the Association of Independent Journalists of Montenegro—and two trade unions, but they do not produce significant results in terms of improving the professional conditions for journalists, according to the panel. The associations either do not function or their membership is so reduced that it consists essentially of the managerial teams. "The journalistic associations exist only on the paper and do not have influence on the situation in the media sphere," Tanja Knezevic said. "It is a problem that there is no proper journalistic union. The journalists

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

are left alone in protecting their rights. This remains the major problem that most affects the social and legal status of the journalists."

By contrast, there are positive examples of associations representing the business interests of the media houses, in particular the Union of the Independent Electronic Media (UNEM). UNEM was a very active member of the working group that drafted the new law on free access to information and continues to work on an anti-monopoly draft law for submission to the government to be considered during 2006. UNEM also has a pool of lawyers helping journalists and media outlets, including defense against libel allegations.

Regarding the other institutions important for the Montenegrin media sector, the panel highlighted the contribution of the Montenegro Media Institute through its educational and professional development programs. The lack of effective university journalism education has been overcome to some extent by the creation of the Department for Journalism Studies at the Law School, panelists said.

The panel discussed the controversial role of the Broadcasting Agency, which is of great importance for the electronic media as the sector's independent regulator. According to the assessment of the electronic media representatives, the agency needs to improve its policies regarding allocating the portion of subscription fees going to private media outlets in order to offer more support to those supplying the highest-quality programming. "The criteria for the allocation of finances from the RTV subscription fees are unfair, to say the least," said Darko Sukovic. "We know of cases where large portions go to broadcasters that do not produce their own programs, or the quality of their programs is questionable. On the other side, serious radio stations, in their efforts to work professionally, face difficulties." The panel also noted the importance of the agency regarding the creation of a quality plan for frequencies and their allocation.

In Montenegro there is no monopoly in the distribution and printing sectors. Almost all big newspapers—Vijesti, Dan, and Pobjeda among them—have their own printing facilities and distribution systems. Vijesti also has a network of kiosks where its own and other publications are offered. The panel also noted clear achievement in the area of Internet presentation of newspapers. Some outlets are already requiring subscriptions to Web editions, or are planning to introduce this.

Panel Participants

Duska Micunovic, Program Editor, TV Montenegro

Darko Sukovic, Editor-in-Chief, Radio Antenna M

Jasmina Kocalo, Editor, TV MBC

Mili Prelevic, Editor, *Dan* daily newspaper

Tanja Knezevic, Journalist, *Republika* daily newspaper

Ranko Vujovic, Coordinator, UNEM

Branko Vojicic, President, Journalistic Self-Regulatory Body

Boris Darmanovic, President, Association of Young Journalists

Sasa Brajovic, PDA Information Assistant, Consulate of the United States

Moderator

Rade Bojovic, Media d.o.o.

Observer

Vesna Banovic, Senior Media Advisor, IREX

MONTENEGRO AT A GLANCE

GENERAL

■ **Population:** 650,575 *State Union of Serbia and Montenegro*

■ **Capital city:** Podgorica

■ **Ethnic groups (% of population):** Montenegrin 43%, Serb 32%, Bosnian 8%, Albanian 5%, Muslim 4%

■ **Religions (% of population):** Orthodox 74%, Muslim 18%, Catholic 3.5%, Atheist <1%

■ **Languages (% of population):** Serbian 63%, Montenegrin 22%, Albanian 5%, Bosnian 2%, Croatian <0.5%

■ **GDP:** €1 billion *2002 Statistical Office Montenegro*

■ **Literacy rate (% of population):** 97.65% *Census 2003*

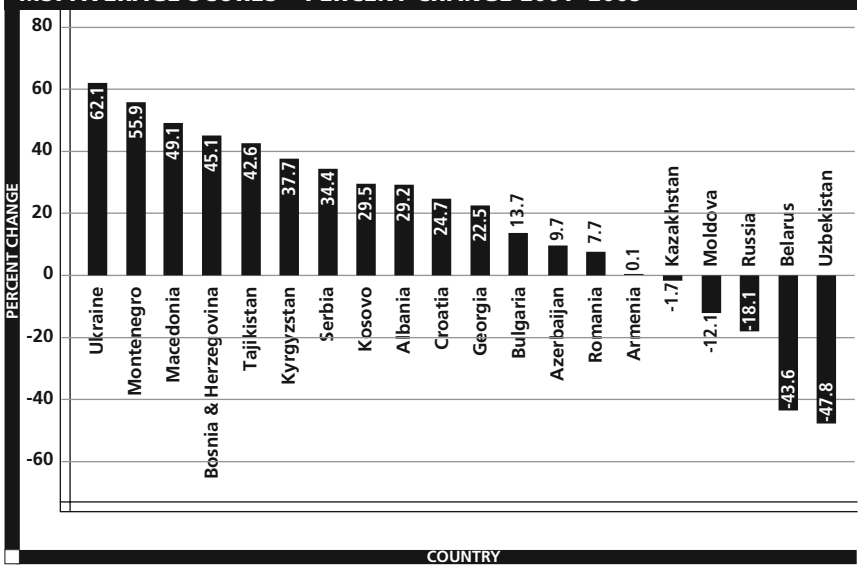
■ **President or top authority:** President Filip Vujanovic, Prime Minister Milo Djukanovic

■ **Next scheduled elections:** Parliamentary, October 2006

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** Since none of the four daily papers publish circulation data, it is difficult to estimate accurate numbers. However, it is approximately 55,000 to 60,000 copies. Two of the largest papers, *Vijesti* and *Dan,* circulate around 20,000 copies each. *Monitor* weekly circulates 5,000 copies.

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



■ **Broadcast ratings (top three ranked stations):** TV Pink, TV Crne Gore, TV In *Strategic Marketing Survey, September 2004*

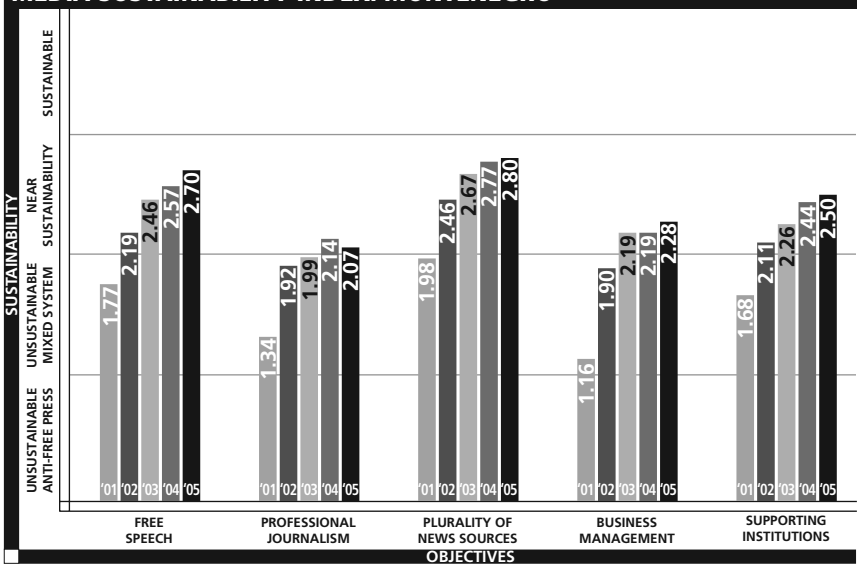
■ **Number of print outlets, radio stations, television stations:** 108 media: 45 print (including many periodical papers), 15 television stations, 43 radio stations, four online media, one news agency *Montenegro Media Institute, 2004*

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

■ **Number of Internet users:** 16% of population *Internet Crne Gore data*

■ **News agencies:** MINA

MEDIA SUSTAINABILITY INDEX: MONTENEGRO



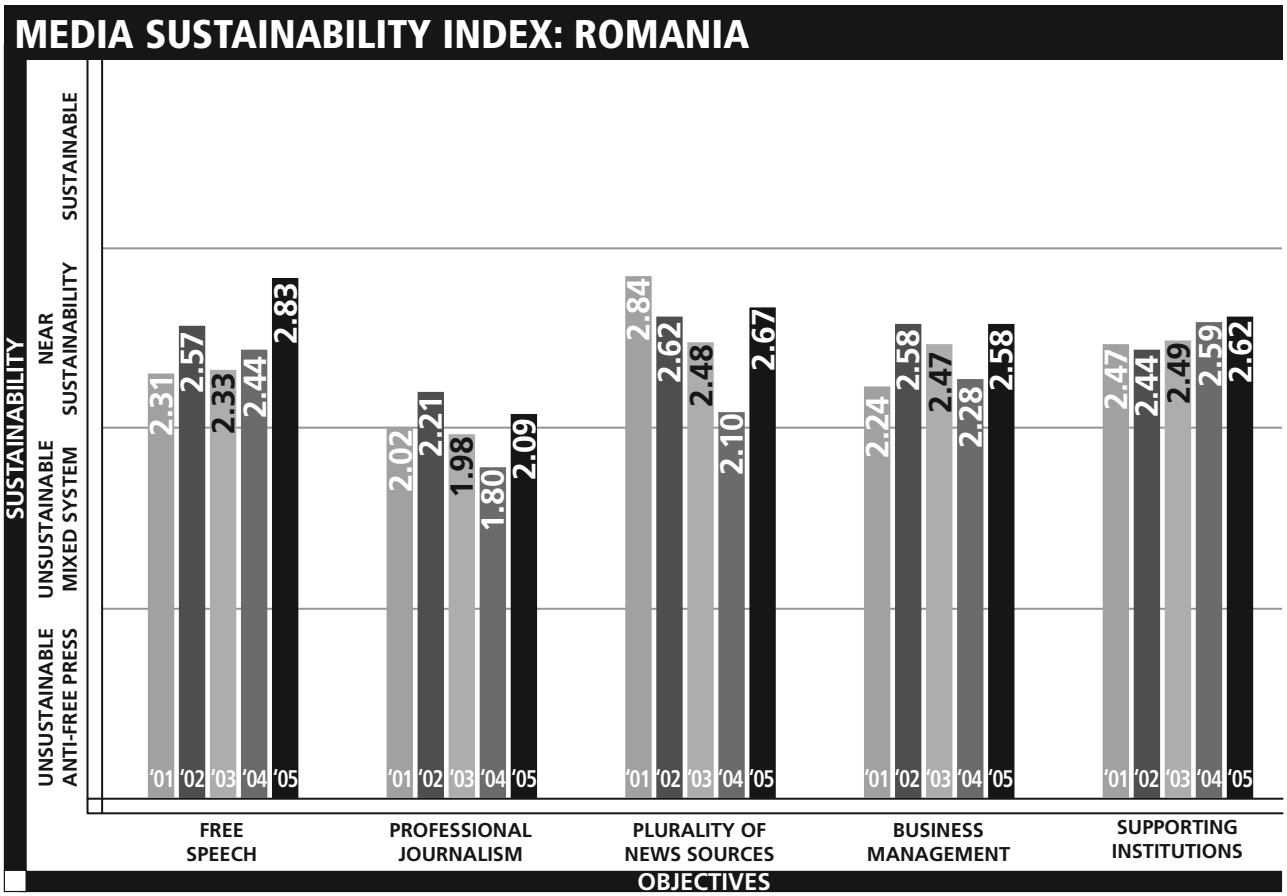
OVERALL, THE MEDIA SUSTAINABILITY INDEX (MSI) PANEL CONCLUDED THAT THE GENERAL SITUATION FOR THE MEDIA IMPROVED DURING 2005. THE NEW GOVERNMENT IS WEAKER, LESS OBSESSED BY ITS IMAGE, AND MUCH LESS INCLINED TO DRAW UP GLOOMY STRATEGIES AGAINST MEDIA THAN ITS PREDECESSOR.

Introduction

In 2000, the former communist Ion Iliescu and his Social Democrat Party (PSD) returned to power in Romania, and press freedom became a concern even as the country's post-Soviet economic growth was finally taking off. The media were especially affected by the approach of Prime Minister Adrian Nastase, who sought control using both political and economic leverage. Media independence in Romania became a focus for international organizations during 2003 and 2004. But at the end of 2004, Nastase lost the presidential race in a dramatic runoff against Traian Basescu. The new authorities pledged support for media freedom and curtailed previous practices that harmed the media market. However, conflict among the ruling coalition partners and discord between President Basescu and Prime Minister Calin Popescu-Tariceanu gave the impression of a chaotic and feeble government. Criticism in the media sharply increased during 2005.

Overall, the Media Sustainability Index (MSI) panel concluded that the general situation for the media improved during 2005. The new government is weaker, less obsessed by its image, and much less inclined to draw up gloomy strategies against media than its predecessor. With political intervention no longer the main danger, the Romanian media is now addressing more systemic threats, including an opaque and concentrated ownership, a shortfall in revenues due to a poor advertising market, and the proliferation of publications and stations without clear economic resources to support them. Professional ethics remain a problem, not for lack of such codes but because they are not properly implemented. The public discussion of sensitive issues such as the relationship between journalists and media outlet owners represent important steps forward, but they still have to produce practical results.

The MSI panel reported improvement in Romania's media sector across all the objectives for 2005, with the overall evaluation progressing from 2.24 in 2004 to 2.56 in 2005. The most significant advance was registered in the increasing variety of news sources available to citizens. Specifically, the panelists noted the new law enacted in 2005 to deal with subsidies received by the media in the form of advertising contracts from government institutions that amounted to hidden leverage.



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

OBJECTIVE 1: FREE SPEECH

Romania Objective Score: 2.83 / 4.00

When the new government was formed at the end of 2004, the appointment of the human-rights activist Monica Macovei as Justice Minister was a surprise. She was reputed to be one of the toughest media lawyers in the country, and she defended freedom-of-speech cases in the European Court of Human Rights. In October 2005, she proposed a new set of amendments to the penal code with positive changes for journalists, including total decriminalization of insult and libel. The draft immediately encountered significant opposition in parliament, and Ioana Avadani, the executive director of the Center for Independent Journalism, said that despite some progress in terms of laws and regulations, freedom of expression is not an established or protected social value. However, the MSI panelists saw enough progress to register an advance in the ranking for this objective.

Panelists expressed mixed opinions about the fairness of the licensing process, which is controlled by the National Council of Broadcasting (CNA), an autonomous body subordinated to the parliament. Eleven members are appointed by the president, the government, and the parliament. Iulian Comanescu, chief of the media department within the *Evenimentul Zilei* newspaper, said, "Anything can happen during the process of granting licenses. It does not inspire confidence." Mihai Vartosu, a leading advertising industry executive, said his evaluation is more positive: "The number of scandals has decreased, and I think that at least the current legislation allows a fair and apolitical granting of licenses." Ioana Avadani, executive director of the Center for Independent Journalism, noted that even applicants who had previously differed with the CNA had received licenses, although conceding that only the smaller, less attractive licenses remained on offer.

The CNA has said it would take into account some political criteria in the allocation process in order to maintain balance among various forces. However, panelists rejected this approach. Ioana Avadani said: "By attempting to do something good, the CNA takes on some political referee prerogatives not prescribed by the law."

Market entry for a media business is as difficult as it is for any other enterprise. The value-added tax (VAT) is lower for newspapers and books, and panel participants agreed that taxation does not pose a problem for media outlets.

Violent attacks against journalists raised significant concerns in 2003 due to several major cases. No new violence was reported in 2005, although the 2003 attack on Ino Ardelean, a journalist from Timisoara in western Romania, remains unsolved. Razvan Martin, who surveys abuses of journalists for the Media Monitoring Agency, said: "There are fewer situations than last year, when there was a lot of nervousness as it was an electoral year. There were no more beating cases, but situations of harassment still occurred—including, for example, confiscations of cameras."

Public media include four channels of Romanian Television, four radio channels, and the news agency Rompres. The president, the parliament, and the government appoint the boards of national radio and television stations under a 1995 law. An intense public debate took place in 2005 about various projects to change this law. Amid accusations of political interference by the previous government, the new parliamentary majority changed the boards and the directors for public radio and television, a move that panelists supported in 2004. A dispute occurred within the government coalition on naming new members. President Basescu refused to designate representatives until the law was changed, but

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

new boards were installed by other coalition members and opposition parties.

All the stakeholders agreed that the old law has to be changed. At least three varying drafts were submitted to the parliament during 2005. The first one, proposed by the Hungarian Party, a minor coalition partner, was essentially cosmetic but was passed by the Chamber of Deputies, one of the parliament's two houses, using an emergency procedure, although it was sharply criticized by the civil society. The second one, proposed by D.A. Alliance, a major coalition partner, was debated publicly and amended by the watch-dog nongovernmental organizations (NGOs). Finally, the third one was submitted by the opposition PSD in order to undermine the first project. By the end of the year, the D.A. Alliance and PSD both had agreed to withdraw their projects pending negotiation of a consensus solution. Civil-society organizations urged the Hungarian Union to withdraw its project prior to it reaching the Senate floor. Ioana Avadani, representing the Center for Independent Journalism during the negotiation process, said the party's project is very weak in protecting political independence.

Mihai Vartosu, a leading advertising industry executive, said his evaluation is more positive: "The number of scandals has decreased, and I think that at least the current legislation allows a fair and apolitical granting of licenses."

The Romanian parliament adopted a new penal code that was supposed to be enforced from June 2005. It eliminated prison terms for defamation, allowing only criminal fines, decriminalized slander, introduced good faith as a defense for journalists, and reversed the burden of the proof of truth. Dissatisfied with some provisions wishing to eliminate completely calumny from criminal penalty, the government suspended implementation of the new code and came up with another draft. As a consequence, the old, Communist-era code is still in force. Panelists disagreed about whether the new version would muster the support needed to pass. The current director of the Romanian Helsinki Committee, Diana Calinescu, observed: "There were no cases of penal sanctions for journalists, but we had judges imposing huge sums as damages for expressing opinions."

Romania adopted a Freedom of Information Act in 2001. The implementation process proved to be difficult, with the unreformed administration, narrow-minded officials, and a "culture of secrecy" proving to be roadblocks. The law does not clearly address the so-called national companies that operate through the government budget, but the new government has said it will propose to change the law to allow greater transparency. Another issue is that the model contracts that the Public Procurement Law provides for include confidentiality clauses, Martin said.

Media outlets have unrestricted access to international news and news sources, and there is no need for a special license to practice journalism in Romania. The Romanian Press Club, an association of publishers and editors, discussed calls for issuance of certificates for journalists. Many were concerned this could mean the introduction of restrictions to entry into the profession, given the influence of the club, and the issue was not resolved.

To gain access to certain institutions, journalists need accreditation issued by the authorities. Under FOI laws, accreditation can be cancelled by the authority only if a journalist seriously disrupts an institution's activities. If the accreditation is cancelled, the outlet for which the journalist works designates a replacement. The penalty cannot be applied to the media outlet itself. Despite this clear provision, there are still cases when institutions retaliate for what they consider negative reporting by forbidding access.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Romania Objective Score: 2.09 / 4.00

The MSI participants generally expressed dissatisfaction with the quality of reporting. "The main cause is the journalists' laziness—they do not contact all the sources," said Adrian Voinea, who leads the editorial teams at two newspapers and a radio station. Others noted the continued presence of reporters' opinions in their articles.

There are professional codes developed by various organizations and associations, and during 2005, the journalism community started to debate how to adopt a unified code. The most prominent codes are those adopted by the Convention of Media Organizations (COM) and by the Romanian Press Club (CRP), and several panelists expressed optimism that the discussion would produce results. Others considered the progress too limited. Journalist Iulian Comanescu said: "The CRP's code exists, but is not well-known and even less applied. It is a common situation to give bribes to newspapers. And a lot of weaker newspapers practically live from bribes."

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

This situation is not limited to print media. The well-known OTV station presents shocking material virtually nightly, promoting an extremist and rather paranoid view through its unbalance coverage. Fines by the Broadcasting Council have had no effect, as the owner of the station is financed by various sponsors—obscure or controversial businessmen who pay in exchange for being invited often to the studio were they can talk for hours without being interrupted. In June 2005, the extremist politician C.V. Tudor acknowledged at a party meeting that he paid OTV for making "propaganda." Ioana Avadani, who defended the station in 2003 when authorities abruptly withdrew its license, said that in 2005, "everybody can live on the market, if the market sustains them. The problem with OTV is not that the programs are bad, but that it has no legitimate means to live from."

By contrast, in October 2005, Mihai Munteanu, a journalist at Evenimentul Zilei newspaper, publicly denounced the attempt by a businessman to offer him gifts so that he would not write about the man's controversial dealings with state institutions. The case was particularly significant because the man's wife was an aidE to the president, and she ultimately had to resign. The same *Evenimentul Zilei* published an article accusing Justice Minister Monica Macovei of drinking excessively at a public meeting. As the article lacked evidence and the witnesses denied the allegation, Mrs. Macovei, a popular minister, was defended by public opinion. Pressed also by the Romanian Press Club, *Evenimentul Zilei* conducted an internal investigation and in August published another piece recognizing the mistake and apologizing.

In August 2004, President Basescu appeared on public radio accusing "one journalist" of threatening him with negative coverage. This blackmail was motivated by the prosecution of a business partner of the respective journalist. The president's statement created an uproar, and everybody recognized the "anonymous" journalist as Sorin Rosca Stanescu, a media mogul controlling three newspapers. The president confirmed that he was referring to Stanescu, who later said the interaction was just a friendly conversation. The Romanian Press Club issued a statement saying that it could not take a position due to lack of evidence.

Panelists agreed that 2005 saw a change in the situation regarding self-censorship. "The taboo subjects seem to have disappeared, the multitude of current subjects concerning the government are public, and there is a clear difference from the former PSD government, which imposed silence on many issues," Ioana Avadani said. Problems remain, however. On many occasions, the interest of the owner is visible in the content's biases. However, Brindusa Armanca, a reporter for *Ziua* newspaper, also sees signs of journalists' good faith, albeit a bit oddly manifested: "A journalist that knows a certain subject cannot appear in his newspaper gives it to another journalist from a paper which will print it."

Razvan Martin said advertisers also try to influence coverage: "I had discussions with editors, and almost all of them mentioned pressures made upon them by advertisers. For example, Porsche organized a test drive during which an accident occurred. Phone calls were made so that this did not appear in the media." But Mihai Vartosu said he had not heard of such cases "where actually there is a direct correlation between reporting and the granting of advertising budgets. It is very risky to do that. It is an issue of public image."

Mihai Vartosu says he is a content consumer: "I think what I read is in correlation with my image of Romania." But other panelists are less satisfied. "Here are still subjects that are not dealt with, discussions are not documented regarding important issues like European integration or NATO," Razvan Martin said. Ioana Avadani said this resulted from "the poor training of journalists to comprehend and properly cover these issues."

In September 2005, the Romanian Press Club started a debate on regulating the relations between journalists and owners. Pay levels remain unsatisfactory, panelists said. Because advertising is a better-paid industry, Mihai Vartosu says that a lot of journalists are being hired at

his firm: "I have the conviction that all those leaving their profession do it because of the money or the manner they are forced to work in." Other panelists observe the difference between the Bucharest-based media and local outlets, while Iulian Comanescu said there is a real gap because "journalists between 25 years and 35 years cannot be easily found in the media. The middle-aged journalists, who joined the profession in their early years, left to work in other fields."

The panelists uniformly complained about the increased quota of entertainment in media products. "The news isn't news anymore; anecdotes are what is demanded," Iulian Comanescu said. However, a good sign is that three televisions specializing in news are present on the market.

Panelists did not perceive the technical capacity of media as a problem, given the broad access to high technology in Romania. However, Adrian Voinea said the majority of newsrooms do not have legal software.

The market of niche publications is developed and continues to grow. Specialized magazines for IT, autos, women, fashion, and pets are strongly market-oriented and flourish.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Romania Objective Score: 2.67 / 4.00

There are an increasing number of news sources available to Romanians, and the MSI panelists registered the continued growth during 2005. More than 15 Bucharest-based daily newspapers are on the market, and the kiosks in main cities generally offer three to four dailies. The state television network has four channels, and private broadcasters have opened since 1993. Three television stations specialize in news, although their audiences are quite small. Urban areas are well serviced by cable systems offering a wide range of channels, and the firms have begun to penetrate the rural areas as well, with European Union (EU) data for 2005 showing that 58 percent of the population can access cable television. In addition, satellite transmission is increasingly reaching rural areas at prices comparable to cable subscriptions.

Concentration of media ownership is a concern, however, according to the MSI evaluators. For example, Dan Voiculescu, owner of Antena 1, the second-largest commercial television station, also leads the small Conservative Party, which depends on its presence in the media industry to maintain its place in the alliance with the former and current governments, the panelists said. Recently, Voiculescu launched an additional television station specialized in news programs. Three other major media holdings have developed around other controversial figures such as Adrian Sarbu, Cristian Burci, and the Micula brothers. In addition, in 2004, a powerful trade union created its own media empire, buying the most prominent news television station, a radio station, and two dailies.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

The 2005 EU study of Romania's television sector concurred that the lack of transparency regarding the capital behind the stations is a major problem. For example, an investigation questioned cash transfers allegedly from the Romanian state budget to the media mogul Cristian Burci. The same report also said that an increasing number of media outlets have registered under offshore jurisdictions where ownership is difficult to uncover, apparently to conceal their ownership more effectively. "There are serious suspicions that the true owners are hiding behind fictitious names that appear in the offshore ownership of some newly arrived broadcasters, such as Realitatea TV, Global Media, or Radio Kiss FM," the EU report said.

President Basescu participated in a September meeting with the Convention of Media Organizations and stated there that the Romanian media are controlled by various interest groups. The MSI panelists differed on whether this and other discussion of the issue

represented progress during 2005. George Ene, general secretary of the Romanian Press Club, said the president's statement "shows that, actually, the ownership in media is transparent, because we know who holds what. It's a first step—anyway more than last year." Others were less optimistic, suggesting that no steps were being taken to remedy the situation.

Panelists agreed that consumer access to media in Romania is not a problem. The legislation sets no restrictions on foreign news, with access limited only by high prices. About 19 percent of the population has access to the Internet, according to 2005 data from the EU.

Despite the failure to reform the law on public radio and television, the panelists noted some progress during 2005 on the editorial side of both networks. Razvan Martin, who monitors editorial independence of television stations, said opposition voices had a greater presence on state television during the year, compared with 2004. "There is a more solid balance between political actors, especially if we look at the subjectivity factor," he said. "We prepared a report, 'Televisions Grew Teeth,' in which we show that criticism regarding the current regime on television has increased compared with last year."

The new governing coalition formed a parliamentary committee to investigate the situation at public outlets. The final report issued in May 2005 concluded that from 2000 to 2004, public radio and television both failed to ensure a plurality of views within their news reports and manipulated reporting to eliminate negative coverage of the government led by Adrian Nastase. The report also observed the "anticipative obedience" of journalists whose work indicated they were trying to anticipate what the government would like to see broadcast. The representative of Nastase's party boycotted the committee meeting and refused to accept its report, which was not followed by any measures or punitive steps against the management of the two networks.

Ioana Avadani, who had sharply criticized Romanian state television for political bias, was part of a jury that selected a new chief of its news department in 2005. She said the process showed institutional transparency had improved. "I was a member of this jury, and nobody called me to indicate a direction," she said. This was the first time this important position was filled using an open procedure, and, as a result, the outcome won widespread acceptance. The panelists expressed hope that the selection mechanism would become permanent.

The state-owned Rompres news agency is controlled by the parliament, but its market position is poor. The most important agency is the privately owned Mediafax, controlled by Adrian Sarbu but with a company registered in Holland with secret shareholders as the formal owner. Some panelists expressed doubts about Mediafax's professionalism, suggesting it is connected to the former ruling party. "It is very biased," said journalist Iulian Comanescu. "They make pro-PSD analyses and distribute them to other media outlets."

All television stations produce their own news programs, as do most radio stations. One panelist said there had been some reduction in local news production because of the affiliation of local stations to national ones. Most local stations produce only two hours of their own programming daily.

There are no restrictions on coverage of social issues, "except the journalists' lack of appetite for these subjects," Ioana Avadani said. However, Razvan Martin said there are "ignored categories: rural areas, women, older people, teenagers. The way the first Romanian gay parade was reflected in the media was as a sensational scoop."

OBJECTIVE 4: BUSINESS MANAGEMENT

Romania Objective Score: 2.58 / 4.00

Romanian media are gradually but steadily becoming more and more market-oriented, the MSI participants agreed. Only a few newspapers function as real businesses, however, and public television and radio are historically badly managed. All print media have problems with inefficient service from the Romanian Post Company, which handles subscription-based distribution. For direct sales distribution, the market is still dominated by the formerly state-owned company Rodipet, which still delays payments even after being privatized in 2003. Despite the problems, however, George Ene said the general impression that the media industry does not offer opportunities for profit is incorrect: "In 2004, a single newspaper reported a profit of $1 million!"

The print media depend too much on sales. The situation is better for the large newspapers in Bucharest, where the advertising market is more developed. But the panelists estimated that the portion of revenues raised from sales, as opposed to advertising, was at 60 to 80 percent for most papers. The state radio and television stations have three sources of funding: state subsidies covering the cost of transmitters and relays, compulsory subscriptions, and advertising.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

Many international advertising agencies are active in Romania, including McCann Ericsson, Saatchi & Saatchi, and Young and Rubicam, and they handle about 80 percent of advertising spending despite the large number of indigenous agencies. The overall market remains poor in comparison with Western Europe. Mihai Vartosu estimates total advertising revenues at about €200 million, with €130 million going to television, €40 million to print, €10 million to radio, and €20 million to other venues. The Bucharest-based media traditionally received almost all the big advertisers' business, but panelists said the situation has been improving during the past two years for local media. Adrian Voinea said the local newspaper he manages has seen ad revenues increase during the past two years from about $16,000 to $80,000.

There are no direct subsidies for media outlets in Romania. There have traditionally been two types of hidden subsidies—advertising paid by state institutions and the rescheduling of debt owed to the state budget—but panelists said progress had been made on both during 2005. The new government stopped the informal policy of buying good coverage through advertising contracts and invited a group of NGOs to develop proposals for better regulation. The Center for Independent Journalism led this coalition in pressing successfully for amendments to the Public Procurement Law, creating special procedures for public advertising contracts that are more transparent and accountable. The European Commission commended these changes as the key advance for freedom of expression in Romania during 2005.

Many state entities that used to spend a lot of money for advertising campaigns with no clear outcome stopped this practice. This has had economic repercussions for some media outlets and led to concern that the government was not putting its case forward, unleashing unjustified criticism. Ioana Avadani rejected this suggestion: "Since so many public institutions lived an entire year without advertising, it means that it was not bought for its purpose but it was a form of subvention of the media ... Where there was the case, advertising continued to be made—for example, the campaign for the new fiscal code or for social tariffs for holidays."

In 2003, the Ministry of Finance published a list of companies owing money to the state that showed all the national television stations carried debt, either directly or through other companies with the same owners. The 2005 numbers published by the ministry showed that only the owner of Prima TV, the third commercial television station, remained in debt but had signed a rescheduling agreement. The Romanian Press Club, which includes all the major media outlets, changed its internal regulations during 2005 to require each member to make a statement about any debt to the state. Members that owe money but do not agree on a payment schedule would be suspended from the association, but the first filings indicate no major problems, George Ene said.

Market research is available, albeit at a price too high for some outlets and not put into practice at others, the panel agreed. The Romanian Audit Bureau of Circulation (BRAT) was founded in 1998 as an independent, non-for-profit organization. Many advertising agencies have a certificate issued by BRAT as a recondition for allocating any advertising to a print outlet. Through the broadcast law adopted in 2002, the state intervened in the broadcast rating system by allowing the CNA to select a single rating system, which is currently in place. The system functions as a private association of television stations and advertisers, and only its members have full access to the collected data.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Romania Objective Score: 2.62 / 4.00

Although the journalistic community in Romania remains generally skeptical of joining a union, important steps were made in 2004 and 2005. MediaSind, a federation of unions with more than 8,500 members including not only journalists but also

technical staff from state radio and television and printing facilities, has become increasingly active. In 2004, it signed a collective labor agreement for the media industry that establishes the clause of conscience—a special regulation that should allow journalists to obey only their consciences and to refuse owners' interventions—as one of the fundamental labor rights for journalists. One panelist questioned whether the contract is applied across the industry, and another said that MediaSind puts itself in a "delicate position" by protecting so-called journalists working at, for example, the Ministry of Transportation.

The CRP gathers the most important media owners, publishers, and media directors. It also has a section for individual journalists, but this is less visible. CRP collaborates with watch-dog NGOs on shared concerns, such as regulating government advertising and advocating for a new law on public media. Another important actor is the Association of Local Press Editors (APEL), which brings together the regional outlets not represented in the CRP. Broadcasters have their own organization called ARCA, but it does not deal with editorial matters.

The most important NGOs are the Center for Independent Journalism (CJI), the Media Monitoring Agency (MMA), the Romanian Helsinki Committee, and the Pro Democracy Association. They act as an informal coalition to defend press freedom, keep international observers informed, and place media concerns on the agenda of donor and multilateral organizations. From this has emerged the Convention of Media Organizations in Romania (COM), including 40 organizations from across the country. "We are still very few," Razvan Martin said. "In the advocacy campaign for a new law for public television, our lack of power was obvious."

"In the advocacy campaign for a new law for public television, our lack of power was obvious."

There are 20 journalism university programs across Romania, private and state. The average number of students per class is 60, so a huge number of graduates flood the market every year. "As long as the law regarding education ties the funds received from the state to the number of students, we will have diploma factories," Ioana Avadani said. Students do not receive sufficient hands-on training, despite a required annual three-week "practical training" at professional newsrooms. "There is a gap between universities and the industry," said Iulian Comanescu. "Universities look with disdain upon the industry, and the latter with skepticism on the universities."

After the 2001 closing of an institute run by the BBC, the CJI remained the only short-term training provider. CJI provides courses for journalists and journalism students, but also for students in related fields such as political science, economics, and law. It also provides targeted assistance to media outlets and hosts visiting professionals from abroad. More than 5,000 journalists and other media professionals and students have attended CJI programs since November 1994. The MediaSind union announced in late 2005 its intention to start a journalism institute. "There are no internal trainings within the companies, though there are a lot of people in newsrooms that don't even know how to write in Romanian," Iulian Comanescu said.

Panelists agreed that newsprint and printing facilities are widely available. Most of the newspapers own presses to reduce costs. A single newsprint factory exists in Romania, owned by a high-profile businessman and politician, but the panel did not consider this a problem because it is run as a straightforward business.

Kiosks for media distribution are, in principle, independent and free. The largest print media distribution company, the former state-owned Rodipet, remains inefficient and has delayed payments to media outlets often. Some panelists expressed concern regarding the concentration of Internet providers and cable distribution firms, which has reduced consumer choice.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Panel Participants

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

Razvan Martin, Program Coordinator, Media Monitoring Agency, Bucharest

Brindusa Armanca, Journalist, *Ziua* newspaper, Bucharest

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

Liviu Avram, Journalist, *Bucharest*

Mihai Vartosu, Regional Managing Director, Grey Advertising Agency, Bucharest

George Ene, General Secretary, Romanian Press Club, Bucharest

Iulian Comanescu, Journalist, *Evenimentul Zilei,* Bucharest

Moderator

Cristian Ghinea, Journalist, *Dilema Veche,* Bucharest

Observer

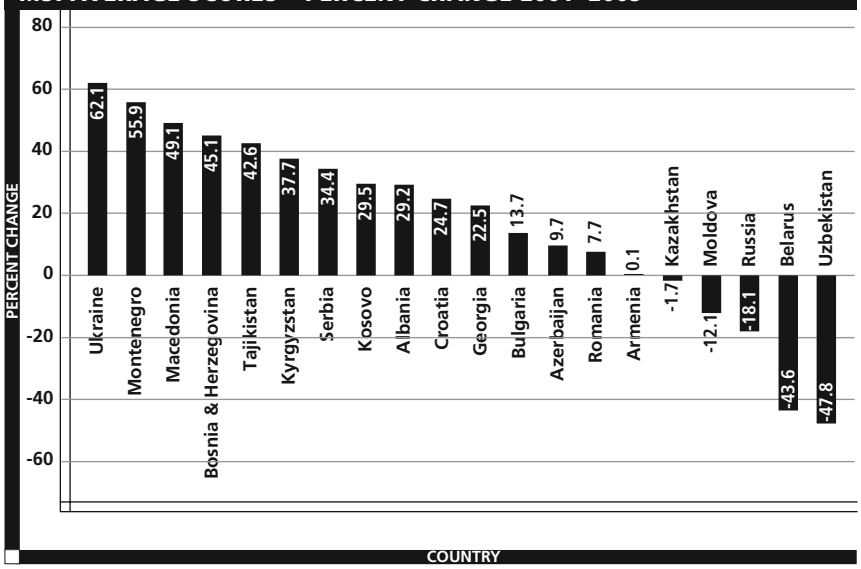
Liana Ganea, Media Monitoring Agency, Bucharest

ROMANIA AT A GLANCE

GENERAL

- **Population:** 21,673,000 (July 2004)
- **Capital city:** Bucharest
- **Ethnic groups (% of population):** Romanian 89.5%, Hungarian 6.6%, Roma 2.5%
- **Religions (% of population):** Orthodox 86%, Catholic 4.7%, Reformats 3.2%, Greco-Catholics 0.8%
- **Languages:** Romanian (official), Hungarian, German
- **GDP:** €58.9 billion (2004)
- **Literacy rate (% of population):** 97.4% for population over 10 years old
- **President or top authority:** President Traian Basescu
- **Next scheduled elections:** Parliamentary 2008, presidential 2009

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA-SPECIFIC

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

  Libertatea, the largest paper, sold 251,834 copies.

- **Broadcast ratings (top three ranked stations):** Pro TV, Antena 1, Acasa TV *TNS-AGB*

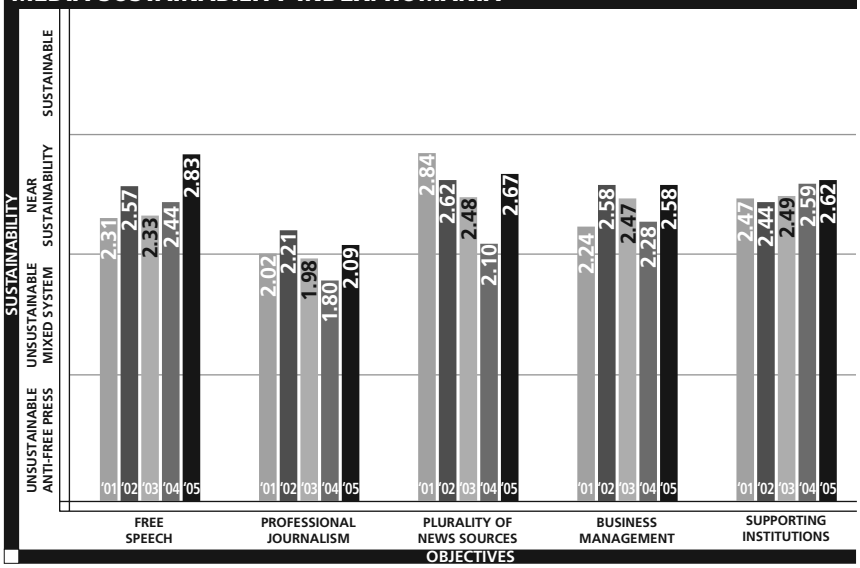
- **Number of active print outlets, radio stations, television stations:** Over 1,000 print outlets; according to the National Broadcasting Council, 519 radio stations and 189 television stations were licensed (2004), but not all of these actually function.

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

- **Number of Internet users:** Approximately 4 million *"Television Across Europe: Regulation, Policy and Independence"—Romanian chapter, EU Monitoring and Advocacy Program, 2005*

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

MEDIA SUSTAINABILITY INDEX: ROMANIA



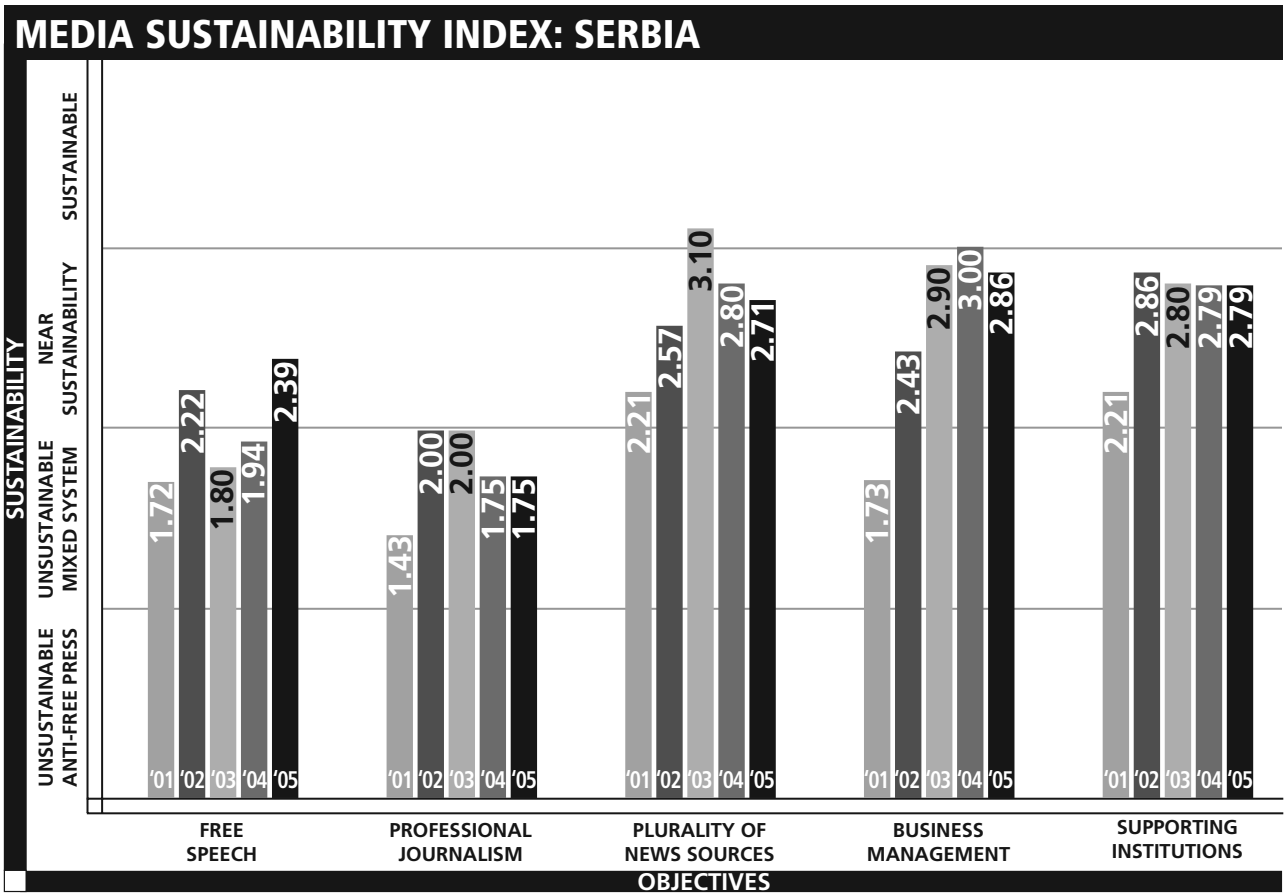
SIMILAR PROBLEMS AND CHALLENGES FACE THE MEDIA SECTOR: 2005 WITNESSED THE STOPPAGE OF BROADCAST PRIVATIZATION, THE REASSERTION OF INTERFERENCE BY THE STATE AND POLITICAL PARTIES IN MEDIA MANAGEMENT, AND INCREASED PERSECUTION OF JOURNALISTS AND MEDIA ENTITIES BY LOCAL AND STATE POLITICIANS.

Introduction

Five years after the departure of the Milosevic regime, Serbia continues to cope with the transition to democratic and market systems. The country struggles to pass through difficult political and economic crises as it tries to emerge from the Milosevic years and more than a decade of international isolation and stalled reforms. In addition to the normal transition issues, Serbia must face serious issues affecting the very nature of the state, such as the future of its federation with Montenegro and resolution of the status of Kosovo. In addition, Serbia remains under pressure from the international community, which is seeking full cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY). At the same time, radical forces in Serbia are using the ICTY as a rallying cry against democratic forces. Against this backdrop, serious economic problems, including severe and widespread poverty, threaten Serbia's ability to develop into a modern European state.

The key transition challenges therefore still remain from previous years: improving democratic mechanisms; reducing bureaucracy and combating corruption; boosting private-sector development and improving the investment climate; and restructuring and privatizing major public-sector companies.

Similar problems and challenges face the media sector: 2005 witnessed the stoppage of broadcast privatization, the reassertion of interference by the state and political parties in media management, and increased persecution of journalists and media entities by local and state politicians. In 2004, one of the most serious, long-lasting problems was the inefficiency of the Broadcast Council and the government's failure to redistribute frequencies in a fair and impartial manner. This occurred despite the earlier introduction of laws aimed at providing guidelines for the issuing of frequencies. The stalemate continues, and licensing has not happened. The tabloidization of the media, considered by the Media Sustainability Index (MSI) panel in 2004 to be the most distressing phenomenon of that year, may be even worse in 2005, with growing use of intolerant and racially abusive content. Tabloids are heavily engaged not only in sensationalist,



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

unfair, and unbalanced reporting, but also in actively and knowingly fabricating lurid political scandals, character assassinations, and witch hunts against selected individuals.

These negative developments were fortunately accompanied by improvements in other sectors of the media. The Freedom of Information Act began to be implemented, access to foreign information sources is now absolutely free, and the Broadcast Council finally started to work, albeit with extremely modest results. Additionally, the privatization of state-owned print media did move ahead. Market leaders in professional news and public-affairs programming continue to play important roles in the market. National media such as B92, Beta and FoNet, Vreme, Danas, and Nin, and many local and regional media serve not only as serious sources of news and information but as examples of professional journalism for the media market.

OBJECTIVE 1: FREE SPEECH

Serbia Objective Score: 2.39 / 4.00

In 2005, there were improvements in free speech over the previous year as important legislation began to be implemented. These improvements included amendments to the Broadcast Law, allowing the Broadcast Council to begin operating; an access-to-public information law began implementation; improved tax treatment of media; and a regulated advertising market. At the same time, serious problems remain: Political interference continues and is increasing at the local level, libel remains in the criminal code, and licensing has still not started despite progress toward that goal.

The legal protection of free-speech rights improves slowly from year to year in the opinion of the panelists. The parliament passed amendments to the Broadcast Law and passed an Access to Public Information Law. With the amendments to the Broadcast Law, the Broadcast Council began to function. After two years of prevarication, a Law on Advertising was passed and provided clarification on advertising content regulation, bringing some measure of certainty to media. In addition, the Ministry for Culture finally published the long-awaited deadlines for privatization of electronic media in a parliamentary decree. As Goran Vladkovic, owner of OK Radio in Vranje said, "All of the laws in favor of media passed, thanks to the pressures from the Free World on the Serbian Government. The government did not want these laws but had to pass them under outside pressure."

The licensing of broadcasters remains an area where Serbia lags far behind the rest of Central and Eastern Europe. Licensing has still not progressed, and no regulations even exist for prospective licensees to follow. The only positive move this year was the Broadcast Council's recent invitation for media to apply for registration as a step toward licensing. However, the hundreds of broadcasters in Serbia continue to operate in uncertainty.

Despite the problems with licensing, market entry is not unduly restricted in other ways and the tax structure is similar for other industries. The one exception provides favorable tax treatment to print media, which pay only an 8 percent value-added tax (VAT), compared with the normal rate of 18 percent.

Unfortunately, according to the Independent Journalists Association of Serbia (NUNS), 2005 saw more attacks on journalists, including physical assaults. NUNS also believes that the number of threats made against journalists is increasing. The media community judged investigations into these assaults and threats as insufficient or nonexistent. As

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

"All of the laws in favor of media passed, thanks to the pressures from the Free World on the Serbian Government. The government did not want these laws but had to pass them under outside pressure," said Goran Vladkovic.

Suzana Jovanic of the Open Society Fund noted, "Criminal acts against journalists are not prosecuted. This is a very dangerous situation."

State media remain in a preferential position, as they receive money directly from the state and have the ability to receive substantial advertising income. In 2005, obligatory subscriptions for the state broadcaster were introduced, but how this financing will ultimately affect state broadcasting remains to be seen. Panelists judged that while Radio-Television Serbia (RTS) has improved, it cannot be seen as a public broadcaster, free from political interference and serving the public. At the local level, state media remain as privatization stalls and local politicians interfere in editorial control.

Libel remains in the criminal code, but jail sentences have been removed as punishment and only financial penalties may be imposed. However, the harmful practice of making journalists prove they are not guilty, instead of the presumption of innocence, stays in the legislation. The MSI panel also observed that judges are not trained sufficiently to deal with libel cases and therefore are not implementing Serbian laws in light of the country's recent ratification of the European Convention on Human Rights. As Dragoljub Zarkovic, editor-in-chief of *Vreme,* stated, "Journalists accused of libel can expect different treatment depending on which judge tries their case. Most judges do not know the laws relating to libel. My proposal is that judges should go for additional education."

The beginning of implementation of the law on Access to Public Information occurred in 2005. Panelists generally contend that the law represents a step in the right direction toward opening public records to the media and public. However, the law does impose an onerous requirement for notification, and the government maintains the right to censor any document requested. In practice, the law has not yet shown substantial benefits. Local media in particular have real problems getting any official information, especially if it is delicate and does not favor politicians or the parties in power in their municipalities. Svetlana Kojanovic from *Cacanski Glas* (Cacak) argues that "journalists in the local media are especially burdened by complicated procedures to get official statements from Serbian state representatives and often are prevented from doing their job professionally."

Entry into the journalism profession remains unrestricted by either government or professional bodies representing the journalism community. Some expressed concern that there are no professional qualifications or training needed to enter the profession, resulting in reporters who either ignore or are ignorant of basic ethical standards. As Nebojsa Spajic of the Executive Group noted, "Paradoxically we can give the highest mark to the possibility of entering the journalist profession. But this situation has its negative side because here in Serbia literally anybody can become a journalist, so our professional standards drop to the lowest levels, including reporters with low levels of literacy, whilst also having high levels of prejudice and vulgarity."

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Serbia Objective Score: 1.75 / 4.00

Looking across the entire media sector, 2005 witnessed stagnation in the level of professionalism of independent media compared with 2004. In 2004, the MSI pointed to a generally low skill level across the profession, poor ethics, and self-censorship. The stagnation the panel agreed on did not represent a clear consensus on the

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

level of professionalism. Some focused on the growth of tabloid journalism as a serious threat to the profession, while others felt that this threat was overrated. However, all were clear that Serbia is witnessing two divergent trends in the journalism profession. On the one hand, tabloid journalism continues its spread, and this form of unprofessional and unethical reporting weighted down the overall scores as the more professional media continued to show improvements in the practice of journalism. This core of professional media committed to ethical, balanced, and informative reporting remains influential among decision-makers and opinion-makers, while the tabloid media appeal to large segments of the general public. What this will ultimately mean for Serbian journalism remains to be seen, but the profession has begun to organize against the worst excesses of tabloid journalism, seeking to apply a system of ethics and standards.

Nebojsa Spajic indicated that "research completed in the last 12 months showed that many journalists are not aware of the most basic ethical principles, and what is worse is that that the situation has not improved over the last two years." However, the impact of tabloid journalism should not alter the reality that the standards of journalism have been improving among the general media, due in part to training courses organized by Serbian media organizations and donors. Ethics are better understood, and professional standards are improving. The panelists believed that many journalists and editors do not possess the skills to cover the dramatic nature of events unfolding in this society or in the region. Dragoljub Zarkovic points to the lack of depth in coverage: "The problem of reporting on Kosovo, especially using an analytical approach, is nonexistent. This is a serious problem."

There is also a danger that there will develop a race for the lowest common denominator. Svetlana Kojanovic alluded to this by indicating that "circulation, number of viewers, number of listeners, and people-meters have become the basis for calculating success in this profession." Dragoljub Zarkovic also indicated that this remained a potential problem: "The problem is not with extreme media but the fact that the business world does not support good media. Business loves primitive media."

Self-censorship continues to be an issue, albeit one that takes on different forms. It is widely believed that there are no political pressures on editors of national media but that pressures from business circles are growing. At the same time, editors indicate that some people try to pay to have articles written about them, while others try to pay to stop things being written about them. Self-censorship continues at national and local levels but may be particularly acute in the local media.

This self-censorship does not affect, on face value, coverage of key events and issues. They are covered by most media. However, the quality and complexity of much of the coverage is doubtful due to self-censorship, lack of professional skills, and social pressures against certain coverage. As Marina Fratucan, the CEO of URBANS Productions in Novi Sad, notes, "We go to Kosovo when it is possible, but publishing our stories was blocked out by most media."

At the same time, there is slow improvement in niche reporting and programming. However, investigative journalism is an area under pressure, since many journalists refuse to work on serious stories for their basic salaries and since there is not enough technical or financial capacity for serious investigative journalism.

One of the problems facing the profession and making improvements more difficult remains the low level of pay for most journalists. The average salary of journalists in Serbia has not been higher than $300 per month for years. This opens journalists to corruption and also drives many talented people out of the profession.

Nebojsa Spajic indicated that "research completed in the last 12 months showed that many journalists are not aware of the most basic ethical principles, and what is worse is that that the situation has not improved over the last two years."

While tabloid journalism is a continuing concern, it is widely accepted that the balance between entertainment and news and information programs stayed the same in 2005 as in previous years. While in 2004 panelists believed that RTS increased entertainment at the expense of news, they believed that the balance did not change in 2005. Local media are introducing more news, a fact appreciated by the audience, but the quality of many news programs is questionable. It should also be noted that traditional political programs are undergoing somewhat of a transformation. More of these shows are borrowing their ideas and styles from the world of entertainment.

A problem that will face local media and their ability to produce quality news is the declining quality of their technical facilities and equipment. While most Belgrade-based media have modern technology in use,

local media lag far behind in this respect. Now that the process of donor withdrawal of funds for Serbia is well under way, the ability of provincial media to replace and upgrade this equipment remains problematic. This, combined with the particularly low levels of pay at the local level, makes local media the most endangered of all media in Serbia.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Serbia Objective Score: 2.71 / 4.00

The MSI panel agreed that the situation remained much the same as in 2004, if even slightly worse for some of the indicators. In purely numerical terms, Serbians enjoy access to a wide variety of news sources. Hundreds of broadcasters providing news exist in Serbia's unregulated broadcast sector. Private stations exist at local, regional, and national levels. The state broadcaster, RTS, continues to be a major news source and local municipally owned media (more than 150) compete with local private media. The print sector offers dailies, weeklies, and local and regional newspapers. There are no restrictions on foreign news sources, either broadcast or print.

However, this numerical plurality does not necessarily mean there is quality, nor does it mean unfettered access by the general population. State and municipal broadcasters face outside pressures but also are pressured to maintain the status quo and follow the majority opinion toward major events and issues. Income levels continue to limit the ability of large parts of the population to buy print media regularly. Varied offerings, including foreign media on cable and satellite remain expensive, as does Internet access due to a state monopoly on the transmission system. As Marina Fratucan noted, "Internet, cable and satellite TV, foreign publications, everything is available to everybody if they have the means to pay for it. The question really is what part of the population has the prerequisites to receive any of this varied information."

Panelists noted a general misunderstanding about the role of public-service broadcasting, both in the commentary provided by a wide range of media outlets and in society at large. It is not viewed as a potential source of independent and unbiased news and public-affairs programming, but rather as something that should follow public opinion and, among a large segment, one that should represent the state interests. This, in turn, contributes to lack of public concern over the lack of an apparent public-service ethos at RTS. Slobodan Kremenjak noted, "Instead of filling the gaps that commercial broadcasters do not cater for, RTS has started competing with them. The output practically resembles commercial stations' program schedules much more than it resembles public-service broadcasting." Voja Zanetic of Mozaik Marketing Agency follows this point as well: "RTS does not invest in cultural and educational programs as much as they should as a public service, simply because it has not become a public-service broadcaster and also—it has nothing to invest."

Local municipal media remain an important source of news for the population and remain under municipal ownership since planned privatization has been stalled for the past two years. While many of these outlets were important sources of professional news during the Milosevic era, when opposition-controlled municipalities allowed editorial independence, there has been a growing trend, noted also in 2004, to restrict their ability to operate as public-service media. Nebojsa Bugarinovic, the president of NUNS noted that "municipal politicians often feel these outlets are their own PA system."

Serbia has two high-quality private news agencies, Beta and FoNet, and the state-controlled Tanjug continues its operations, drawing the majority of its resources

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

from the government. The agency then competes in the poor Serbian market with Beta and FoNet, whose quality is generally rated better than Tanjug's. The poor economic situation in Serbia continues to hinder the ability of the news agencies to invest and expand their operations. Zlata Kures of Beta argues, "Most of the media outlets are not able to pay what is a realistic price for news agency services. and Beta is forced to lower its prices to the level of meager day-to-day survival. This income from the market is not enough to cover its running costs." In addition, Zlata Kures argues that there is not an appreciation for news agency services since there is a "strong tradition" of these services being provided free of charge.

While the news agencies are widely used in Serbia by both print and broadcast media, most outlets providing news do produce their own programming. Panelists noted that it was not a matter of programming being produced, but the quality of that programming that reduced citizens' access to diverse sources of professional news. Svetlana Kojanovic explained, "The enormous number of media on offer in Serbia unfortunately does not mean the information presented is reliable and well balanced. Even an average recipient recognizes easily who is the owner of an outlet—be it the state or local administration, a businessman or a politician—because that outlet has no distance or critical approach toward the owner. This problem is extremely present during pre-election campaigns." Some quality news is distributed via networks or rebroadcasts (ANEM, B92), which helps improve the situation.

Panelists felt that there remained some distance to go until one can say a broad spectrum of social interests are reflected and represented in the media. Many of the panelists felt religious, social, economic, or political perspectives are not truly represented, as publications and broadcasters tend to focus on what is favored by the ruling political parties and their allies. Public media have not done a good job of meeting the needs of minorities. The key RTS slogan, "national TV," rings hollow in a country where a large percentage of the population belongs to national minorities. They seem pitifully served by their "national TV." A void has also developed in the area of educational and cultural programming that should be provided by RTS. Panelists felt that "ghetto-ization" of minority programs appears to be the solution for state broadcast schedulers, as they insist that minority-language programs exclude the majority of Serbian-only speakers. At the same time, one panelist noted that "minority-language media outlets also do not have pluralism, nor do they show plenty of tolerance for otherness. In major media, the interest for minority issues doesn't really exist. Hate mail and other threats are still appearing in national newspapers when it comes to covering minority issues, even when this includes covering others such as ethnic or gender issues."

For private media, the issue of media ownership continues to be a concern. Media companies are registered according to the law, but the "data" submitted are not always reliable and there is no obligation to report the origin of any investment. At the same time, it is believed that there is no clear monopolization of the market. One panellist noted that "Serbia is one of the rare countries in the region where plurality of media ensured there has been no monopolization of the media market—and this is very good for Serbia's media future. In television we don't have any conglomerate prevailing, so there is a lot of diversity."

OBJECTIVE 4: BUSINESS MANAGEMENT

Serbia Objective Score: 2.86 / 4.00

The situation in business management remained essentially the same as in 2004, with some circumstances in the business environment getting tighter, making media outlets' work across Serbia even more difficult. The media industry, although under many pressures, operates reasonably efficiently

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

and professionally. Media receive revenue from a variety of sources, but the overwhelming problem is the economy, with a generally low level of financial liquidity. As Svetlana Kojanovic argued, "With the current state of the economy in this country, it is highly improbable that any media outlet is able to resemble a proper business! Private media owners usually deal in other, more profitable activities outside the media to make their real money. Disloyal competition and an oversaturated market are still here, so the majority of media is very dependent on the few financial 'Almighties,' which in turn directly limits the independence of editorial policy."

There is a concern over which outlets are most sustainable. Marina Fratucan believes they are not the most independent. "There are no truly completely independent media. Those that are nearest to this profile are, unfortunately, not profitable businesses." However, many do believe that sustainability is in sight for even the most professional news media that have relied to a large extent on donors. Dragoljub Zarkovic notes that "more than ever the pressure is to place as many ads as possible in the media, which is a healthy source of income. Much of the media is approaching a position to generate a substantial part of their income from the market."

The advertising industry in Serbia is even more developed than the media sector. Affiliates of foreign agencies operate in the country, and local agencies also compete. Many media have developed relationships with ad agencies as well as their own advertising departments, if proactive selling is not always the norm. However, the advertising industry is experiencing some disturbances, caused by the introduction of the Advertising Act at the end of 2004. This act banned advertising for cigarettes on radio and television and placed restrictions on alcohol advertising. Both were major sources of revenue for the agencies and the media, causing a change in the market. Another important new feature of the market is the fierce ratings clash between RTS and TV Pink, the top-rated commercial station. This will have an impact on advertising across the market.

As a rule, private media do not receive government subsidies, but there remain shades of doubt posed by some panelists about state institutions acting as advertisers. Charity, education, and health campaigns run by various Ministries along with the advertising produced for the National Lottery have considerable budgets, and they might be used to condition the news agendas of some media outlets, according to some panellists.

The use of professional market research and ratings is now regular and familiar in Serbia. Broadcast ratings are produced on a daily basis, thanks to the introduction of people-meters, and regular market research occurs at the national level. For print media, however, there are no reliable circulation figures produced. While sophisticated research does exist across Serbia, many media cannot afford to commission research themselves and many even cannot afford to buy results of regular surveys offered to all media.

There are an increasing number of media professionals who are well aware of the role of research and its use. Media planners and program schedulers are getting more interested in local research results and national databases. The research agencies, from their side, are trying to make their products more available and affordable. As Nebojsa Bugarinovic said, "Using the services of marketing and research agencies has become a necessity instead of a fantasy." However, the use and interpretation of research data remains problematic in some instances. Sometimes confusion results from different agencies providing competing data using different methodologies. In addition, the use of out-of-context quotations from research results adversely colors the perception of research results.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Serbia Objective Score: 2.79 / 4.00

Little change, positive or negative, was seen on average for supporting institutions. Serbia has a substantial number of media-support nongovernmental organizations (NGOs), media training institutions, and trade and professional associations of relatively long standing. However, there was little substantive change in their capacity or activities during 2005, while some human-rights and free-speech NGOs alienated major segments of the media community with their battles against live transmission of the Hague Tribunal proceedings and intense criticism of some reporting.

Trade associations for print and broadcast media exist and provide advocacy for the rights of their members and training in journalism and business management. The Association of Independent Electronic Media (ANEM) remains one of the leading associations with a high international profile, legal support for members, advocacy efforts for broadcasters' rights, and a training center for members. A leading print media association remains Local Press, which represents regional media. In particular, it helped local media prepare for the new tax system that allowed for tax rebates.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

The Independent Journalists Association of Serbia (NUNS) is judged to be the most professional of the two major journalists' associations, with the Journalists' Association of Serbia (UNS), the former state association, being seen as less effective and independent and less supportive of the rights of journalists. While totally reliable figures are not available, approximately one third of journalists belong to NUNS, one third to UNS, and one third to no association at all.

NUNS claims 2,300 members and regularly participates in advocacy efforts in cooperation with other associations and NGOs, offers training on an ad hoc basis, and offers legal support to journalists. It also continued to pressure authorities on investigating the murders of journalists Slavko Curuvija and Milan Pantic. However, many in the media see NUNS as relatively weak. Svetlana Kojanovic argues that "there is still no bidding for frequencies and licenses and no collective labor contracts. So it is clear that journalist associations lack a significant impact and are seen as weak organizations and the government is using this to its advantage." Human-rights groups such as the Helsinki Committee and more specific institutions such as the Media Center also offer support for the media and advocate for free-speech rights, often in cooperation with organizations such as NUNS and ANEM.

In many respects, journalism education in Serbia can be seen as progressing, but at the same time the overall average is being watered down through at least a dozen questionably licensed journalism schools. Vesna Sladojevic, deputy editor-in-chief of RTS, asks: "Has anyone recently employed a good journalist coming from any of these schools? The state is making a huge mistake by licensing private, commercial universities without any control on the content and quality."

The centerpiece of formal journalism studies, the Department of Journalism at the Faculty of Political Sciences in Belgrade University, continued to upgrade its courses in 2005. After opening a radio studio, the television studio has been equipped and is now in use. This continues to move the faculty away from theoretical studies and toward a practical approach to journalism education. Public-relations studies and newspaper photography studies have been introduced, and cooperation and exchange with international journalism degree programs has started.

Short-term training is important at present as Serbia seeks to improve its existing core of journalists. However, it was noted that only a small percentage of people are being trained when counted against the enormous number of media outlets throughout Serbia. But short-term courses and seminars are being offered by organizations such as NUNS, ANEM, the Media Center, and international donors and NGOs. However, the reliance on donor support may be creating a false market, as Suzana Jovanic notes: "The numbers are deceiving. We don't have realistic indicators of trainees' and managers' attitudes while this education is free of charge, while the donors are paying for it."

The newsprint and printing industry are still unrestricted but under major threat of monopolization, particularly in relation to distribution networks, which are owned by foreign investors and local tycoons. Internet access bears the limitations associated with the monopoly over telephone lines controlled by the state postal service. Cable television channels are not regulated legally at all, and the state, through its broadcaster RTS, still owns and operates the hardware and infrastructure for transmitters. While there were no apparent instances in the print or broadcast sector of abuse by those controlling the distribution, the potential monopolization of printing and distribution and RTS control over much of the terrestrial transmission sites and infrastructure raises concerns that these levers could in the future be used against independent media.

Panel Participants

Svetlana Kojanovic, Director and Editor-in-Chief, *Cacanski Glas* (Cacak)

Slobodan Kremenjak, Lawyer, Law Firm of Zivkovic & Samardzic

Nebojsa Bugarinovic, President, Independent Journalists' Association of Serbia

Voja Zanetic, Marketing Specialist, MOSAIK Marketing Agency

Suzana Jovanic, Media Specialist, Open Society Fund

Zlata Kures, Deputy General Director, BETA News Agency

Marina Fratucan, Chief Executive Officer, Independent TV Production Group URBANS (Novi Sad)

Dragoljub Zarkovic, Director and Editor-in-Chief, *Vreme*

Darko Brocic, Director, AGB

Vesna Sladojevic, Deputy Editor-in-Chief, Radio-Television Serbia

Goran Vladkovic, Editor-in-Chief, OK Radio (Vranje)

Moderator

Nebojsa Spajic, Senior Consultant, Executive Group

Observers

Sam Compton, Chief of Party, IREX ProMedia

Goran Cetinic, Media Advisor, IREX ProMedia

Dragen Kremer, Media Advisor, IREX Promedia

SERBIA AT A GLANCE

GENERAL

■ **Population:** 7,498,000 *SMMRI*

■ **Capital city:** Belgrade

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

■ **Religions (% of population):** Orthodox 65%, Muslim 19%, Roman Catholic 4%, Protestant 1%, other 11% *CIA World Factbook*

■ **Languages (% of population):** Serbian 88.3%, Hungarian 3.8%, Bosnian 1.8% *Federal Statistical Office, 2002*

■ **GDP:** $20.4 billion (2004 est.) *SMMRI*

■ **Literacy rate (% of population):** 96.3% (According to the last Federal Statistical Office census, there are 3.7% illiterate inhabitants older than 10 years.)

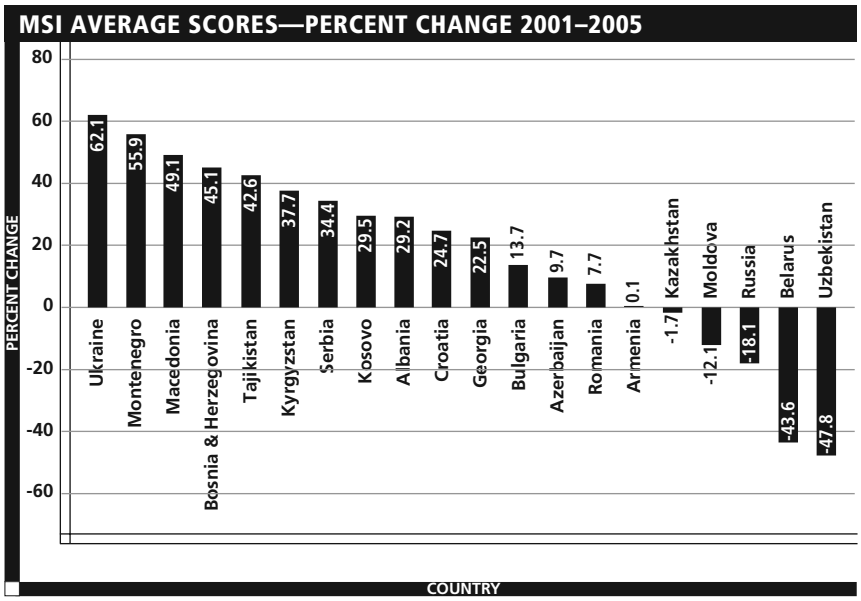
■ **President or top authority:** President Boris Tadic

■ **Next scheduled elections:** Local elections 2007

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** No accurate information available

■ **Broadcast ratings (top three ranked stations):**



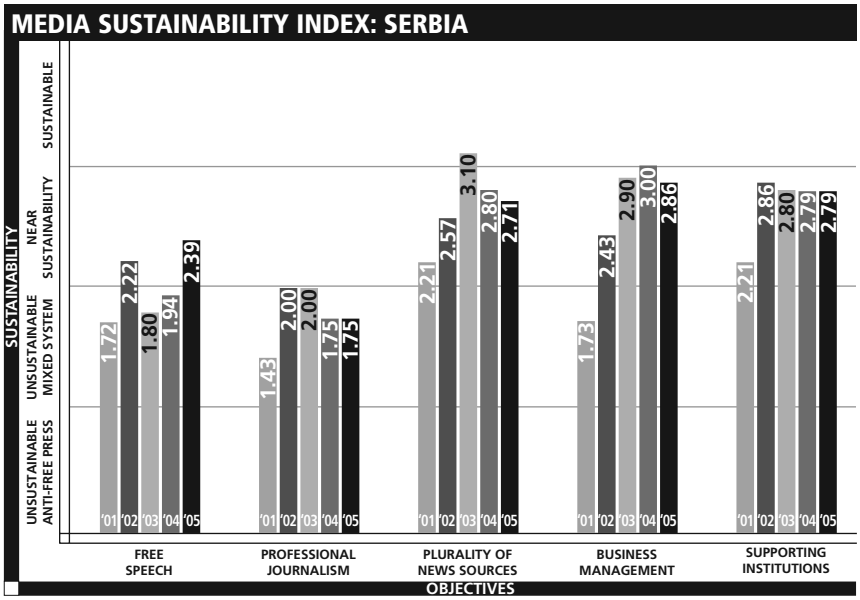
- **Television:** TV RTS 1, TV PINK, TV BK
- **Radio:** Radio Beograd 1, Radio S, Radio B-92

■ **Number of print outlets, radio stations, television stations:** Approximately 1,500

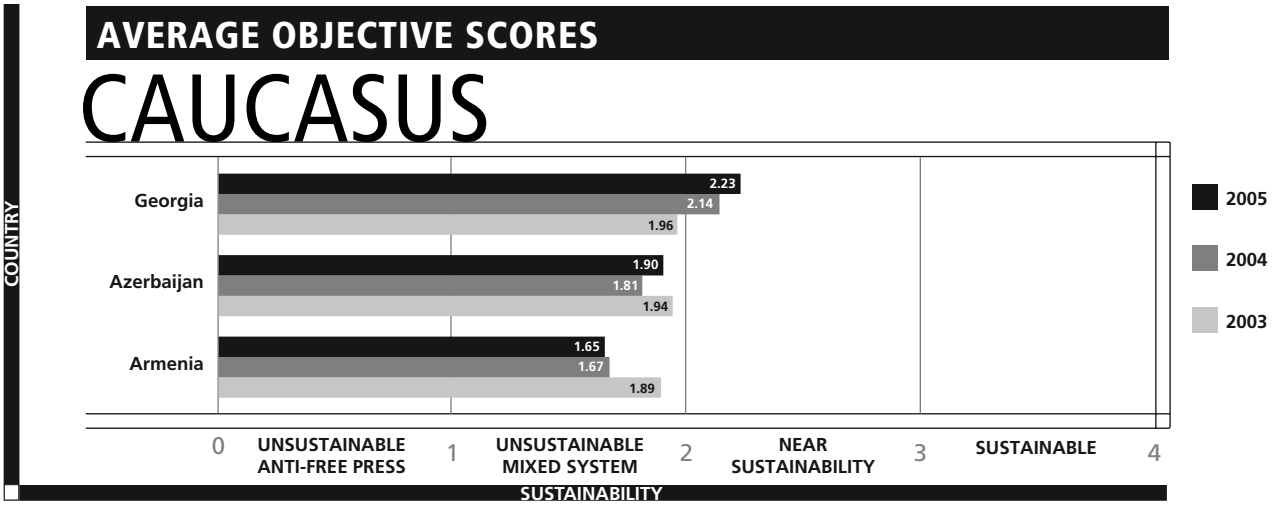
■ **Annual advertising revenue in media sector:** $95 million (estimated real value) *AGB Nielsen*

■ **Number of Internet users:** 22% of inhabitants older than 18 years

■ **News agencies:** BETA, FONET, TANJUG



CAUCASUS


AVERAGE OBJECTIVE SCORES
CAUCASUS
COUNTRY
Georgia
2.23
2.14
1.96
Azerbaijan
1.90
1.81
1.94
Armenia
1.65
1.67
1.89
2005
2004
2003
0
UNSUSTAINABLE ANTI-FREE PRESS
1
UNSUSTAINABLE MIXED SYSTEM
2
NEAR SUSTAINABILITY
3
SUSTAINABLE
4
SUSTAINABILITY

OVERALL, THE MEDIA SUSTAINABILITY INDEX (MSI) PANEL [IN ARMENIA] FOUND THE SECTOR ESSENTIALLY STAGNANT DURING 2005. THE ADVANCES IN MEDIA LAW AND A YEAR RELATIVELY FREE OF ATTACKS ON JOURNALISTS LED TO THE ONLY SIGNIFICANT IMPROVEMENT IN THE MSI RECORDED BY THE 2005 PANEL.

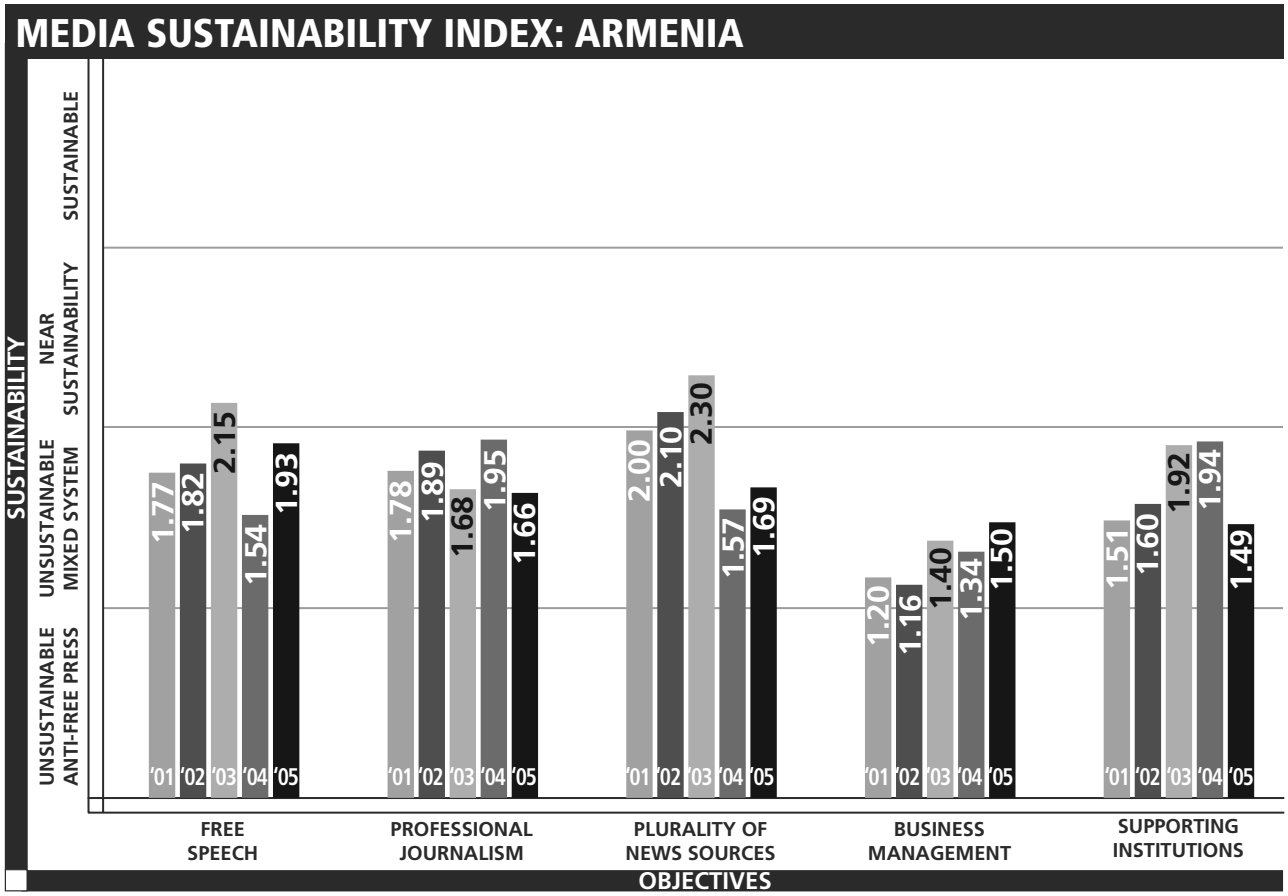
Introduction

Preparations for a referendum on constitutional amendments and provincial and local elections preoccupied Armenia during 2005, as did the ongoing Nagorno-Karabakh conflict and what Armenians marked as the 90th anniversary of the 1915 genocide by the Ottoman Empire. Amid the domestic and regional political concerns, the International Monetary Fund issued reasonably optimistic predictions for 8 percent growth in gross domestic product (GDP) during the year, fueled by higher copper prices.

In the media sector, a new copyright law was drafted and submitted to the government in September. The proposed revisions to the law adopted reflect international practice in protecting not only the work of writers and artists, but also computer software and database programs. A new law on access to information was put into effect and passed its first court trial when the mayor of Yerevan was required to turn over documents sought by an investigative journalist.

Overall, however, the Media Sustainability Index (MSI) panel found the sector essentially stagnant during 2005. The advances in media law and a year relatively free of attacks on journalists led to the only significant improvement in the MSI recorded by the 2005 panel, which increased the ranking for the free-speech objective from 1.54 to 1.93. The panel nonetheless noted that the situation could change during the heated run-up to the elections.

The panelists saw further decline in the professionalism of journalists resulting from self-censorship, ethical breaches, and the failure to produce fair, well-sourced, and balanced reporting. The ranking for that objective declined to 1.66, from 1.95 during 2004. The assessment of the plurality of news sources was almost unchanged, with panelists noting that even the relatively large number of media outlets did not guarantee that a variety of information would be available. Management of media businesses improved somewhat, but scores remained quite low. Supporting institutions for the media were seen as declining in strength, due mainly to the lack of trade associations and the poor quality of university journalism programs.



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

OBJECTIVE 1: FREE SPEECH

Armenia Objective Score: 1.93 / 4.00

Panelists agreed that the Constitution provides for free speech, and the guarantees generally are in line with international standards, except regarding libel, which remains a criminal offense. Panelists also agreed, just as they did in 2004, that in reality there are no mechanisms actually protecting freedom of speech. Furthermore, panelist Avetik Ishkhanyan, editor of *Ditord* magazine and chairman of the Armenian Helsinki Committee, explained that although freedom of speech is valued, violations no longer cause public outrage as they might have in previous years. "Even homicide doesn't cause public outrage nowadays," Avetik Ishkhanyan said.

Panelist Petros Khazaryan, director of Kentron TV, said the public equates criticism of the government with free speech and is satisfied with that. "In a broader sense, our society is resistant to freedom of expression," he said, noting the public outrage that often follows controversial opinions expressed during discussions of political and social issues on his television show.

The law on access to information was a significant advance when it came into effect in January 2004. Levon Barseghyan, founder of the Asparez Journalists' Club, said the law on radio and television concerning content that would be deemed "unacceptable" provides for a list of limitations that theoretically could circumscribe free speech and, given the flexible standards of the legal system, be used against media outlets should political pressures be applied.

The MSI panel agreed that media-outlet licensing is not fair, competitive, or apolitical. If the television stations operate within the legal limits and abide by the licensing regulations, registering the actual number of employees, declaring actual advertising revenues, and adhering to advertising regulations, "they will go bankrupt in a month and just shut down because they won't be able to compete," said Petros Khazaryan. "Therefore, they have to compromise with the licensing bodies."

Several panelists said the decision-making by licensing regulators is not transparent, and open voting has been replaced by closed sessions. The fate of applications now rests with "one person appointed by one person," said Levon Barseghyan, meaning the head of the National Committee on Television and Radio, who is appointed by the president. "In my experience, they always avoid giving you any sort of written and signed documentation to your inquiry," added Shushan Arevshatyan, director of Radio Van.

Market entry and the tax structure applied to media companies largely equates with other businesses, although in general taxation is not applied uniformly and fairly across all companies regardless of the sector, panelists said. "Today media outlets operate under the same conditions as, say, a sausage plant or a taxicab service," said Aram Mkrtchyan, director of Radio Hay. Other panelists noted, however, that the licensing requirement for television and radio outlets sets a distinctive limit on market entry for the broadcast industry.

"In a broader sense, our society is resistant to freedom of expression," said Petros Khazaryan, director of Kentron TV.

In terms of crimes against journalists, "this year has been uninteresting," said Sara Petrosyan, a reporter from the Association of Investigative Journalists. By contrast, incidents in 2004 included attacks on journalists during an opposition party meeting and an

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

environmental protest. Avetik Ishkhanyan wondered whether the difference was "because reporters have become more reserved after last year's incidents," and panelists suggested that the situation could change as regional elections and the constitutional referendum approached.

No laws favor public media over private outlets in terms of access to information, but panelists reported that in addition to government subsidy, state television gets favored treatment in the form of programming production ordered by the state.

"Today media outlets operate under the same conditions as, say, a sausage plant or a taxicab service," said Aram Mkrtchyan, director of Radio Hay.

Libel remains criminalized. That it is not prosecuted as such should not be a reason for complacency since "it is hanging over our heads like the sword of Damocles and can fall at any time," said Avetik Ishkhanyan. "If it [the criminal code on libel] hasn't been applied, it means we don't live in a constitutional, rule-of-law state and it will be applied when needed." Another panelist, Petros Khazaryan, said: "Libel is not punished for purely libel. If there's no political background in the libel, say whatever you like, you won't be sued, and that's not right either."

Theoretically, a law governing public information makes it accessible to all journalists. "In fact, we now have a very good law which can be a vital tool in hands of our reporters in demanding access to information," said Aram Mkrtchyan. The law urges state bodies, local self-government bodies, state budget–sponsored organizations, organizations of public importance, and their officials to make available information requested by the media, with the exceptions outlined in Article 8 covering state, official, bank, or trade secrets. The law was put into action in February 2005, when the Court of Cassation ruled in favor of Edik Baghdasaryan, president of the Association of Investigative Journalists of Armenia, in his suit against Mayor Yervand Zakharyan. The court obliged the mayor to make available information on all decisions regarding land allocations in the public park surrounding Yerevan's Opera House taken from 1997 to 2003 made by Zakharyan and his predecessors. One panelist noted that although the law provides for access when sought by journalists and others, there are no regulations in place that allot proactive responsibility on an official to publish information.

All panelists agreed that media outlets have unrestricted access to international news and news sources, although low-quality Internet services may limit the ability to access the material. Entrance to journalism schools is not controlled by the government, and there are no license requirements for journalists.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Armenia Objective Score: 1.66 / 4.00

MSI panelists were critical of the lack of professionalism among journalists and noted a further decline in this objective compared with 2004. In particular, they noted that reporting generally is not fair, objective, or well-sourced. Arevhat Grigoryan, a former reporter, said, "Reporting is not impartial from the point of gathering the information, and even if reporters seek out varied sources, they skim off the information they receive to match what they need" to support their biased approach.

In addition, the panelists said, self-censorship is rampant among journalists and editors. "There is some kind of a silent compromise between the media, the reporters, and those who have the authority to pressure them," said Petros Khazaryan. "The reporters avoid criticism as much as possible, and the others avoid suing unethical reporters in the same manner. Many

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

times you see an obvious lie, but the media outlet isn't pursued, which is not right. In the long run it is the society that suffers from this compromise."

Panelists agreed that newspapers in particular cannot be balanced even if they want to because their funding would stop. Objectivity, they agreed, is not what the outlets' backers are paying for. However, while many reporters as a result do not verify the information they present, Sara Petrosyan said some reporters are more professional and there is variation among media outlets. She noted that some journalists work under conditions where the time pressures are such that they cannot fully verify information. There are outlets that are even upfront about their lack of fact-checking: "We have a unique phenomenon," said Aghasi Abrahamyan, editor-in-chief of *Kumayri* newspaper. "Every now and then you read, 'According to unverified information' or 'We learned from untrustworthy sources,' and dirty text follows about someone."

Balance comes to some extent from the varied available media. "If you want to read different points of view, you have to buy different newspapers, since you seldom get to read different viewpoints in the same newspaper," Avetik Ishkhanyan said.

Panelists observed that almost all media outlets have verbal or formal codes of ethics, and the Yerevan Press Club and other journalistic associations have developed codes for their members. However, attempts to make those codes into widely accepted standards for the majority of outlets have not been very successful. All panelists agreed that media professionals tend to accept payments or gifts in exchange for inserting information into articles and programs.

Panelists also agreed that journalists and editors practice self-censorship. "But they aren't starting the self-censorship at the media outlet—they are getting used to it from their universities and colleges. When they come here [media outlets], they do not have those principles of objectivity and justice seeded in them to start with," said Petros Khazaryan.

Some panelists mentioned that coverage tends to focus on politics and the powerful, rather than individuals. Petros Khazaryan noted a US newspaper where coverage of a woman being saved from muggers made the front page, while reporting on the presidential election was relegated to the fourth page. "It is totally different here—we do not care much for the problems pertaining to the individual, and they take fourth or fifth place," he said. Another panelist suggested that there is less segmentation in the Armenian media market, making coverage more uniformly focused on government and politics. Panelists agreed, however, that there are events that if covered would have undesired consequences for editors and reporters. One example cited was the war in Chechnya, which is little covered because it is thought that reporting on it would mean spoiling Armenia's relationship with Russia.

Pay levels vary from outlet to outlet and between broadcast and print media. Panelists observed that for broadcast media in the capital, Yerevan, pay levels could be considered satisfactory, but the situation is very different for print media and for regional media. Panelists noted that although low pay is among the causes of corruption, it is not the main one. Some panelists argued that it is an individual matter and that there are journalists who do not engage in corruption irrespective of pay levels while there are well-paid journalists who still feel free to take bribes. One panelist noted that at some outlets certain advertisers consider their business to oblige only positive coverage and that this could qualify as an indirect form of bribery.

"There is some kind of a silent compromise between the media, the reporters, and those who have the authority to pressure them," said Petros Khazaryan.

Panelist Levon Barseghyan contended that entertainment programming increasingly eclipses news and information programming in terms of airtime. Other panelists disagreed, contending that the quantity of news programming hasn't been affected by the growth of entertainment shows. Petros Khazaryan noted that Hay TV, an entertainment channel, had started to air newscasts.

The technical facilities at many television stations have been upgraded significantly, but there remains a problem with finding personnel sufficiently trained to operate the equipment and make maximum use of its features, panelists said. Others noted that this modernization has not reached regional outlets. "Eighty percent of regional outlets handwrite the material," Levon Barseghyan said.

Niche reporting exists in rudimentary form but needs further development. "Today our media is not segmented," said Aram Mkrtchyan. "We don't know which channel is the news channel, which is the sports channel, which is the entertainment channel. All [channels] aspire to be public stations. And the same with newspapers—they are all social-political."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Armenia Objective Score: 1.69 / 4.00

A plurality of affordable public and private news sources exists. But plurality doesn't mean variety. Panelists differed in their views regarding citizen access to domestic or international media but were unanimous in saying that state media do not reflect the views of the entire political spectrum.

"It would be better if we had just three [television channels], but three that would provide varied coverage," said Petros Khazaryan. "Thirty cameras surround one interviewee, one asks questions, and then the exact same thing is printed or broadcast everywhere," concurred Mesrop Movsisyan, director and founder of A1+ TV.

The overall economic situation across the country means that news sources are not broadly affordable, Mesrop Movsisyan said. "People don't even buy newspapers, let alone the Internet. They don't even dream of it." Avetik Ishkhanyan suggested that people reject buying newspapers not because they cannot afford them but rather because they are not interested. "During tense political situations all papers are sold out," he said.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

The majority of private media outlets cover only local areas, but approximately 30 percent also provide national coverage in full or in part. H2, Shant TV, ALM, and Armenia TV are among them. Residents of larger cities have greater access to media sources, compared with those in smaller towns. Many villages do not get any newspapers at all. "In some small towns there's just one kiosk, which operates for half an hour at best," said Levon Barseghyan.

Restrictions on citizens' access to domestic or international media depend at least in part on the political situation, panelists said. "Let's remember: When a serious [political] situation arises, suddenly (Russia's) NTV, Euronews, etc. are switched off," Avetik Ishkhanyan said. "In a simple, ordinary situation there are no restrictions, but should it get worse, the accessibility potentially gets restricted." This tactic of switching off stations, ostensibly for technical reasons, began in 2003 prior to the presidential elections. In this initial case, NTV was brought off the air and then turned on again before being shut down altogether. After remaining unused for months, the frequency is currently broadcasting a Russian channel, Kultura.

There are no legal limits on distribution on international news sources. Foreign print editions are available but only in limited places and at prices too high for ordinary citizens. Citizens do have access to the Internet, and nowadays many can afford to view foreign media online. However, the technical quality of Internet service, including the connection speed, remains poor, especially outside of the capital. "It's been a month since I'm trying to send Levon a simple e-mail," said panelist Arevhat Grigoryan.

Panelists agreed that state media do not reflect the views of the political spectrum. "At best, they are made fun of," said Arevhat Grigoryan. An exception noted by panelists was the allocation of limited airtime (three minutes) for political announcements or advertisements, which is provided for by law, and the broadcasts of parliamentary sessions, during which all the members of the national Assembly, including the oppositionists, have the opportunity to present their views.

Panelists agreed that independent news agencies gather and distribute news for print and broadcast media. There are five major news agencies, and they provide their news to independent print and broadcast media in a nondiscriminatory fashion. Media outlets in the capital can afford the services, but as for the regions, opinions differed. Levon Barseghyan—from Gyumri, the second-largest city in Armenia—said the services, with a monthly fee of $50, are not affordable for regional outlets, especially newspapers. But another

regional panelist, Sergey Serobyan—from Fortuna TV in Stepanavan—disagreed, and Mesrop Movsisyan noted that there are free services, too.

Around 70 percent of media outlets produce their own news programs, but most of them do not differ significantly in content from the state media.

Panelists observed that media ownership is not transparent. "We all know who the owners are, but it isn't due to the transparency," said Arevhat Grigoryan. De jure and de facto owners differ. "Quite often reporters themselves don't know who are the real owners of the media outlet they are working for," said Levon Barseghyan.

There seems to be resistance to the inclusion of a variety of social issues in the private media, in part because providing this coverage is not a direct source of revenue for the outlets, according to panelists. Journalists are not harassed for covering national minority issues, but the tolerance for reporting on sexual and religious issues remains low. Minority-language media exist and are legal.

OBJECTIVE 4: BUSINESS MANAGEMENT

Armenia Objective Score: 1.50 / 4.00

Panelists agreed that the majority of media outlets do not operate as efficient, professional, and profit-generating businesses. There are more media outlets, especially broadcasters, than can be supported by the Armenian economy and the modestly developed advertising industry. As a result, many rely on sponsorship from vested interests that expect to influence coverage in return for their financial support.

Most panelists agreed that some of the television stations are kept alive "artificially," for motivations other than their commercial potential. There simply is not the advertising revenue to support nearly 20 stations in the capital alone, let alone to pay for production of quality programming. "Certain business elements do exist in media outlets, but the majority relies mostly on 'sponsors,'" panelist Petros Khazaryan said.

Shushan Arevshatyan objected to that evaluation, saying that her station did not have a sponsor. "I wish we had one," she said, and Aram Mkrtchyan agreed, saying that in the radio industry, there are no sponsors. Panelists concluded, however, that for the most part media outlets do not strive to become profit-generating businesses because, as Levon Barseghyan put it, "they are addicted to drugs," meaning the financial support from political or oligarchic backers.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

Distribution is still one of the major factors hindering development of the print media. The largest press distribution system, inherited from the Soviet era, does not function efficiently. While there are smaller alternative distributors, print outlets that seek to reach as many readers as possible cannot avoid the largest distributor, Haymamul, which, according to the panelists, is at times delinquent on payments to publishers and does not effectively distribute the newspapers.

"Certain business elements do exist in media outlets, but the majority relies mostly on 'sponsors,'" panelist Petros Khazaryan said.

Media receive revenue from political, oligarchic, and media investor sources. Beyond backers, revenue sources are advertising, sponsorship, production, creeping-line announcements, paid airtime, and grants. Not surprisingly, sources of revenue often influence the media content. Print outlets are particularly likely to be backed and influenced by political forces, having fewer other options for revenues, the panelists said.

Local agencies dominate advertising. Although fairly numerous, most of the agencies are not full-service and

overall the industry is poorly developed in the capital and worse outside of it. No credible information on the size of the advertising market is available.

Most private media managers are not skilled in using advertising to produce revenues. The advertising agencies themselves work more actively with broadcast outlets, compared with newspapers. The law allows for no more than 10 advertising minutes within any given hour, but deviations are frequent, particularly during the prime viewing time.

Advertising revenue can account for up to 90 percent of broadcast outlet revenues. At print outlets, however, the major source of revenue remains circulation and subscriptions.

Independent media outlets, mostly newspapers in regions, do receive some government financial subsidies, but they are negligible and do not influence management policies, panelists said.

The panelists agreed that there is essentially no reliable market research, and therefore it cannot be used in any way. The same view was taken of ratings: None are produced to international standards, so they are not reliable in terms of methodology and are subject to corruption. As for the circulation figures, newspapers tend to exaggerate them for advertising purposes, and there is no objective audit.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Armenia Objective Score: 1.49 / 4.00

There was no discussion on industry associations, as there are none that represent the interests of private media owners. Professional associations to protect the rights of journalists do exist, but panelists said their efficiency leaves much to be desired. Quality university journalism degree programs remain a major deficit, denying media outlets a source of trained staff. These shortcomings led the panel to record a significant drop in this objective from 1.94 in 2004 to 1.49 in 2005. Panelists did note, however, that nongovernmental organizations (NGOs) engage in drafting legislation and amendments and endeavor where possible to support media freedoms.

There are approximately a dozen journalists' associations, but they are not sufficiently well managed or strongly supported by members. They also face formidable challenges in the media industry. "There are professional associations, but they are not able to protect," Mesrop Movsisyan said. Among the most active are the Association of Investigative Journalists, the Asparez Journalists' Club, and the Yerevan Press Club.

International NGOs and donor organizations work to support free speech and independent media to the degree that they can, given the deep problems in the media sector. The organizations provide legal assistance to outlets, including helping them present their cases in courts. They also actively engage in drafting potential legislation and amendments related to media. The NGOs try to serve as watchdogs and react to violations of media freedoms by organizing demonstrations and rallies.

The situation is quite bad at university journalism programs, panelists said. There are more than enough state and private universities and colleges offering journalism degrees, but the quality is very poor. The majority of students who apply to study in the discipline are not among the highest caliber, and this ultimately yields unsatisfactory results and leaves media outlets unhappy with the quality of graduates.

The provision of substantial practical experience is also poorly organized and overseen, leaving students little opportunity to prepare for entering the profession. "During their practical studies, they just come and hang around and don't gain anything from the program," said Petros Khazaryan. There are programs that enable students to get journalistic degrees abroad, but the

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

opportunities so far are not sufficient for making a change, even if participants do return eventually and bring in new expertise.

The Open Society Institute's Mass Media Program supported development of the academic program for the first-year students at the International Journalism Department at the State Linguistic University. Undergraduate and graduate journalism curricula also have been adopted at the Yerevan State University. Panelists mentioned in particular a course on "Human Rights for Journalists."

There exist short-term training opportunities for practicing media professionals, set up primarily by international rather than local organizations. Progressive media outlets support staff participation in professional development opportunities, and the courses offered by international organizations generally are free. IREX, through the Core Media Support Program for Armenia supported by the US Agency for International Development (USAID), organizes trainings and onsite consultations for media outlets in areas ranging from journalism to advertising and sales. The program assists commercially viable outlets through provision of loans for development. The Caucasus Media Institute provides vocational training and resources for journalists in a postgraduate setting. Internews offers professional development in specialties including camera operation, management, production, computer graphics, marketing, and sales.

Panelists agreed that overall, sources of newsprint and printing facilities are in private hands, apolitical, and not restricted. "At least people print whatever they want, and you can't say that there are serious restrictions," said Avetik Ishkhanyan. Printing houses are managed as profit-making businesses.

Panelists agreed that the channels of media distribution are not apolitical, however. Access to the Internet is not explicitly controlled by government or conglomerates, but the mere fact that the telecommunications monopoly Armentel possesses the only legal uplink facility with restricted capacity creates a serious restriction.

Panel Participants

Husik Arestakesyan, News Editor and Journalist, Shant TV, Yerevan

Petros Khazaryan, President, Kentron TV, Yerevan

Aghasi Abrahamyan, Editor-in-Chief, *Kumayri* newspaper, Gyumri

Sergey Serobyan, Deputy Director, Fortuna TV, Stepanavan

Shushan Arevshatyan, Director, Radio Van, Yerevan

Aram Mkrtchyan, Director, Radio Hay, Yerevan

Arevhat Grigoryan, Media Program Officer, Caucasus Media Institute, Yerevan

Mesrop Movsisyan, Founder and Director, À1+ TV company, Yerevan

Avetik Ishkhanyan, Editor-in-Chief, *Ditord* Magazine; Chairman, Armenian Helsinki Committee, Yerevan

Sara Petrosyan, Reporter, Association of Investigative Journalists, Yerevan

Levon Barseghyan, Founder and Chairman, Asparez Journalists' Club; Editor-in-Chief, *Gyumri-Asparez* monthly, Gyumri

Moderator

Artashes Parsadanyan, Deputy Chief of Party, IREX Core Media Support Program for Armenia

ARMENIA AT A GLANCE

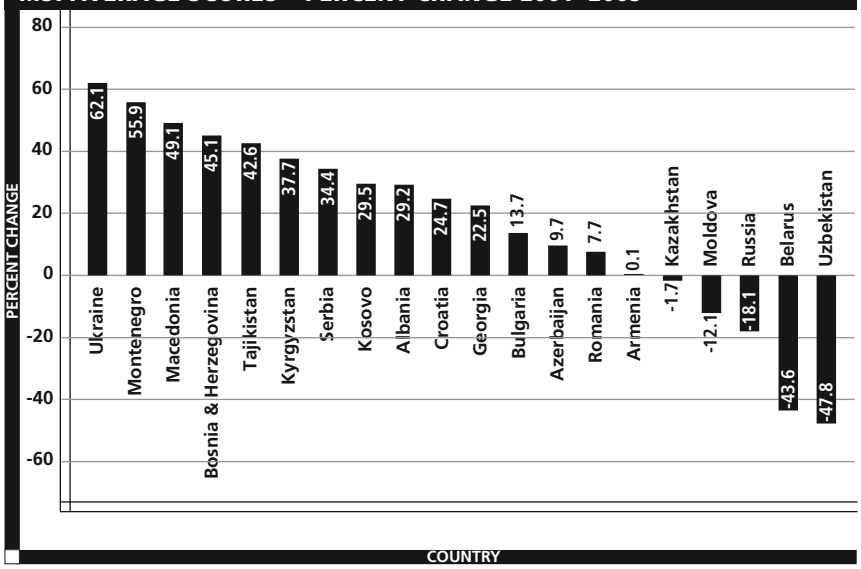
GENERAL

- **Population:** 3.2 million
- **Capital city:** Yerevan
- **Ethnic groups (% of population):** Armenian 97%, Yezidi 1.3%, Russian 0.5%, Assyrian 0.11%, Kurd 0.05%, Greek 0.04%, other 0.3% (Ukrainian, Jewish, Oud, etc.)
- **Religions (% of population):** Armenian Apostolic 94%. Others: Armenian Catholic, Armenian Protestant, Russian Orthodox, Jewish, Greek Orthodox, Assyrian Nestorian
- **Languages (% of population):** Eastern Armenian 96% (official), Russian 2%; Others: Western Armenian, English, French, German, Kurdish, Greek, Hebrew-Yiddish
- **GDP:** $2.8 billion
- **Literacy rate (% of population):** 98.3% (15 years and older)
- **President or top authority:** President Robert Kocharyan
- **Next scheduled elections:** Presidential 2007, parliamentary 2007

MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** The maximum circulation cited is 9,000 copies; the average real circulation for most popular newspapers is 3,000 to 4,000 copies.

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005

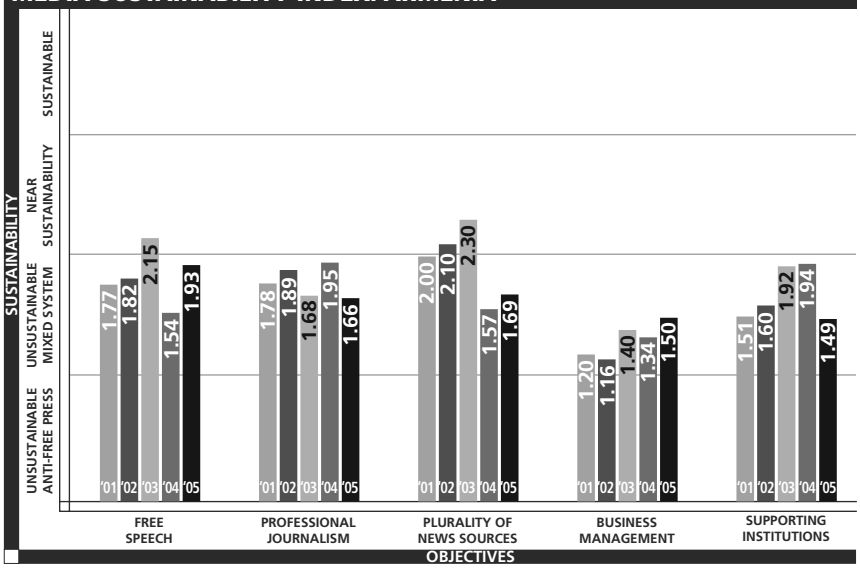


- **Broadcast ratings (top three ranked stations):** NA
- **Number of print outlets, radio stations, television stations:** 30 print outlets; 11 radio stations; 18 local television stations in Yerevan (airing their own production in full or in part; three relay Russian channels—Channel 1, RTR, Kultura—and one relays CNN); 31 television stations in the regions
- **Annual advertising revenue in media sector:** NA
- **Number of Internet users:** 50,000
- **News agencies:** Armenpress, Noyan Tapan, Arka, Arminfo, Mediamax, Photolur, New Image, Spyur

SOURCES

- World Development Indicators (WDI), August 2004
- European Commission against Racism and Intolerance (ECRI) Report on Armenia
- UNDP Human Development Report
- United Nations Educational, Scientific, and Cultural Organization (UNESCO) Institute for Statistics
- International Monetary Fund

MEDIA SUSTAINABILITY INDEX: ARMENIA



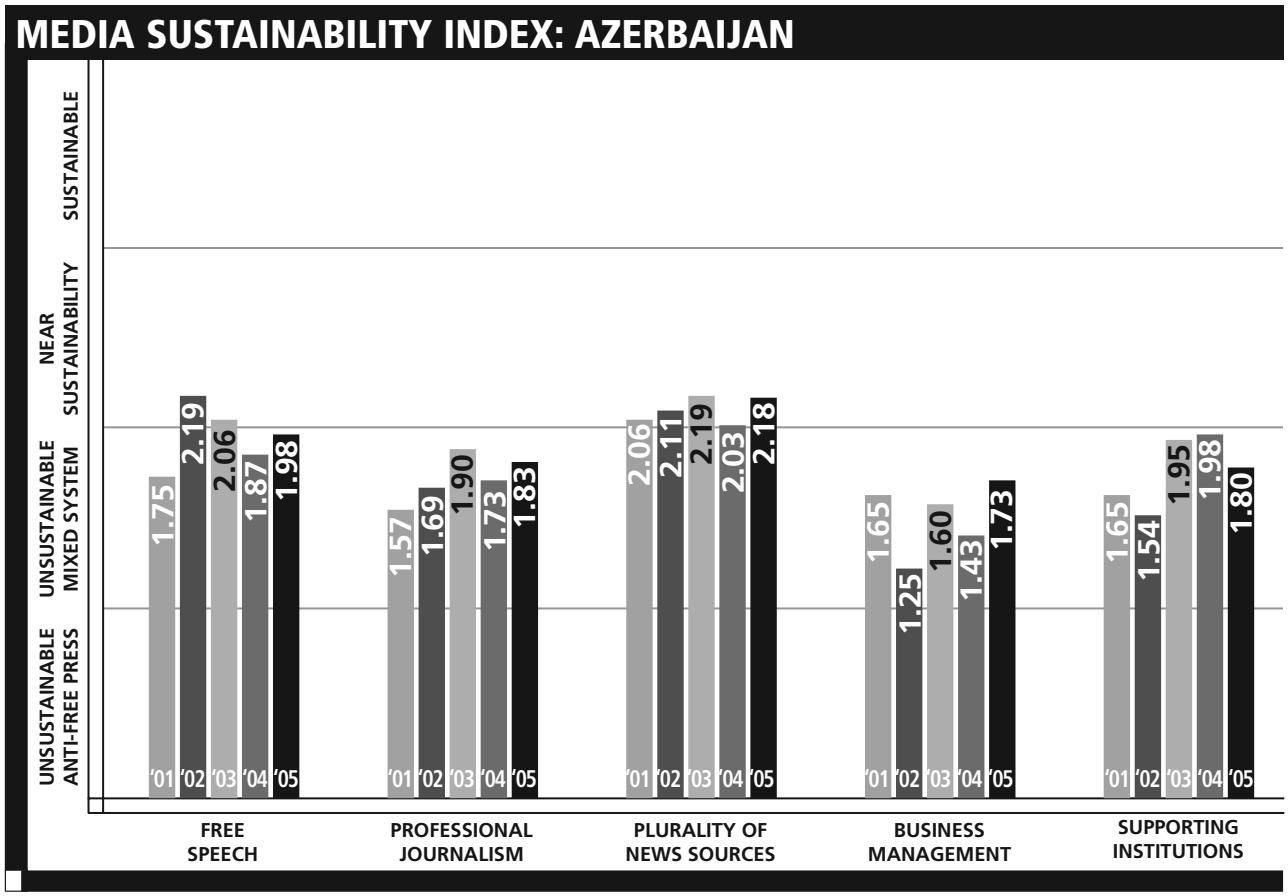
THE PARLIAMENTARY ELECTORAL CAMPAIGN BROUGHT MEDIA RIGHTS AND RESPONSIBILITIES UNDER SCRUTINY. PRESIDENT ILHAM ALIYEV, ELECTED TO FOLLOW HIS FATHER IN 2003, ATTEMPTED TO BRING A SEMBLANCE OF DEMOCRACY TO HIS COUNTRY WITH A MAY 2005 DECREE THAT ALL CANDIDATES WOULD HAVE EQUAL ACCESS TO THE AIRWAVES.

Introduction

The year 2005 was a most unusual one in Azerbaijan. Parliamentary elections held in November 2005 were the first in which the electorate voted for candidates as individuals instead of for a party. The results appeared to give the ruling New Azerbaijan Party a sizeable victory, but international monitors alleged significant anomalies in the process. Also during the year, new laws were introduced that seemingly relaxed the iron-fisted hold of the former leader, Heydar Aliyev, and new technology emerged in the field of broadcast media. The March assassination of Elmar Huseynov, editor of *Monitor Magazine* and one of Azerbaijan's most outspoken and best-known journalists, shocked the country and the international community and drew further attention to free-press issues in the country.

Azerbaijan's natural resources continue to be exploited, a process that picked up speed with the completion of the Baku-Tblisi-Ceyhan pipeline carrying oil from the Caspian Sea to the Mediterranean. While the country's wealthy power brokers profited from the energy sector, many people in the provinces of Azerbaijan remain in need of basic necessities such as gas and electricity and the rich-poor gap showed no signs of narrowing.

The parliamentary electoral campaign brought media rights and responsibilities under scrutiny. President Ilham Aliyev, elected to follow his father in 2003, attempted to bring a semblance of democracy to his country with a May 2005 decree that all candidates would have equal access to the airwaves. The decree was not received well by the powerful elites. The local authorities—Executive Committees that are appointed by the central government and wield the greatest control in Azerbaijan—openly opposed the order by placing restrictions on independent broadcasters. They closed stations (ANS Radio in Sheki, for example); cut off media outlets' electrical supplies (at SMTV in Tovuz); demanded that only certain candidates of their choosing be allowed to participate in programming (Khaxhmaz TV in Khaxhmaz); and shut facilities where open forums might be held (LTV in Lenkeran).



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

But the situation in the media sector was not entirely dismal. Privately owned ANS-TV became a voice of opposition in contrast to the pro-government broadcasters in the capital, Baku. The new public television broadcaster, Ictimai Televiziya (ITV), promised that it would adhere to the edicts of the Council of Europe, the president, and the Central Election Committee regarding fairness and balance, and had largely fulfilled its promise as the election approached. The director of the subway system in Baku rescinded his order that opposition newspapers could not be sold in the kiosks that fill the stations.

The Media Sustainability Index (MSI) panelists registered the modest improvements in the country's media sector. Overall, Azerbaijan's ranking was relatively static, moving only to 1.87 in 2005 from 1.81 in 2004. However, four out of five objectives showed improvement, with the only exception being the institutions supporting the media sector. In that sphere, several key organizations closed or became dormant during 2005.

The electronic media still remain largely under the control of the ruling party, and the election campaign proved to be an example of how effective this control is. Despite the order that all candidates would have equal access to the airwaves, several broadcasters, both in Baku and in the regions, decided that they would determine their own programming. For example, AzTV, the state broadcaster, offered four minutes of airtime per day to each political party, including YAP (the ruling party), YES (a moderate opponent), and Azadliq (a coalition of the Musavat Party, the Popular Front, the Azerbaijan Democrat Party, and the Liberal Party, all extremely opposed to the current administration). But only the Azadliq organization was told to provide its information on tape before it was aired, while the others could broadcast live.

ANS-TV became regarded as more centrist, apparently aligned with the relatively progressive minister of economic development, Farhad Aliyev, who was imprisoned prior to the elections after being accused of financing several opposition candidates. Also, when support organizations planned to assist regional broadcasters with providing equal access to local candidates, an interpretation of the electoral code led the government to decide that no outside support could be provided by foreigners.

The Media Sustainability Index panel participants in Azerbaijan requested not to be quoted by name due to concerns about their security.

OBJECTIVE 1: FREE SPEECH

Azerbaijan Objective Score: 1.98 / 4.00

A myriad of Azerbaijani laws include references to freedom of speech. In years past, however, these laws have been manipulated by the government and the court system to quiet any opposing voices. For example, the opposition newspaper *Yeni Musavat* was once fined $160,000 for, according to its editor, quoting the Azeri ambassador to Turkey who said that former President Heydar Aliyev had indeed died while in a Turkish hospital. The total fine included penalties for other "misquotes" and "insults," but the majority of the fine was levied because it is against the law to criticize the president. If a minister or other high official files a complaint against a media outlet, it is very likely the courts will rule against the outlet regardless of the case's logic.

The differences between the laws on paper and in practice concerned the MSI panel, especially as related to judicial practices. "I believe the constitution of

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Azerbaijan contains provisions on free speech, and I can state the same about other supplementary laws in the matter of granting the freedom of speech," said one panelist. "However, there is only a weak—or maybe even no—mechanism for implementing these laws. This is due to the lack of a strong court system, which automatically gives rise to other problems."

A licensing procedure for the electronic media was established during 2005. The chairman of the National Radio and Television Council (NCRT), Nushivaran Maharramov, and his staff presented the licensing mechanism to the Council of Ministers, but said that the NCRT would go through with the plan even if the council did not approve it. By law, it is the responsibility of the Council of Ministers to set the guidelines for all fee and licensing procedures. However, the Council of Ministers had not acted for three years, following the odd omission of broadcasters from the government's revised list of businesses needing licenses. As a result, no official licensing procedure had been in place, and Maharramov took the opportunity to fill this void.

"I believe the constitution of Azerbaijan contains provisions on free speech, and I can state the same about other supplementary laws in the matter of granting the freedom of speech," said one panelist.

The shocking March 2 assassination of Elmar Huseynov, shot in the chest as he entered the building where he lived, remained unresolved more than a half year later. The 37-year-old editor and his weekly magazine were widely known for their independence from both the government and the opposition. Huseynov had been fined, had his publications closed by the government, and received numerous threats and warnings over the years. The Azeri police received investigative assistance from both the United States and Turkey but came under criticism for not resolving the case.

There are reported instances of journalists being harassed, beaten, interrogated, and forced to recant articles that reflected poorly on the government. MSI panelists said that the courts have viewed such assaults on journalists as stemming from opposition politics and not as violations of free-expression laws. In one case, 14 journalists were beaten by police in October while covering a banned demonstration by the Azadlig opposition group in Baku, according to Reporters Sans Frontières (RSF) monitoring. Two were seriously hurt, including one who was wearing the blue jacket distributed by a national media group to identify journalists amid protesters, RSF said. In another 2005 case, the chief editor of the *Azadliq* newspaper and his deputy were caught in a compromising situation with underage girls in a restaurant in Baku. In what dubious observers described as a surprising coincidence, the police were on hand and able to videotape the episode after both men had been invited to the restaurant by an unknown host. *Azadliq* is one of the leading opposition newspapers, and the "dinner" was seen by some as a means to discredit the publication and its staff.

The pro-government media have a clear business advantage over other outlets, but it is not a legally established one, the MSI panelists said. Officials in the ruling party control many companies and enterprises, and they tend to direct their advertising dollars to the media that support the party and the government. Also, as one panelist said, "The law reflects perfect conditions for the mass media, and the printed media is free from VAT [value-added tax] taxation. However, the government can close a newspaper, stop its printing or sale of copies without being questioned why."

It is virtually impossible for a nonsupporter of the government to obtain permission to broadcast television in Baku. The procedure involves applying to the Ministry of Justice for certification as an entity entitled to receive a license. Should that status be granted, the applicant can seek the actual broadcast license. The Ministry of Justice is considered the primary obstacle, however. The media-support organization Internews, for example, has been denied approval on several occasions with no explanation from the ministry.

Some hope stems from the newly formed Ictimai Televiziya (ITV), a public broadcaster that went on the air in August in part as a result of Azerbaijan's efforts to meet Council of Europe standards. The general director of the station, Ismail Omarov, pledged that he would present news and information in a fair and balanced manner and held to his word for the first months of operation. Omarov provided airtime for opposition candidates, and he has proven open to consultations and training to improve the capacity of his broadcasting staff. At the same time, he has made efforts to meet guidelines of Council of Europe and international organizations that make public television a key benchmark of Azerbaijan's implementation of democratic reforms.

Libel remains a criminal offense, but prosecutions involving allegations of both slander and libel appeared to decrease in number in 2005. This most likely occurred not because journalists have stopped reporting on politicians, but because the courts have become

hardened to the constant barrage of complaints from the parliament, MSI panelists concluded. Earlier in 2005, *Hesabat,* a weekly magazine considered to be under the editorial control of the former minister of economic development who became the subject of criminal investigation by the government, printed an article listing the wealthiest men in Azerbaijan. Heading the list was the parliament member Jalal Aliyev, who is the brother of the former president and uncle to the current leader. Hesabat did not link any monetary figure to Jalal Aliyev's wealth but did imply that it was accumulated through his family and the influence it wielded. The MP went on a rampage in the parliament and demanded that the editor of the magazine be shot, along with the owners of the parent organization, the Azerbaijan News Service, which also operates ANS-TV.

Late in 2005, the parliament approved a new law on freedom of information. Media lawyer Alesgar Mammadli, who works for the media-development organization IREX, was active in drafting the law and ensuring it furthered the interests of journalists in gathering information. President Aliyev has demanded that government institutions develop mechanisms for ensuring transparency and decreed that each ministry must provide information when it is requested. But the willingness of the government officials to implement these orders and the effectiveness of the new law in dealing with their refusal are both yet to be tested.

There are, however, many opportunities to gather information from sources such as the international news distributors, satellite television, VOA, and the BBC, all of which have unrestricted presence in the country. There also are no restrictions on entering the journalism profession.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Azerbaijan Objective Score: 1.83 / 4.00

Professionalism in journalism remained elusive in Azerbaijan during 2005, although there were isolated cases of improvement, the MSI panel concluded. Aside from a select few newspapers, almost all of the 1,734 publications officially listed as being available in the country reflect one side of the political spectrum or the other. It is estimated that the government ministries themselves print 320 different mastheads, all of them glorifying their particular sector and the ruling party in general. These publications are a "must purchase" for those who are employed by the government, thereby artificially inflating their circulations, if not their actual readers.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

The opposition is responsible for about 35 newspapers. Two of them, *Azadliq* and *Yeni Musavat,* are the first and second most popular, respectively, among all the country's newspapers, but they cannot be regarded as objective. The more balanced publications include *Gun, Zerkalo, Ayna,* and *Echo.* Other publications, such as *525*, attempt to appear balanced but tend to backslide toward support of the government. The lack of balance can be attributed primarily the influence of the editors, according to one of the panelists.

The electronic media also have an agenda implemented by the managers that for the most part does not reflect broadcast professionalism, the MSI panel said. In the prelude to parliamentary elections, the Baku stations largely reinforced the government's right to continue its mandate by denying access to opposition candidates and spreading rumors about them. Meanwhile, the broadcasters' coverage cast the ruling party as the savior of the Azerbaijani citizens. The government fully controls AzTV1, the state broadcaster and the only station that reaches the entire country. President Ilham Aliyev is the "star of the show," no matter what the program might be. On the other hand, ITV, the new public broadcaster also currently financed by the Azeri government, is more moderate in both its newscasts and programming. The station does present the opposition perspective, and the president appears more in proportion with the news value of his activities, panelists noted.

The regional broadcasters operate in different conditions. They work under the watchful eye of the local Executive Committee, which maintains strict adherence to the ruling party. The Executive Committees have been known to order cuts in power to stations broadcasting political debates, to close down venues where debates have been scheduled, and to "suggest" to station owners not to air certain programming such as debates. In one case, an Executive Committee sought to decide who the debaters would be.

"When journalists come to work for (us), they know where they are coming," meaning that they know their coverage will be shaped to fit the views of the publisher.

The MSI panelists were critical of the standard of journalism ethics among the media in Azerbaijan and noted that no ethics codes had been generally accepted by the country's journalistic community. One panelist said: "When journalists come to work for (us), they know where they are coming," meaning that they know their coverage will be shaped to fit the views of the publisher. Some owners have demanded that specific words not be used, while others put entire subjects on their banned list. Many journalists accept following the editorial line of the owners as the cost of keeping their jobs, the panel said. There are other forms of journalistic corruption, including selling coverage or turning "negative" articles into "positive" ones for a price, the panelists said. Pay scales are higher at television stations in Baku relative to regional outlets and newspapers in general.

Coverage is focused largely on political leaders, especially the president. The official papers tend not to cover opposition events—except, perhaps, to note that there was an unruly crowd, the MSI panelists said. They felt, however, that the broadcasters deserved a better-than-average rating for their efforts in specialized reporting.

The technical capabilities of the broadcasters have progressed well beyond their ability to provide a professional news program in terms of content, panelists noted. As the cost of new equipment decreases, the station owners have upgraded their technology from VHS to mini-DV, improving the quality of the picture even though the coverage remains pretty much the same. The broadcasters in Baku have invested in advertising revenues in the equipment, although not necessarily ensuring the purchases correlate with what is necessary to expand the capacity of the stations. Regional stations have been assisted in purchasing the equipment they use in part by international donors.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Azerbaijan Objective Score: 2.18 / 4.00

Access to news sources is based on geography, according to the MSI panelists. The citizens of the major cities, including Baku and Ganja, have the opportunity to view multiple stations through their local broadcaster and by means of either satellite or regular television transmission networked by the Baku-based broadcasters. Satellite penetration is estimated by ABG/Nielsen to be about 10 percent of the households. Cable television systems remain restricted to Baku and the Absheron Peninsula. Radio reception mirrors that for television, and the state broadcaster in Baku is received nationwide.

National distribution of newspapers printed in Baku is haphazard, at best, the panelists reported. The primary printing facility is located in the capital city, but the distribution network is controlled completely by the government and is both inefficient and selective in terms of the newspapers it distributes. As part of a

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

broader media-development program, IREX is working with an independent newspaper distributor, Gaya News Distribution Company, to help that organization establish an alternative regional distribution system for all publications.

To increase citizen access to broadcast news sources, a project has been launched to network seven regional broadcasters who have signed agreements to participate. The member stations are to broadcast simultaneously the same signal produced by studios located in Baku under the networking project, organized through IREX. The network plans to provide a daily half-hour newscast, including "packages" produced in the regions, news gathered in Baku, and international news that affects the people of Azerbaijan. However, the government must agree to register the network as a commercial entity, which panelists said would only occur if it decides the initiative does not represent a threat to the pro-government stations in Baku.

No law restricts access to news in Azerbaijan. International news is, for the most part, presented unedited when it is pirated from the satellite channels of BBC, CNN, and EuroNews. Considering the strong imprint of the government and media outlet owners on the domestic news produced by Azerbaijani outlets, the panelists said, citizens may have a more insightful understanding of what is going on in the world than they do of what is happening in their own neighborhoods.

Azerbaijan has the unusual situation of having both a state broadcasting television station, AzTV1, and a public broadcaster, Ictimai Televiziya (ITV). Both are funded primarily by the state, at least until 2010. But while AzTV1 makes no secret of its allegiance to the ruling party, ITV does provide a modicum of impartiality. Since its August debut, ITV has provided the opposing parliamentary parties with a forum for their views. ITV came in for criticism when Ismayil Omarov, who had been a political analyst for AzTV1, was chosen as its general director by the parliament. Omarov has proven his mettle by having open discussions on the station and its performance, including inviting his critics on air with him to offer their assessments and then soliciting help in responding to their concerns, panelists said. The station also has a steering committee.

There are 15 news agencies in Azerbaijan. The oldest is AzerTag, a holdover from the Soviet days that has come under the control of the Azeri government. It is the voice of the ruling party and the main source of information for the governmental newspapers and AzTV1. Turan, established in 1990 as the first independent news agency, is regarded as the main source of unbiased news but is closely rivaled by the Trend Agency. The other agencies are much smaller, have fewer resources, and generally duplicate the three primary services.

Each of the television channels produces news broadcasts, which range from 10 to 30 minutes in length. Quality varies, the panelists said, and it appears that in some cases the managers of Baku-based television stations care more about their sets than they do about content or presentation. ANS-TV, probably the most watched television news program, attempts to match style with content. At times, the panel said, the ANS-TV perspective swings from balanced reporting to government support, especially in the run-up to the election. Lider, another Baku television station, clearly supports the government, often including rumor about the opposition in its newscasts.

Considering the strong imprint of the government and media outlet owners on the domestic news produced by Azerbaijani outlets, the panelists said, citizens may have a more insightful understanding of what is going on in the world than they do of what is happening in their own neighborhoods.

Lider television is an example of a media outlet with ownership that the panel could not fully name. Transparency in ownership is limited, with registration papers not necessarily reflecting the controlling interests. The broadcasters in Baku operate with the approval of the ruling party, meaning that the owners must be suitably in favor. In 2005, one of the stations in Guba changed hands when the local authority suggested that the owner pass control to a local businessman who was originally from the Autonomous Republic of Nakxhivan, the home of the ruling elite. That suggestion could not be ignored or rejected. Immediately after that "transfer," the focus of that station's news changed.

There are two primary languages in Azerbaijan, Azeri and Russian. Newspapers are available in both languages. The electronic media is required to have 70 percent of its content in Azeri. There are other minorities within the country, Talish, Lesghi, Avar, Kurds, and Mesheti Turks among them, and their

needs are addressed on a region-by-region basis. ITV, in its role as the public broadcaster, is proposing programming for the various minorities but has not yet produced any.

OBJECTIVE 4: BUSINESS MANAGEMENT

Azerbaijan Objective Score: 1.73 / 4.00

The panelists did not feel that most media outlets operate efficiently or professionally or were profitable. The newspaper industry is falling on hard times: There are too many publications, distribution is inefficient, and the quality of journalism is generally poor. Aside from the papers produced by the government, which are mandatory purchases for government institutions and employees, other papers are purchased mainly because they reinforce the buyers' beliefs. Azeri readers are not accustomed to buying more than one paper to gain a broader range of views and instead purchase either the government or opposition papers. Meanwhile, the publications that present a more balanced view, such as *Zerkalo/Ayna, Echo,* and *Gun,* suffer from a declining distribution.

While the broadcasters in Baku are profitable, aside from ANS-TV, they are not efficient or particularly professionally managed. The state broadcaster, AzTV1, stands above all others when it comes to inefficiency resulting from a bloated workforce. It is estimated that more than 3,000 people receive compensation at the station. The broadcaster owns no fewer than 10 trucks for mobile transmission, each on 15-minute call to follow the president in his travels in order to transmit his speeches.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

Baku is the focal point for the country's advertising industry. Television advertising revenues in the capital city approaches $16 million annually, with less than 1 percent of that amount earned by the regional stations. Print advertising is estimated at less than $4 million per year, and radio at less than $2 million annually.

With the value of television advertising increasing, the ad agencies have been able to demand that verified television ratings be provided and have been instrumental in bringing AGB/Nielsen and its people-meter services to Azerbaijan. The claims of the broadcasters that they are "No. 1" based on their telephone interviews are now no longer relevant to the major international advertisers, who account for more than 90 percent of the advertising revenue. AGB/Nielsen entered the market in late 2004 and has since metered the cities of Baku, Sumgayit, and Ganja. The company plans to cover the major cities and reach farther into the regions. All of the Baku television stations subscribe to the research, with the exception of Space TV, which continues to reject the ratings that show its falls far short of its competitors, trailed only by AzTV1.

The media do rely upon the largesse of the government to survive. Many of the television stations in the regions are housed in buildings supplied by the local authorities. The majority of "independent" broadcasters are owned either by members of the family of the president or his parties' supporters. Businessmen often find it beneficial to advertise with those outlets that are agreeable to the present administration. One member of the MSI panel, a representative of the opposition press, commented that if it were not for the occasional "endowment," as he called it, received from the government, it is doubtful if the outlet would survive. As president, Heydar Aliyev would forgive the debts newspapers accumulated at the government-controlled printer and would often do the same with fines levied against the opposition press. His son has not been as forgiving, and the debts continue to mount. The opposition *Yeni Musavat* owes close to $70,000, managers there have said. The private Chap Evi printing house, the owner of which backs an out-of-power party, subsidizes the opposition media, but the state printing house demands payment up front.

International development organizations supply a fairly substantial portion of the support required to keep media outlets operating by commissioning television programs, inserting ads in the newspapers, or making donations.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Azerbaijan Objective Score: 1.80 / 4.00

Media unions and associations are not yet unified or effective in Azerbaijan, the MSI panelists reported. The murder of Elmar Huysenov plunged the journalism community into mourning, but this consensus soon broke down into polarized conflict between the government and the opposition media when the government's representative at the funeral was pelted with debris.

There are trade organizations in place, but their management is poor and unmotivated, according to the MSI assessment. Yeni Nesil, a journalists' association, is led by the prominent journalist Arif Aliyev, but since early 2005 he has been more involved in developing his newspaper, *Gun Sahar.* The Media Rights Institute has reduced its media law activities for personnel reasons. And the Press Council continues to be an enigma in the sector. It was chartered to champion the rights of the media. However, it was founded by a member of the government who has since vowed to remove the membership that supports the opposition. The council's ruling body is made up of representatives from each publication, with the governmental newspapers outnumbering the independent editions.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- Trade associations represent the interests of private media owners and provide member services.
- Professional associations work to protect journalists' rights.
- NGOs support free speech and independent media.
- Quality journalism degree programs that provide substantial practical experience exist.
- Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Nongovernmental organization (NGO) support to the media is limited and unable to address all the challenges facing the sector with the available funds. Another factor is that those in the media are so cowed by the power of the administration and their representatives in the regions that they will not oppose it too assertively.

Training for journalists is garnered mainly through the state university system. Most of the journalists employed in the sector are graduates of what the MSI panelists characterized as a bloated and poorly funded Soviet-era relic. Instructors are largely theorists, as few have actually practiced journalism. Two international organizations, Internews and IREX, offer mid-career training for journalists on specific subjects, and such workshops always are well attended.

***There are trade organizations in place, but their management is poor and unmotivated, according to the MSI assessment. Yeni Nesil, a journalists' association, is led by the prominent journalist Arif Aliyev, but since early 2005 he has been more involved in developing his newspaper,* Gun Sahar.**

The Minister of Customs keeps a very tight reign on newsprint, and circumventing it to buy directly from a mill would be very difficult. In past years, as political campaigns approached, the newsprint disappeared, especially for those papers that supported the opposition. In 2005, perhaps under the direct orders of the president, the supply met demand. The state owns the main printing press. There are smaller printing houses, but they do not have the necessary capacity or up-to-date capacity to provide a serious alternative. The two main distributors of print materials, Qasid and Azermetbuatyayimi, remain under government control. The most prominent of the relatively smaller private distributors, Gaya News Distributing Company, is being developed through a support program.

Panel Participants

Arif Aliyev, Publisher, *Gun/Sahar* daily; Director, Yeni Nesil Journalist Organization, Baku

Aslan Khalilov, Deputy Chairman, National Council for Radio & Television, Baku

Ilham Safarov, Director, Internews/Azerbaijan, Baku

Ceyhun Nasibov, Deputy Editor-in-Chief, *Zerkalo/Ayna,* Baku

Rovshan Bagirov, Media Director, Open Society Institute, Baku

Ali Rza, Deputy Editor, *Azadliq* newspaper, Baku

Jahangir Mammadli, President, Steering Council for Public TV, Baku

Aynur Akhmedova, News Director, Lenkeran TV, Lenkeran

Sahin Haciyev, Deputy Director, Turan News Agency, Baku

Khadija Ismayalova, Information Officer, TACIS, Baku

Moderator

Shahin Abassov, Deputy Chief of Party, IREX

Observer

Ulvi Ismayil, Project Management Specialist, USAID/Caucasus

AZERBAIJAN AT A GLANCE

GENERAL

■ **Population:** 8,408,000 (October 2005) *State Statistical Committee*

■ **Capital city:** Baku

■ **Ethnic groups (% of population):** Azeri 90.5%, Dagestani 3.2%, Russian 2%, Armenian 2%, other 2.3% *UNDP*

■ **Religions (% of population):** Muslim 93.4%, Russian Orthodox 2.5%, Armenian Orthodox 2.3%, other 1.8% *CIA World Factbook*

■ **Languages (% of population):** Azeri 90% (official language), Russian 2%, Armenian 2%, other 6% *CIA World Factbook*

■ **GDP:** $8.265 billion (2004)

■ **Literacy rate (% of population):** 97% *UNDP*

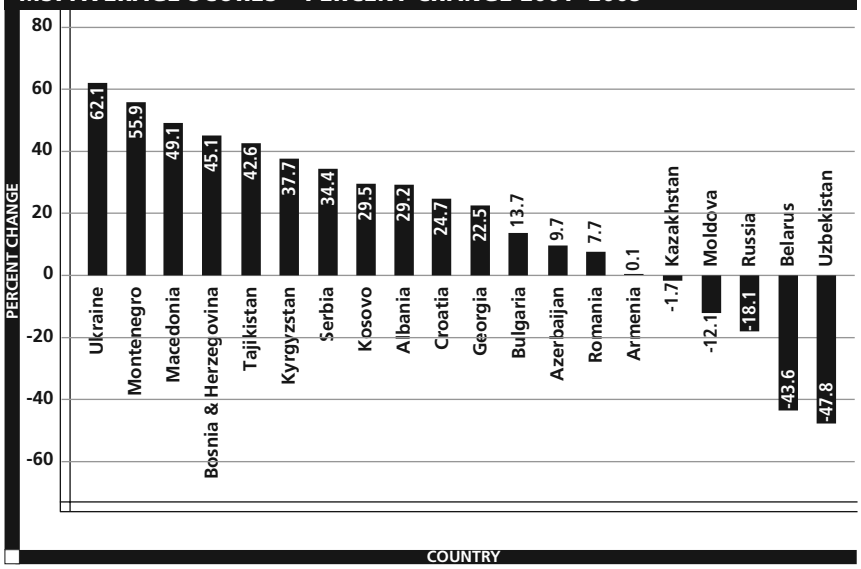
■ **President or top authority:** President Ilham Aliyev

■ **Next scheduled elections:** Presidential October 2008, parliamentary 2010

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** Approximately 4,000,000 copies monthly. *Realny Azerbaijan* is the largest weekly paper with 15,000 copies. *Yeni Musavat* is the largest daily paper with 7,000 to 8,000 copies. *RUH Journalist Organization*

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



■ **Broadcast ratings (top three ranked stations):** ANS TV, Azad Azerbaijan (ATV), Lider TV

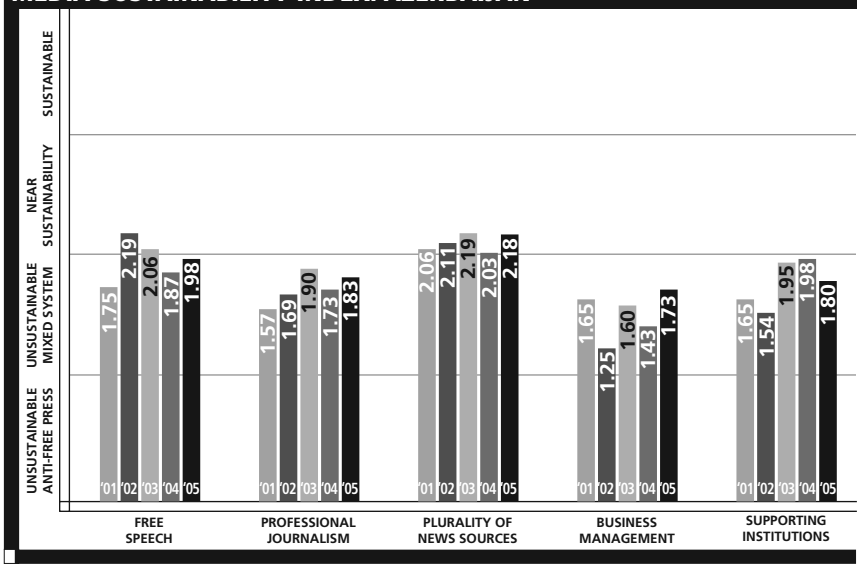
■ **Number of print outlets, radio stations, television stations:** More than 140 regularly issued newspapers; 12 radio stations; 17 television stations

■ **Annual advertising revenue in media sector:** More than $16 million

■ **Number of Internet users:** More than 400,000 *CIA World Factbook*

■ **News agencies:** Turan, Trend, AzerTAJ (state-run), APA, Azadinform, Sharg, Interfax-Azerbaijan, Olaylar, MPA

MEDIA SUSTAINABILITY INDEX: AZERBAIJAN



IN 2005, AUTHORITIES INTENSIFIED THEIR CRITICISM OF THE QUALITY OF GEORGIAN JOURNALISM. MANY INFLUENTIAL MEMBERS OF GOVERNMENT AND PARLIAMENT ON NUMEROUS OCCASIONS LABELED JOURNALISTS AS UNSKILLED AND UNETHICAL. FOR THEIR PART, MANY MEDIA OUTLETS, PREVIOUSLY WILLING TO GIVE THE NEW POST–ROSE REVOLUTION GOVERNMENT A GRACE PERIOD, BECAME MORE AND MORE CRITICAL OF ITS ACTIVITIES.

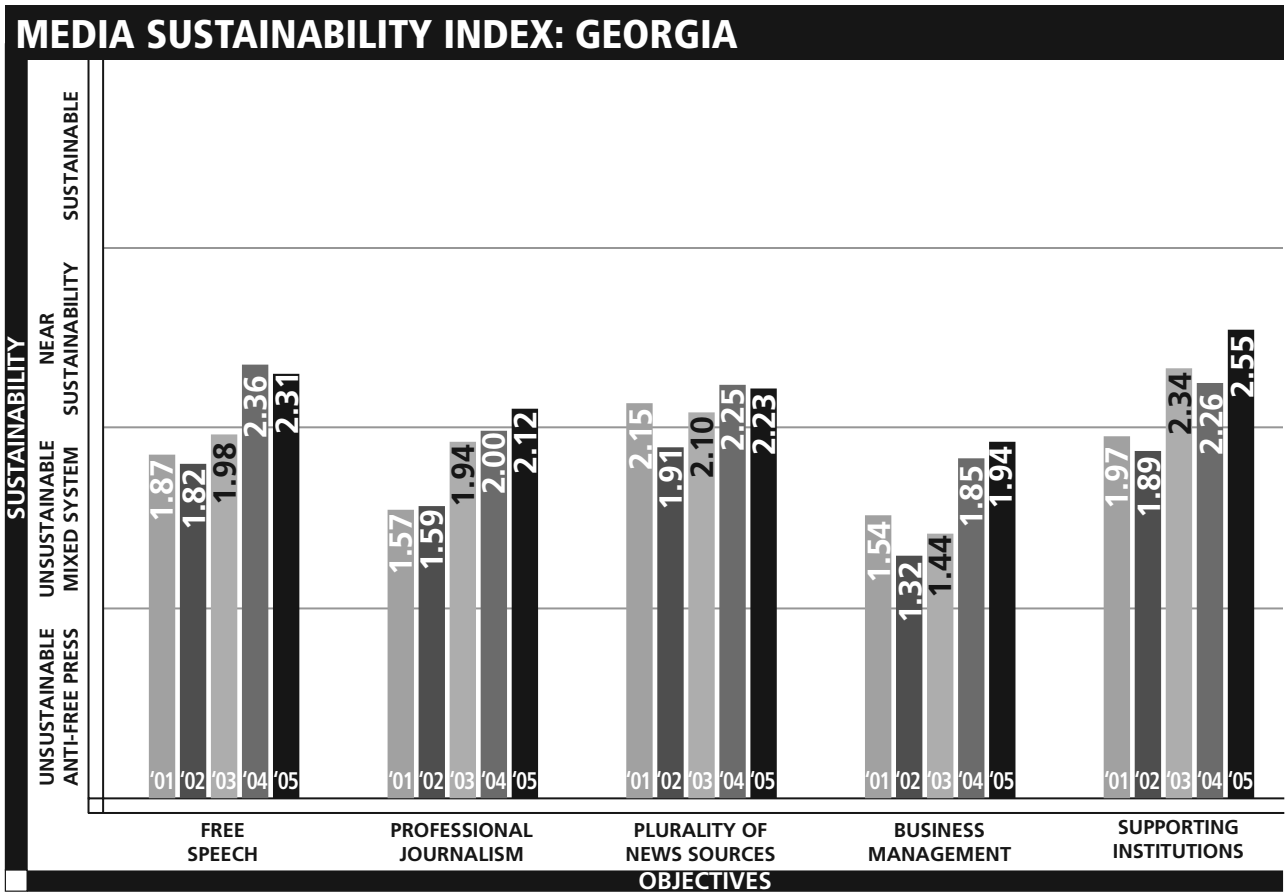
Introduction

Significant events punctuated 2005 in Georgia. In February, Prime Minister Zurab Zhvania was found dead in a Tbilisi apartment, allegedly poisoned by gas leaking from the faulty heater. Russian military troops finally withdrew from two Soviet-era military bases in Batumi and Akhaltsikhe. And Azerbaijani oil started to flow through one of the world's largest pipelines—the Baku-Tbilisi-Ceyhan pipeline, expected to bring an estimated $50 million annually to Georgia's state budget.

Similarly, significant legislative changes altered conditions for the media sector during 2005. In January, the president signed the Law on Broadcasting that was adopted by parliament. The law transforms the State TV and Radio Broadcasting station into a public entity, regulates both public and private broadcasters, and introduces the concept of the community broadcaster. The active involvement of an industry association in drafting the law produced provisions better attuned to the interests of the commercial broadcast sector, such as provisions regulating the terms of license validity, television tower ownership, and advertising at public television.

In April 2005, parliament approved the nine-member Public Service Broadcaster Board of Trustees. In August 2005, the general director was appointed after a selection process that was competitive but also criticized by some observers as not transparent and clearly political. The general director was first approved as a board member, and then the board nominated her as its head.

As a temporary measure through 2005, under the new broadcasting law, the Public Broadcaster is funded directly from the state budget (at approximately $9.4 million). Starting in 2006 and continuing until the government determines an alternative funding mechanism, the public station will still be funded out of the state budget, but the funding will be no less than 0.15 percent of Georgia's gross domestic product (GDP). The Georgian Young Lawyers Association (GYLA), which monitored how State TV and Radio Broadcasting spent public funds, demanded that the prosecutor's



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

office investigate the allegedly illegal activities of its chairman. The newly appointed general director of the public broadcaster demanded a financial audit shortly after taking over.

The year also saw the first implementation of the tax code, which reduced the number of taxes from 22 to seven, when it was approved by parliament in late December 2004. Some tax rates were reduced as well, including the social tax from 33 percent to 20 percent, the income tax from 20 percent to 12 percent, and the value-added tax (VAT) from 20 percent to 18 percent. The profit tax remained at 20 percent. The new tax code exempted print media from all taxes, except the income and social tax, through 2007.

Also, just before the start of 2005, the president signed a new law on higher education that laid the groundwork for reforming teaching at higher-education institutions, including journalism schools.

In the media industry, TV Mze has changed its ownership structure. David Bezhuashvili, who built his business on cement production and co-owned the television station, became the sole owner of Mze by acquiring the stock of his former partners. As a result, the station underwent major strategic and personnel changes, positioning itself as a sports and entertainment channel. The channel eventually restored suspended news programs but stopped offering the popular talk show "Archevanis Zgvarze" (At the Edge of the Choice), the anchor of which was criticized by the authorities for allowing independent forensic experts to express doubts about the official version of the prime minister's death and for covering civil unrest in central Tbilisi following the arrest of the two famous sportsmen on extortion charges.

In 2005, authorities intensified their criticism of the quality of Georgian journalism. Many influential members of government and parliament on numerous occasions labeled journalists as unskilled and unethical. For their part, many media outlets, previously willing to give the new post–Rose Revolution government a grace period, became more and more critical of its activities, with TV 202 taking the lead. In May, TV 202 aired an investigative piece about Zurab Zhvania's death, produced by Studio Reporter, casting doubt on the official version of the circumstances of death provided to the public.

Shalva Ramishvili, a popular anchor and cofounder of TV 202, was arrested in August. Along with David Kokhreidze, the director, he was accused of extortion. He was alleged to have blackmailed the MP Koba Bekauri to extort $100,000 in exchange for not broadcasting an investigative story, also shot by the Studio Reporter, featuring Bekauri's allegedly illegal activities. Ramishvili was filmed while accepting a part of this money via a hidden camera placed with the MP by the police. Ramishvili pledged his innocence. On August 29, Ramishvili was sentenced to three months pre-trial detention by the Tbilisi City Court. The documentary was finally aired in September by two channels: first by TV 202 and the next day by the public broadcaster.

According to the Media Sustainability Index (MSI) assessment for 2005, the professionalism of journalists as well as the business-management skills of media owners improved from the previous year, largely thanks to the training provided to them by the various international organizations. Regardless, the quality of the journalism available to audiences has deteriorated, with journalists finding it increasingly difficult to overcome barriers to the public information put up by administrative authorities. Ever increasing self-censorship does not permit media to offer their audiences a full and undistorted picture of current social, political, and economic processes as well as to serve as a forum for debating public concerns. Investigative reporting is rarely practiced, and the share of entertainment content in the media keeps growing. The chilling effect of recent cases of journalists being physically and otherwise intimidated, with almost no offenders identified and prosecuted, is becoming more and more visible. Even advertising companies fall victim to self-censorship, endangering the sustainability of advertising market and making expensive audience research obsolete.

The overall MSI index improved marginally to 2.23 in 2005, from 2.14 in 2004. The improving MSI objectives related to journalistic professionalism, business management of media, and the supporting institutions for the media sector. Although Georgia enjoys quite liberal legislation that regulates media as compared with the other post-Soviet countries, implementation of these laws remains a problem. Corrupt and incompetent judges as well as prosecutors and investigators, which operate under enormous administrative pressure, often leave the media without the legal means for their defense.

OBJECTIVE 1: FREE SPEECH

Georgia Objective Score: 2.31 / 4.00

Panelists concluded that although there was continued improvement in media legislation during 2005, media freedom decreased as compared with the year 2004, and self-censorship still remained a problem, often taking the form of hidden censorship. The new law

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

on broadcasting, which took force in January 2005, along with the previously adopted legislation, provided further legislative guarantees for freedom of speech in Georgia. The problem, however, continued to lie in the implementation of the laws by the executive and judicial branches. The lack of real independence, some corruption, and poor skills in the judiciary often led to incompetent decisions that distorted free-speech principles, the MSI panelists concluded.

The new law allowed broadcasting licenses to be prolonged automatically for one 10-year period after the expiration of the current permit, provided all legal and technical rules are satisfied. After the 10-year extension, the license must be opened to bidding again. Previously, the license was renewed every 10 years if no violations were reported. Some panelists voiced concern that the Georgian National Communications Commission (GNCC) made decisions on awarding or suspending licenses that appeared to have been influenced by the government, a process that was becoming more politicized.

Georgian print and broadcast media outlets are registered the same as other legal business entities. Market entry and tax structures are similar to those for other businesses. The print media are exempt through the end of 2007 from all taxes except for income tax payable by employees and the social tax. Panelists from the broadcasting industry mentioned that broadcast media have to pay full tax rates and, unlike other businesses in Georgia, also licensing and annual regulation fees to the commission. The licensing fee is determined by the GNCC on a case-by-case basis, taking into account specifics of a license awarded, frequency, etc., and is payable during the 10-year license validity period. The annual regulation fee comprises 1 percent of a broadcasting company's annual income.

In 2005, the rights of journalists were violated on many occasions. There was pressure on owners and publishers of media outlets, who often had to refrain from critical stories to stay in business. There was intimidation of journalists, particularly through restrictions on access to certain types of information. There was limited editorial independence, with owners and publishers often interfering with content and using employment contracts that left journalists fearful of losing their jobs if they did not conform to employers' political and business agendas. The MSI panelists listed many cases of violations, especially in the regions. Targets included the editor of the regional newspaper *Imedi,* Gela Mtivlishvili, who while investigating violations by local police was severely beaten in June and several weeks later had a hand grenade thrown into his house. Several cases were reported in Gori, where journalist Saba Tsitsikashvili, working for newspapers *Akhali Versia* and *Trialeti,* was beaten several times while writing about corruption and smuggling in the region. In neither case was the perpetrator identified. In July 2005, while covering protests in the capital, journalists Irakli Gedenidze from the newspaper *Alia,* Zviad Nikoleishvili from the news agency Interpressnews, and Nato Makhviladze from the television company Mze were physically abused by police. Police also forbade journalist Nino Giorgobiani of the public broadcaster from filming the protest. The panelists unanimously agreed that the situation had worsened since the previous year. "The occurrence of crimes against journalists is frequent, but such crimes are rarely prosecuted," said Lasha Tugushi, the editor of the central newspaper *Rezonansi.*

In January 2005, state television and radio were transformed into public broadcasters. In April 2005, the Board of Trustees was approved by the parliament, and in August 2005 the general director was appointed, amid some concern about the transparency and politicization of the process. The public broadcaster

currently receives 17 million GEL (approximately $9.4 million) directly from the state budget, but that is considered temporary. Starting in 2006 and until the government devises an alternative funding mechanism, the broadcaster will still be funded from the state budget, but the funding will be no less than 0.15 percent of Georgia's GDP. There remain a few newspapers sponsored by the government, primarily in the Adjaran Autonomous Republic, where a state-funded television channel also remains. The government of Georgia will determine a plan for the reorganization of Adjara TV within one year following the adoption of the law on broadcasting.

The broadcasting law does not provide for preferential treatment of public or government-owned media, nor does it interfere with editorial independence. However, the majority of panelists believe that in practice the public broadcaster is broadly controlled by the government and enjoys easier access to information. MSI panelists said that the government also pays more attention to television stations than to radio stations or newspapers. The political and business interests of owners, meanwhile, have a profound impact on the editorial policies of private media outlets. Employees with short-term contracts or none at all are vulnerable to influence.

Libel is a civil law issue, and Georgia has progressive laws on defamation. No cases of clearly erroneous court decisions holding journalists liable for defamation were reported during 2005.

Freedom of public information is stipulated by Chapter III of the general administrative code, but many problems remain with implementation. The panelists recalled instances when public information was not made available. According to Tamar Chikovani of the Radio Free Europe/Radio Liberty Tbilisi Bureau: "It is very difficult, almost impossible, to obtain information from the law-enforcement agencies (Ministries of Interior, Defense, State Prosecutor's Office) as well as from many other public bodies." In some cases, especially at regional administrative agencies, the officials simply do not know the requirements of the administrative code. For instance, in one case, according to the "Review of Implementation of the General Administrative Code of Georgia," published in 2005 by the United Nations Association of Georgia, the head of the police in the Ninotsminda region replied to a request by saying that "all the information in police is secret (and) only the Minister of Interior and other high officials have access to it." On the other hand, the journalists are not very active in protecting their right to access to information by applying to the courts.

Access to international news and news sources is not restricted by the government. The Internet is readily available in the capital but not in all regions, and many regional media outlets cannot pay for access. Lack of access is partly due to the difficult landscape of Georgia and the high cost of establishing Internet connections, especially in mountainous regions.

Anyone can become a journalist in Georgia, and no special licenses are needed to enter the profession. Journalists generally do need accreditation to attend official events. According to the law, government agency meetings are public and can be closed only in certain cases outlined by law. The sessions of the government of Georgia are usually closed to journalists.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Georgia Objective Score: 2.12 / 4.00

MSI panelists report that although the professional skills of Georgian journalists have improved, the overall quality of journalism in Georgia took a turn for the worse during 2005. They attributed this decline to multiple factors, including more attempts by government officials and media owners to censor content, difficulties that journalists face when trying to obtain public information and cross-check facts, and lack of professional motivation. According to Tamar

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

Chikovani, the main issue now is not how objective the coverage provided by media outlets is, but how the topics that get covered are selected.

According to recent monitoring of US Agency for International Development (USAID)–assisted media, initiated by IREX and conducted by the Georgian Opinion Research Business International (GORBI) in September 2005, the number of news stories that presented two viewpoints in 17 monitored newspapers decreased from 10 percent to 5.4 percent compared with the October 2004 data. The research showed a slight decrease in the number of the news stories that presented two viewpoints at the six monitored radio stations (only 4 percent compared with 5 percent in 2004) and a tremendous increase in the number of television stories that presented two viewpoints broadcast by 23 monitored stations, from 24 percent to 52 percent.

"Censorship took such a large scale, that it might turn into the internal policy of the media organizations," said Malkhaz Ramishvili from the newspaper* Akhali Versia *in Tbilisi.

Panelists agreed that journalists currently seek comments from multiple and diverse sources more than ever but often face resistance from government officials or their press secretaries, particularly outside the capital. Nevertheless, panelists attributed the lack of balance in media coverage not only to the officials' reluctance to share information, but also to the way journalists frame their pieces, especially on television channels. They said packages are often built so that one side's views get a dominant position while comments from the opposing side are short or positioned in the middle of the coverage, so they are not remembered by a viewer.

In June 2005, nine national and 11 regional media organizations, individual journalists, and three nongovernmental organizations (NGOs) established the Media Council. The Council is a media self-regulatory body serving in an arbitration capacity and as the main watchdog and enforcer of a journalistic code of ethics. The founders signed a communiqué stating that the Council shall ensure the implementation of media professional standards, react to violations, review public concerns and complaints, protect freedom-of-expression principles and editorial independence, and promote journalistic solidarity.

Most panelists agreed on the necessity for such an institution. However, according to some panelists, the Council lacks legitimacy, since it had not resulted from consensus achieved within the industry. In addition, the Council has no institutional capacity yet to implement the goals stated in its mission. At the same time, four newspapers established a Press Council, modeled after similar institutions common worldwide. The two major objectives of the Press Council are to serve as an arbiter between a newsroom and an audience, and to raise journalists' professional standards through educational activities.

When asked to name the most common ethical lapses, MSI panelists mentioned daily television series that feature the work of the Georgian police patrol. During the series, the audience is exposed to the faces and bodies of the dead and injured as well as to those of crime suspects, underage suspects among them. Georgian media often violate presumption of innocence by labeling detainees as guilty. In addition, the names of violence victims and their family members are usually disclosed. There are also cases of ethnic discrimination when covering conflict zones: Journalists shape an enemy image by referring to armed groups not as criminal groups, but as Ossetian or Abkhaz. Also, the use of hidden cameras is not based on absolute necessity, but used when journalists are reluctant to properly research the topic or if it is difficult to obtain the needed information right away, panelists said.

If panelists in 2004 complained about continuing self-censorship, the concern in 2005 focused on growing censorship from the government officials who exercise pressure on media owners and journalists. "Censorship took such a large scale, that it might turn into the internal policy of the media organizations," said Malkhaz Ramishvili from the newspaper *Akhali Versia* in Tbilisi. One panelist recalled a case when the head of a television channel received fax messages listing which local and international news should be included in the news program and in which order. Newspapers covered a complaint from Irakli Mamaladze, formerly a Rustavi 2 reporter, who claimed that the Head of the Press Center at the Ministry of Interior, displeased with his coverage of crime and police, threatened him with a gun and got him fired from the television company. The case is now being investigated by the Public Defender's Office. Nino Zuriashvili, a reporter for the show "60 Minutes," complained during a meeting with representatives of the diplomatic community that Rustavi 2, which subcontracted "60 Minutes" to produce investigative stories, has not broadcasted them for 11 months. Zuriashvili described several cases when reporters of "60 Minutes" were denied public information and even received "friendly advice" from the security authorities to refrain from covering certain issues.

The results of interviews with 50 media managers and 182 journalists, conducted as part of the recent research by BCG Research at the request of IREX in July through August 2005, confirmed the growing pressure on journalists after the Rose Revolution. Thirty-six percent of interviewed journalists recalled the occasions of pressure from the government, and almost half of the respondents stated that they knew of government pressure on other journalists. The research disclosed cases of direct pressure on the media owners, blocking of unfavorable coverage, "friendly advice," verbal and physical insults, and threats to harm journalists' relatives and friends.

There are cases when journalists have the opportunity to cover important events but are asked not to shoot certain scenes or make certain comments, and they passively obey. When during military training near Uplistsikhe village in Shida Kartli a wrongly directed missile damaged several houses, all the television journalists on site, who were supposed to cover the training, received phone calls from their management in Tbilisi, saying that the footage is no longer needed. According to Tamar Chikovani, only the journalist from Radio Liberty had the freedom and courage to cover the military lapses.

Panelists attributed passivity and the lack of self-motivation and professional ambitions among television journalists to the fact that television stations, while not being sustainable businesses, still offer higher salaries, much higher than the market would support, to their staff. This makes journalists highly dependant on the goodwill of ownership and the ownership—on the goodwill of the government. Spoiled by high wages, television journalists are afraid to lose their jobs.

A study by BCG Research shows an increase in salaries at 31 of the 50 media outlets interviewed from the previous years. Out of those 31, 18 were television stations, eight were newspapers, and five were radio stations. The research also showed that the salary rates of about 60 percent of the interviewed journalists do not exceed 200 GEL (about $110).

High-ranking public officials, including the president, often address the population on live television. News programs at various television channels, private ones among them, are too frequently interrupted by the live coverage of the press conferences and other official meetings. Panelists also noted the recent trend of entertainment programs that prevail over news and other type of serious programming. When news programs, due to their poor quality (resulting mainly from censorship) get low ratings, television channels air reality shows and entertainment talk shows that are in demand from audiences in order to maintain the channels' popularity. Panel participants expressed worry about the lack of cultural, educational, and analytical programs.

Thanks to the financial support from the donors and NGOs focusing on media development in Georgia, the state of the technical facilities and equipment available to the media (especially print) is generally satisfactory. "In Georgia, several national television channels are well equipped. Although regional broadcasters are now able to generate more income through better, profit-oriented management and more advertising, their finances are only enough to purchase basic equipment," said Tristan Tsutskiridze, director of the Borjomi television company and chairman of the Georgian Association of Regional Television Broadcasters (GARTB).

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Niche reporting still remains undeveloped in Georgian media, though investigative journalism becomes more popular against the background of the current political environment. According to the report by BCG Research, 27 managers out of 50 interviewed said that they have journalists who cover investigative issues only. Thirteen journalists from nine media companies work specifically on healthcare, but only eight media outlets indicated having journalists who cover gender issues, and only three radio stations cover minority issues. In general, due to the lack of qualifications, financial constraints (mostly in regions) and limited human resources, journalists do not specialize in one area. Panelists emphasized the role of NGOs and international organizations in financing the programs devoted to the social issues. For example, with support from Save the Children, TV Imedi was able to produce programs for children and a program on gender issues with support from UNDP. According

to Irakli Sharabidze, a senior lawyer for TV Imedi, even when media are willing and able to produce niche programs, there is no demand for them among the audience. Therefore, they get low ratings and eventually stop airing.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Georgia Objective Score: 2.23 / 4.00

The availability of information from multiple sources was essentially static from 2004 to 2005. There continued to be no political or legislative restrictions on access to international media. The study conducted by BCG Research showed slight improvement in distribution of the national newspapers to the regions (better transportation and new private distributors), but the panelists noted that due to fiscal constraints, regional media (print as well as broadcast) are able to cover mostly only local areas and even those not fully. The quality of information and cost of services provided by the independent news agencies appeared to be a common concern.

Imedi TV, Rustavi 2, Pirveli Stereo TV, and radio stations Imedi and Fortuna remain the only private broadcast media that cover almost all of Georgia. By the end of 2005, radio station Mtsvane Talga was to join this group. A rather scant advertising market in the regions does not allow local broadcasters to generate income sufficient for covering both operating costs and major equipment upgrades. They were unable to invest in improving broadcasting quality and broadening coverage areas. Regional television stations cover up to three neighboring regions at best.

According to the in-depth GORBI survey of 15 newspaper managers conducted in May 2005 and the recent study by BCG Research, there are several newspapers that are distributed nationwide, including *24 Saati, Rezonansi, Akhali Versia,* and *P.S.* from Kutaisi and *Guria News* from Chokhatauri. Panelists named the weekly *Kviris Palitra* as the publication with the widest distribution area. Other newspapers are usually available only in their own regions, where they still do not cover the whole territory. Panelists attributed this to the underdeveloped distribution system and the fact that newspapers do not have the financial resources needed for establishing a local independent distribution system. "There are 11 districts in the Imereti region and 530 villages. If we could get at least 10 newspapers sold in each village, we would grow our circulation by a minimum of 5,000," said Ia Bobokhidze, editor-in-chief of the newspaper *Akhali Gazeti* in Kutaisi. Another factor is that many Georgians, especially in small villages, cannot afford newspapers.

Panelists agreed that it is too early to judge whether the public broadcaster, formerly the state Channel 1, reflects alternative views and commentary. Panelists expressed doubts that the channel would be completely free from government influence. However, panelists complimented the broadcaster for airing an investigative documentary about the alleged illegal activities of an MP that was at the core of the scandal regarding TV 202 and the arrest of its co-owners.

The newly created public broadcaster has to devote much attention and resources to technical issues. An inventory of its property continues, and it needs to upgrade equipment for program production as well for transmitting throughout Georgia. By 2006, the broadcaster has planned to upgrade the quality of information programs, including news. The Liberty Institute, supported by the Organization for Security and Co-operation in Europe (OSCE), is assisting the public broadcaster to determine the editorial independence guidelines for the producers.

There are about a dozen news agencies in Georgia. Most panelists complained about the high cost and poor quality of services. "Their pieces are full of factual mistakes and misspelled names," said Ia Mamaladze,

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- Citizens' access to domestic or international media is not restricted.
- State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- Independent news agencies gather and distribute news for print and broadcast media.
- Independent broadcast media produce their own news programs.
- Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

publisher of the *Guria News* and chairwoman of the Georgian Regional Media Association (GRMA). "What's more, information delivered by the agencies often does not provide enough details, and media have to refer to other sources to get the full picture on an issue."

All independent broadcast media in Georgia produce their own news programs. The new broadcast law and the copyright law prohibit the use of unlicensed programs, and the regulatory authority (GNCC) closely oversees broadcasters regarding piracy. Some stations, especially in the regions, cannot afford expensive productions, and thus a tendency to produce more news and less complex programs has emerged.

According to BCG Research, the majority of the 50 media managers interviewed claimed full access to information regarding media ownership. Forty-five out of 50 managers disclosed the names of the owners, with only five of them refusing to talk about it. Panelists agreed that within media circles, it is well known who owns which outlet, although this information might not be officially declared. Registration papers that list state ownership information can be requested through the courts. The research showed that 97 percent of interviewed journalists (182) stated that they know who owns the outlet they work for, and 75 percent of them said that they learned this from the owners themselves.

In Georgia, where numerous minority groups live in close proximity, media leaders acknowledge the necessity for providing specialized content reflecting the issues of concern to ethnic, religious, and other minorities and producing programs in minority languages. However, most outlets cannot actually produce such programs due to lack of resources or because the programs are not financially profitable. Thus, media are either unwilling to invest money in them or only can when they receive assistance from NGOs specializing in media or minority issues. For example, *24 Saati* has columns on minority and religious issues that are supported by donors including the Eurasia Foundation, the law firm Gabi, and other NGOs. Through support from IREX, Trialeti TV in Gori produced a daily news program "Anarekli" and a program "Advice for Gardeners" in the Ossetian language. However, within two months of the IREX grant's expiration, the channel ceased production, citing financial problems. Production of the analytical news program "Parallel P.S." in Armenian and Georgian by Borjomi-based TV Borjomi and Akhaltsikhe-based TV Imperia was stopped due to technical problems, but the management said the hiatus was temporary.

Among the ongoing minority-oriented programs were the public broadcaster's daily news program produced in Russian, Abkhazian, Ossetian, Armenian, and Azeri on different nights of the week. Radio Hereti from Lagodekhi broadcasts a news show in Russian. Radio Mtsvane Talga runs a project called Demos in Georgian, Russian, Armenian, and Azeri that consists of radio debates, roundtables, and studio shows devoted to ethnic and religious issues. Zugdidi-based radio Atinati has a Russian daily news program. In Akhaltsikhe, with support from the Institute for War and Peace Reporting, a bilingual Georgian-Armenian newspaper, *Samkhretis Karibche,* is published.

However, coverage devoted to minority groups in non-specialized programs such as regular news programs proved to be rather poor. According to the monitoring of the print and broadcast media coverage of minority groups in the South Caucasus conducted by the Media Diversity Institute, only 7.5 percent of the coverage in five major Georgian newspapers was devoted to minority issues (newspapers were monitored through September 2004), and only 6.1 percent of 12 programs broadcasted by five major television channels in February 2005 had minority coverage. "Although among the three South Caucasus republics, Georgia had the highest share of the coverage devoted to minorities, it is still low on the background of other issues. The quality of minority-language programs and articles is low as well. Some say this is because such programs are not profitable," said Elena Aladashvili, country coordinator for the Media Diversity Institute.

OBJECTIVE 4: BUSINESS MANAGEMENT

Georgia Objective Score: 1.94 / 4.00

According to one of the panelists, the printing houses in Georgia are mostly in private hands now. They are independent from the state, and their services are generally accessible. However, the quality of printing causes a lot of complaints. "In some cases, it is because of the outdated equipment; in other cases it might be caused by the human factor—the lack of qualified technicians and engineers who can properly exploit and maintain the presses," said Lasha Tugushi. Some papers strive to establish their own printing facilities. In 2005, newspaper *24 Saati* negotiated to buy a used, although still modern, press from the largest Slovakian publishing house Petite Pres. The paper continues to seek funds to cover transportation and construction expenses for the equipment.

There are 11 distribution companies in Georgia; two are state-owned (Sakpressa and Adjara Press), and the rest are private. Five newspapers of the 15 interviewed by BCG Research stated that they operate

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

their own distribution systems. Those are Tbilisi-based *Kviris Palitra, Trialeti* from Gori, *Guria News* from Chokhatauri, Lanchkhuti-based *Ho da Ara,* and *Speqtri* from Gurjaani. According to BCG Research, the distribution companies divided the market and cover mainly local segments of the Georgian territory. Only state-owned Sakpressa covers the whole country, while the newly established private firm Elva Servisi competes for total reach.

The situation with the ownership of Sakpressa was unchanged in 2005. In 2003, the legitimacy of its privatization was questioned in court, and almost two years later the case was still pending in the Tbilisi Appellate Court. However, Sakpressa continued to operate under state ownership and despite complaints remained the only distribution system reaching all regions of the country. MSI panelists noted delays with receiving money for the sold copies from Sakpressa, a high cost for the services and problems with display of various titles at kiosks. Overall the situation with distribution remains chaotic. Newspapers cannot monitor their sales because companies, with the exception of Elva Servisi, do not provide data on in-stock and unsold copies.

Media in Georgia generate income from a multitude of sources. The GORBI survey of the USAID-assisted media showed that television channels receive the lion's share of their income from advertising and commercial announcements. Respondents also named donor support and commercial content as income sources. The study by BCG Research showed that broadcast media also generate income from interactive calls and SMS, although they themselves identify the latter as ads. However, panelists noted that even the income of the major Tbilisi-based television stations that enjoy the largest advertising share is not enough to cover all their expenses and does not free them from dependence on the owners' subsidies. In the regions, until recently, advertising came mainly from commercials and announcements provided by the companies involved in the construction of the gas and oil pipelines that go through Georgian territory. The income of some channels in tourist areas is heavily seasonal.

To generate more money, the channels strive to explore other income sources and try to attract more advertising. The Imedi channel, for example, owns a satellite news-gathering system that transmits a signal receivable in any European country. The television stations participating in the Georgian Association of Regional Television Broadcasters (GARTB) managed to negotiate with the advertising agencies and businesses in order to increase advertising placements at member stations. The association buys licensed programs, and its members have the right to air them, thereby diversifying each channel's programming at a reduced cost. This presumably attracts more viewers and more advertising. An advertising agent employed by the association works with the Tbilisi-based agencies, offering them advertising packages for all member-channels or selected ones at lower prices.

Newspapers receive most of their income from circulation sales and classified ads. Only three out of 17 newspapers interviewed by BCG Research said that their income from advertising generates more than 50 percent of their revenues. According to the management of the *Kviris Palitra* weekly, 90 percent of its income comes from sales. In general, there is no cooperation between print media and advertising agencies. Some of the papers print privately sponsored content, and all of them publish paid announcements. As a result of the competition conducted by the State Agency for Procurement, the daily newspaper *24 Saati* won the exclusive right to publish announcements of state institutions that now occupy a large portion of the paper's space and generate a large amount of the paper's income.

There are about a dozen leading advertising agencies in Georgia. All of them are Tbilisi-based, so regional media have to work within the capital and not locally. According to panelists, the situation with finding

advertising in regions did not change much during 2005. "The advertising market in regions either does not exist at all or is scarce," said Ia Bobokhidze.

Overall, there is notable growth in the television advertising market in Georgia. According to the AGB Nielsen Media Research Georgia, which entered the market in late fall 2004, the advertising market estimated at $3.5 million in 2001, reached $7 million in 2004, and was expected to reach $9 million by the end of 2005.

However, there are some concerns related to advertising placements. Some companies are pressured, directly or indirectly, to support certain media outlets with their advertising, regardless of whether these outlets reach the audiences the companies target, MSI panelists said. Some businesses even practice self-censorship, much like journalists, and avoid advertising their products and services in media considered critical toward the authorities. State organizations, when deciding where to publish public announcements, do not follow transparent policies.

The major organizations producing media research in Georgia are IPM Media, GORBI, and BCG Research. AGB Nielsen Media Research Georgia—a joint venture of the Italy-based, Kantar Media Research–owned AGB Group and the U.S.-based Nielsen Media Research International, the world's leaders in providing high-quality television audience measurement services—joined this group, attracted by the success of the diary-based television ratings conducted by the IPM Media through an IREX initiative and financial support. With the establishment of AGB Nielsen Media Research Georgia, starting in January 2005, the delivery of overnight television ratings through people-meter technology was added to the previously used television diaries in Tbilisi. The new technology replaced the diaries all over Georgia in July 2005. The largest share, 60 percent, of the advertising market belongs to television channels, with radios and print media each getting 10 percent and 20 percent going to outdoor advertising, according to BCG Research.

Last spring, KPMG, at request of IREX, assessed the methodology used by AGB Nielsen Media Research Georgia and found it largely compliant with the best international practices. The fact that such an internationally recognized company as AGB Nielsen Media Research operated the audience measurement in Georgia with its methodology certified by an international audit group, attracted international businesses and media sellers and took Georgia's market to a higher international level. In April, one of the Russia's largest media sellers, Video International, entered the Georgian media market, signing a contract with the Imedi TV channel.

Twice a year IPM conducts standardized surveys of print media and radio audiences, called the Marketing and Media Index (MMI). MMI is a way of monitoring lifestyle and purchasing patterns of consumers, as well as brand and media consumption information. The data are used by advertisers and advertising agencies for planning advertising campaigns and monitoring their own and competitors' companies. By interviewing 1,500 people aged 12 to 65 in Tbilisi, Kutaisi, and Batumi, the organization provides advertisers with the data that help them to better introduce their brands. MMI also helps media to identify their target audience.

> ***"In some cases, it [the poor quality of printing] is because of the outdated equipment; in other cases it might be caused by the human factor—the lack of qualified technicians and engineers who can properly exploit and maintain the presses," said Lasha Tugushi.***

MSI panelists agreed that media in Georgia acknowledge the necessity for market and audience research; however, they lack funds to buy the existing data or conduct their own quality research. In addition, the panelists said, many are still suspicious of the integrity and research methods of local organizations. Some media outlets do conduct public opinion polls through phone and personal interviews or published questionnaires, gather focus groups, and do surveys. As the report by BCG Research shows, Imedi TV regularly conducts audience research through its own sociological service, at the same time buying data from AGB Nielsen Media Research Georgia and hiring other research companies. The newspaper *Akhali Versia* conducts focus groups; newspaper *24 Saati* and radio Mtsvane Talga regularly research their audiences. Overall, 26 media outlets out of the 50 interviewed stated that they conduct their own research. Of those, 12 were television stations, six were radio stations, and nine were newspapers.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Georgia Objective Score: 2.55 / 4.00

In May 2005, the Georgian Association of Regional Television Broadcasters (GARTB) joined the Georgian National Association of Broadcasters (GNAB) and the Georgian Regional Media Association (GRMA) to represent the interests of Georgian media industry. Of the five MSI objectives, the largest 2005 gain in Georgia

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

was recorded for improvements in the media industry's supporting institutions.

Panelists had diverse opinions on the work of media associations in Georgia. Generally, they agreed that for the associations to become truly sustainable, they need to generate more funds on their own. And compared with previous years, the associations have made considerable progress. They finally managed to unite the previously divided media. The members came to understand the necessity of creating associations that act as bodies that represent members' interests and allow for an exchange of information and mutual support. "There is a sense of healthy competition and cooperation established among our members. They exchange ideas, work on projects, and of course argue, but they do it together," said Tinatin Tushishvili, executive director of GNAB. Problematic issues are now openly discussed, and the associations are able to move forward and get involved in projects of common benefit.

All three associations successfully implemented a project involving the joint sale of advertising time and space. The associations established contacts with different NGOs, state institutions, and other associations.

The GNAB underwent structural changes during 2005. The new executive team, consisting of a director and three staff members, including a lawyer, was appointed. The governing board changed as well, granting more flexibility and democracy to the decision-making process. The number of board members increased to 15.

GNAB's involvement in drafting the new broadcasting law made it more attuned to the interests of the commercial broadcast sector, including license terms, television tower ownership, and the amount of advertising on public television. GNAB provides regular legal consultations to its members. During June through August 2005, in cooperation with GYLA, GNAB organized seminars in Tbilisi and Batumi for its regional members. The seminars were devoted to the association's internal policies and labor-law issues. The association closely works with the GNCC on behalf of private broadcasters and on drafting of the code of conduct for license holders. GNAB also negotiated with the television production Studio Re for the association member stations to broadcast the studio's products free of charge.

In October 2005, GNAB supported one of its members, the Union of Georgian Cable Television Broadcasters, in organizing the fifth International Congress of Tele Radio Broadcasters and Cable Television Operators. It was decided to lobby for amendments to the relevant legislation in the participating countries in order to ensure active legal support for the private telecommunication systems operators. Among other decisions, participants agreed to assign the Union of Georgian Cable Television Broadcasters to select the best cable channel for the dissemination of its programming among the cable networks in Ukraine and Belarus.

The Georgian Regional Media Association is working on several projects, including the distribution of regional print media to subscribers from Tbilisi. In August and October 2005, in cooperation with the Parliamentary Committee on Self-governance and Regional Policy, the association organized meetings in Batumi and Tbilisi to educate its members on the self-governance legislation in pipeline. GRMA staff was assigned to prepare materials on the educational reform under way in Georgia. These materials were published by each member outlet.

After the executive officer of the GARTB attended the television production market on June 21–25 in Budapest and conducted negotiations with a number of production companies willing to sell their products to Georgian regional television companies, the association implemented a project that allowed each member station to broadcast licensed programs at minimal expense.

All these projects are conducted with the financial support of different organizations. Therefore, panelists agreed that to maintain the activities and effectively work for the benefit of their members, the associations need to become profit-generating bodies.

There still are no professional journalism associations protecting journalists' rights in Georgia. "All the protest rallies and statements signed by journalists carried spontaneous character or were implemented upon individual initiative," said Lasha Tugushi. The NGO sector takes on the role of the media defender. However, panelists noted that a lot of activists who had lobbied for journalists' rights before moved to the government sector and now hold official positions.

The Caucasus School of Journalism and Media Management (CSJMM), funded by the U.S. Department of State and the Open Society Institute, remains the leader in providing quality journalism education in Georgia. The school graduates 10 to 15 Georgian students each year. Overall, the process of educational reform features 23 institutions in Georgia that are accredited to teach journalism. However, panelists noted that there is still a lack of hands-on courses in the universities' curricula. Panelists complained about university graduates not having skills that would allow them to integrate into newsrooms right after graduation, and said teaching the methodology and curricula remain outdated. The School of Social Sciences at the Georgia Technical University opened the fall semester with a new Master's program in Media Management. This program will graduate a group of 12 students in two years.

"There is a sense of healthy competition and cooperation established among our members. They exchange ideas, work on projects, and of course argue, but they do it together," said Tinatin Tushishvili.

Panelists emphasized the change in the attitude of media outlets toward short-term training programs. The lack of interest in, and appreciation and understanding of, such programs turned in 2005 into a greater willingness to enroll in them. All panelists noted the great role that international NGOs play in providing this service for journalists in Georgia. While training programs offered by international NGOs are free to participants, local organizations started to offer longer-term paid training courses to journalists in 2005. For example, CSJMM offered training in media management, photojournalism, health reporting, arts coverage, and communications management. However, financial constraints do not permit the majority of regional media representatives to take advantage of these learning opportunities.

Panel Participants

Tristan Tsutskiridze, Director, Borjomi television company, Borjomi; Chairman, Georgian Association of Regional Television Broadcasters (GARTB)

Irakli Sharabidze, Senior Lawyer, TV Imedi, Tbilisi

Tamar Chikovani, Bureau Chief, Radio Free Europe/ Radio Liberty, Tbilisi

Ia Mamaladze, Publisher, *Guria News* newspaper, Chokhatauri; Chairwoman, Georgian Regional Media Association (GRMA)

Ia Bobokhidze, Editor-in-Chief, *Akhali Gazeti* newspaper, Kutaisi

Lasha Tugushi, Editor-in-Chief, *Rezonansi* newspaper, Tbilisi

Malkhaz Ramishvili, Publisher, *Akhali Versia* newspaper, Tbilisi

Tinatin Tushishvili, Executive Director, GNAB, Tbilisi

Niko Nergadze, Program Coordinator, Caucasus School of Journalism and Media Management, Tbilisi

Elena Aladashvili, Country Coordinator, Media Diversity Institute, Tbilisi

David Kikalishvili, Anchor, Rustavi 2 television company, Tbilisi

Moderators

Lia Chakhunashvili, Program Director, IREX/Georgia

Devi Sturua, Director of Operations, IREX/Georgia

Ellada Gamreklidze, Project Coordinator, IREX/Georgia

Observer

Keti Bakradze, USAID/Caucasus Office of Democracy and Governance

GEORGIA AT A GLANCE

GENERAL

(source: *CIA World Factbook*)

■ **Population:** 4,677,401 (July 2005 est.)

■ **Capital city:** Tbilisi

■ **Ethnic groups (% of population):** Georgian 83.8%, Azeri 6.5%, Armenian 5.7%, Russian 1.5%, other 2.5% (2002 census)

■ **Religions (% of population):** Orthodox Christian 83.9%, Armenian-Gregorian 3.9%, Catholic 0.8%, Muslim 9.9%, other 0.8%, none 0.7% (2002 census)

■ **Languages (% of population):** Georgian 71% (official), Russian 9%, Armenian 7%, Azeri 6%, other 7% (Note: Abkhaz is the official language in Abkhazia.)

■ **GDP:** $14.45 billion (2004 est., ppp)

■ **Literacy rate (% of population):** 99%

■ **President or top authority:** President Mikheil Saakashvili

■ **Next scheduled elections:** Presidential 2009, parliamentary 2008

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):**

- *Kviris Palitra* (weekly, Tbilisi); circulation 75,000 (*information provided by the newspaper*)
- *Alia* (three times a week, Tbilisi); circulation 12,000 (*information provided by the newspaper*)

GORBI Circulation Data, May 2005:

- *Akhali Versia* (three times a week, Tbilisi); circulation 6,000
- *Rezonansi* (daily, Tbilisi); circulation 6,000
- *P.S.* (weekly, Kutaisi); circulation 5,000
- *Guria News* (twice a week, Chokhatauri); circulation 4,500
- *24 Saati* (daily, Tbilisi); circulation 4,500

■ **Broadcast ratings (top three ranked stations):**

AGB Nielsen Media Research Georgia, September 2005

- **Tbilisi:** Rustavi 2 4.79%, Imedi 2.92%, Public Service Broadcaster, Channel 1 0.96%
- **Regions:** Imedi 4.82%, Rustavi 2 3.71%, Public Service Broadcaster, Channel 1 1.16%
- **Tbilisi and Regions:** Rustavi 2 4.41%, Imedi 3.58%, Public Service Broadcaster, Channel 1 1.03%

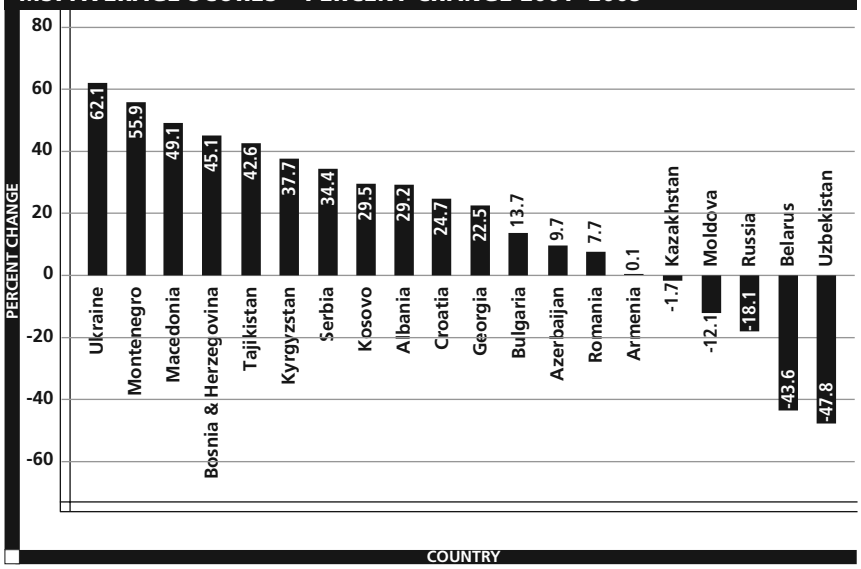
■ **Number of print outlets, radio stations, television stations:** NA

■ **Annual advertising revenue in media sector:** Television advertising market is expected to reach $9 million in 2005. *AGB Nielsen Media Research Georgia, July 2005 est.*

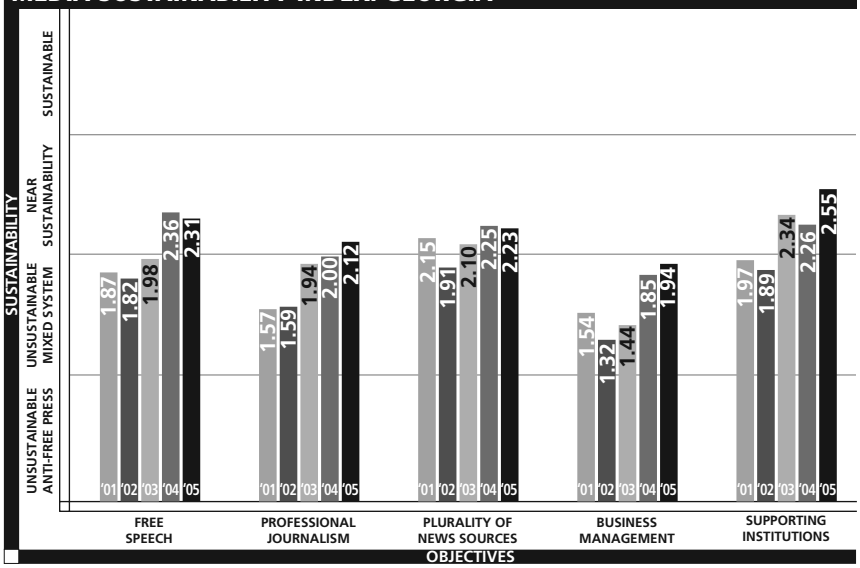
■ **Number of Internet users:** 150,500 (2003) *CIA World Factbook*

■ **News agencies:** AP Bureau, Reuters Bureau, Black Sea Press, Novosti Gruzia, Sarke, GT News (Media Holding Georgian Times), I-Media, Interpressnews, Infozavri, Iprinda, Kavkazpress, Media News, Prime News, GHN (Georgian Hot News) *www.yellowpages.ge*

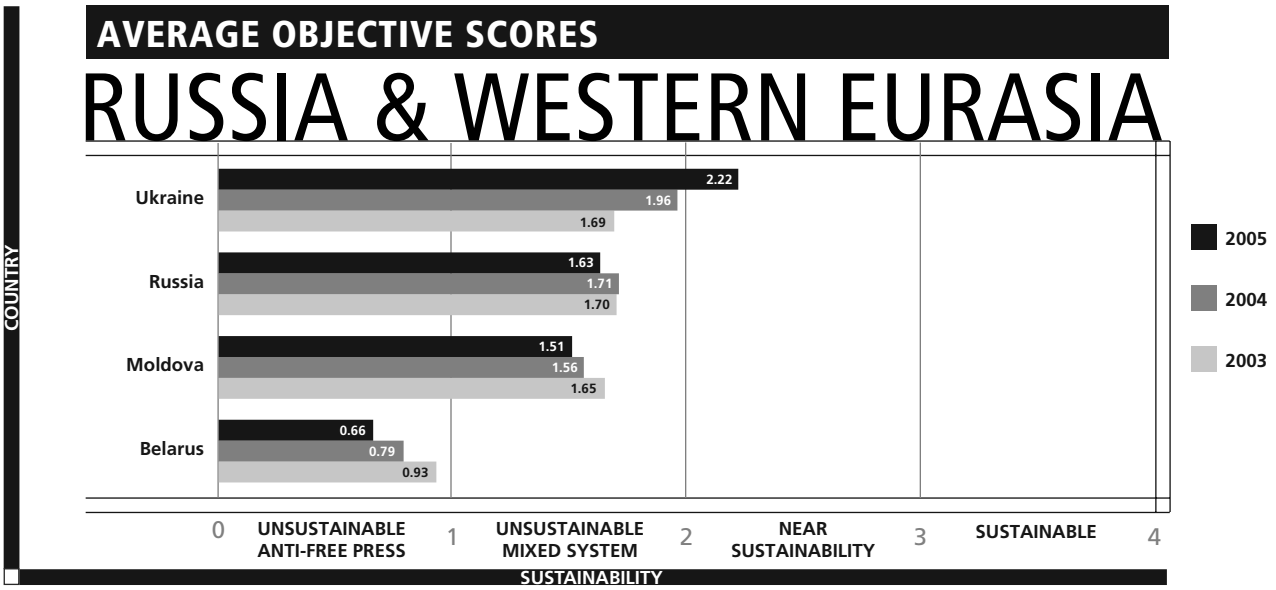
MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA SUSTAINABILITY INDEX: GEORGIA



RUSSIA & WESTERN EURASIA



THE PRESSURE PUT ONTO INDEPENDENT MEDIA BY THE GOVERNMENT WAS LIKELY ONLY TO INCREASE WITH THE APPROACH OF THE 2006 PRESIDENTIAL ELECTIONS. THE STATE COULD BE EXPECTED TO TAKE ADDITIONAL MEASURES TO LIMIT THE ACCESS OF JOURNALISTS AND THE PUBLIC TO INFORMATION.

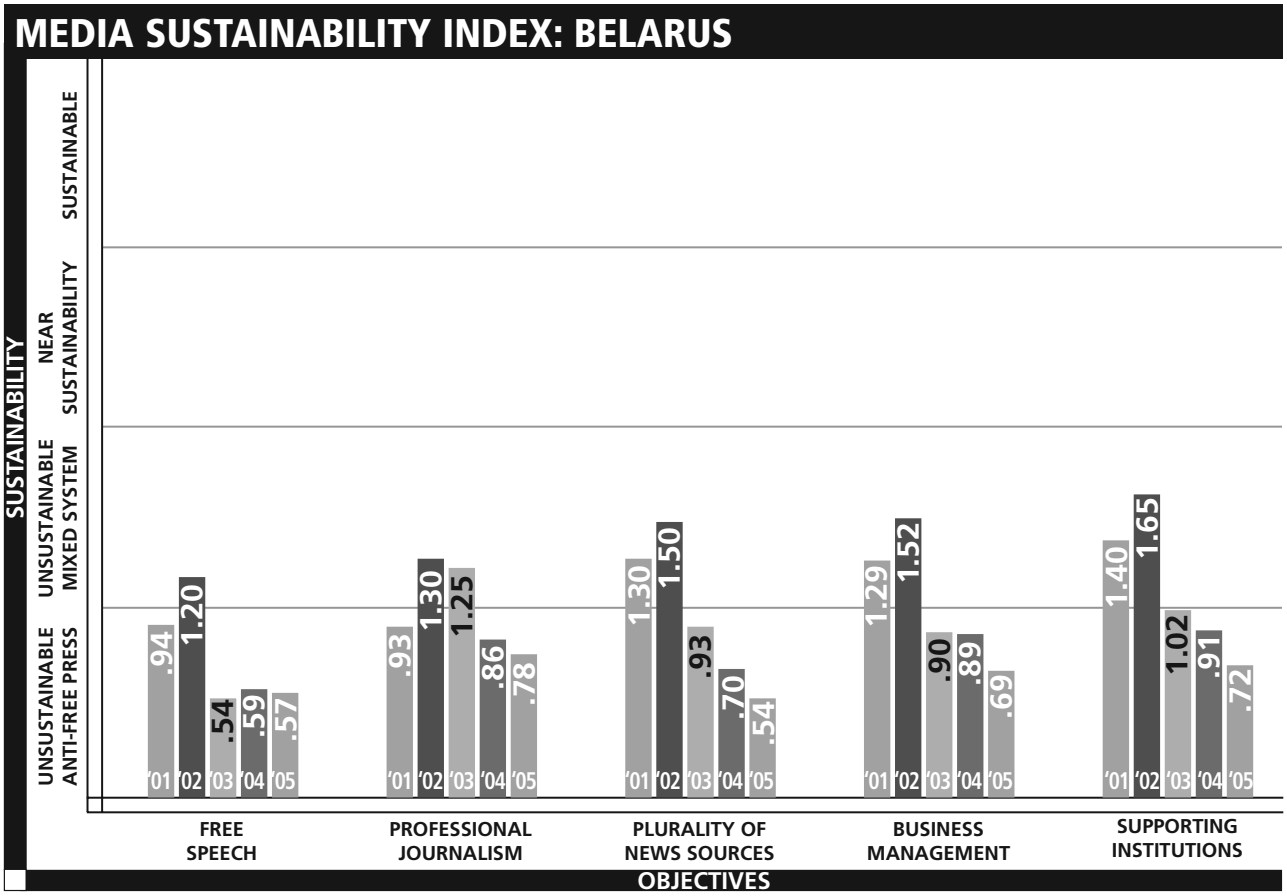
Introduction

During 2005, Belarus moved closer toward a full-fledged authoritarian regime with the legislature and the judiciary totally controlled by the executive authority of the president. The incumbent government is not a classic dictatorship: There are opposition parties and opposition mass media, and the public—at least in big cities—has access to some independent media sources of political and social information. However, the space in which the political opposition and independent media can act is extremely limited. The relative political stability and lack of popular resistance to the regime of President Lukashenko may be explained by relatively high economic growth indicators and improvement in living standards.

Nevertheless, in the run-up to the 2006 presidential elections, there were new processes in Belarusian society that opened favorable possibilities for democratic development. According to respected Belarusian researchers whose views were reported by the 2005 Media Sustainability Index (MSI) panelists, the percentage of people expressing democratic values is on the rise. As an example, they cited a national poll of 1,100 people aged 18 and over carried out by the NOVAK public opinion research company in 2005 in which 54.4 percent of respondents aged 18 to 34 said they would vote "Yes" in a referendum asking whether Belarus should join the European Union. According to the researchers, the increasingly democratic mood represents an incremental process based in the cultural, economic, and political integration of Belarus into the global community.

Whatever the long-term perspective, however, the present situation for media independence in Belarus is extremely grim. The MSI panelists recorded a further decrease in the overall index from 0.79 in 2004 to 0.66 in 2005, a decline of 44 percent from 2001, the first year the MSI was conducted. The deteriorating situation was reflected by a drop in every MSI objective.

The Ministry of Information continued to suspend newspapers, acting against 25 print outlets during the past two years. Many newspapers had to close altogether, or significantly decrease their circulations after they



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

restarted. The authorities often censor or confiscate print runs of independent newspapers, while the state media work under conditions of strict and severe censorship. Under pressure from international public opinion, the authorities are trying to present their measures as legal, switching from direct to latent pressure. This most frequently takes an economic form, such as unequal conditions for starting a business, unfair taxation, restricted access to information sources, or control over distribution channels. As a result, the newspapers suffer financially, and the necessity to survive the economic difficulties leads to self-censorship.

Some specific improvements were noted in individual MSI indicators. The self-organization of the journalistic community strengthened in 2005, and the effectiveness of independent journalist organizations has increased, MSI panelists said. Heads of independent media outlets found new ways of keeping their businesses alive despite the growing pressure. Although there are serious difficulties with attracting and keeping qualified staff, the professional level of journalists in independent media is growing. New channels of distribution of independent information were discovered, and existing channels were used more efficiently. Independent television and radio companies developed some of their own news production. However, panelists concluded these incremental improvements in the information available did not lead to significantly increased awareness among the population against a generally repressive backdrop.

The pressure put onto independent media by the government was likely only to increase with the approach of the 2006 presidential elections. The state could be expected to take additional measures to limit the access of journalists and the public to information. During the pre-election battles, the ideological polarization of media also was anticipated to increase. A decrease in the level of trust in the media—both state and independent—was likely to be the result.

MSI panelists in Belarus agreed to participate only if they were not quoted by name.

OBJECTIVE 1: FREE SPEECH

Belarus Objective Score: 0.57 / 4.00

Authorities in Belarus systematically use multiple legal, economic, administrative, and ideological methods to limit independent media activities. The MSI panelists mentioned numerous cases when the rights of journalists and citizens to freedom of speech were violated. The laws of the Republic of Belarus on media do not correspond to international standards in many respects. For example, the procedure for registration of a media outlet is extremely complicated, and the Ministry of Information is authorized to limit constitutional rights of people. One of the panelists said categorically: "The criminal code is a cudgel for managing 'inconsistent' journalists, and a rather powerful cudgel. Courts, taxes, everything is politicized. It is a shame for the country to have such articles in the criminal code as we do."

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Some participants mentioned that there is not enough understanding of the freedom of speech as a value in the society. For that reason, the pressure put on the media by the authorities does not lead to public outcry.

Panelists were unanimous in describing the situation related to licensing of television and radio broadcast as extremely limiting. Licenses are issued based on political loyalty and the procedure is so complicated that many potential actors choose not to apply. There are no fair and open contests to award a license. One of the panelists described how his company had been applying for a license to start up a regional FM radio for years, always in vain. In most cases when a license is issued,

the authorities insist on having a state organization among the company's founders or appointing its own CEO. A television company in Grodno was ordered to add a provision to its by-laws saying the rector of the Grodno State University should to be the director of the television company. "You would not get a license to start up a radio station unless you are related to a governmental body," one of the participants noted.

All participants of the discussion agreed that starting a media business is much more difficult than any other business. All new media outlets that enter the market are being "politically vetted." The law guarantees equal conditions for all market participants, but independent media outlets are constantly limited in access to printing services and distribution networks. They pay higher taxes and higher printing and distribution fees. It is often impossible to buy opposition newspapers in state-owned kiosks run by the Belsoyuzpechat and Belpochta companies. As a result, as one of the participants said: "Today's main strategy for us in business development is to survive … Business as such for (non-state) media outlets ended 18 to 24 months ago." Other panelists gave somewhat more neutral opinions, suggesting, for example, that in most cases tax inspectors treat media outlets the same way as other businesses, but there was no indication of an improvement in operating conditions.

"The criminal code is a cudgel for managing 'inconsistent' journalists, and a rather powerful cudgel. Courts, taxes, everything is politicized. It is a shame for the country to have such articles in the criminal code as we do," said a panelist.

Participants mentioned that there were no crimes by authorities against journalists during 2005. But they said the ways of pressuring journalists have changed, with the authorities trying to present their actions as legal ones. They restricted journalists by canceling or refusing accreditations, filing lawsuits over alleged libel and insult of public officials, suspending newspapers, confiscating print runs, and refusing registration of new outlets. Mainly, it is independent media that face legal actions, which are less and less frequent for state-owned media. Panelists said a message of "Do not trust independent media" is being spread deliberately.

Different forms of court and non-court persecution have been used against the leading opposition newspapers *Narodnaya Volya* and *BDG. Delovaya Gazeta*. The Oktiabrskii district court in Minsk awarded penalties of $23,000 against *BDG* and $2,300 against its journalist Sergey Satsuk in a libel suit. The chief editor of the independent newspaper *Zhoda,* Alexey Korol, and his deputy were fined $1,200 for "distribution of knowingly false information." Similar suits have been filed against *Narodnaya Volya* and Svetlana Paramygina, a journalist for the sports weekly *PressBall*. The latter is already paying compensatory damages to the finance minister Nikolai Korbut under another libel suit. Bailiffs have twice held the property of *PressBall*'s editor, Vladimir Berezhkov. The amounts of the fines are of punitive nature and can easily threaten the existence of the outlet.

The investigations into the murders of journalists Dmitry Zavadskii from Russia's ORT TV and Veronika Cherkasova from *Salidarnasc* continued to drag on without a conclusion as to whether they were politically motivated. There was a discussion among the panelists about what to consider a crime against journalists. As one said, "It is true that journalists do not disappear now, but in the regions they are constantly taken by force from an event. The pressure on journalists has increased lately."

The courts are politicized and do not provide legal protection for the journalists, the MSI panelists said, often making decisions in violation of the current legislation. Panelists did mention examples of rulings within the law but stressed that those were an exception rather than the rule: "Nonetheless, it is a fact that a court in Slonim decided in favor of an NGO [Will for Development] and against the state TV and radio company," a panelist said. "But yes, the ruling has not been enforced. That's another problem."

According to the participants, editorial independence is guaranteed by the law only formally, but in fact the state controls the editorial policy of the state media by openly appointing managers of the outlets.

State media are advantaged as to the taxes and rates they pay—lower prices for printing, distribution, and subscription and more favorable advertising possibilities among them. According to an internal instruction of the Ministry of Statistics, state media are getting information for free, while independent ones have to pay for it. Non-state structures have to pay higher fees for broadcasting licenses, if they get them. There were massive tax inspections of non-state media during 2005.

Restricted access to information is probably the main tool for violating freedom-of-speech rights in Belarus, the panelists said. Laws are not enforced, accreditations are withheld from journalists, secret bans on providing information are placed on officials, and limitations on

information from official press centers are widespread. "Any police sergeant is empowered to put a ban on information. There was a funny case when a sergeant didn't allow filming the eternal fire at the Victory Square monument because this is a guarded object," a panelist said.

State media have obvious advantages as to accessing information, but access to information that authorities are not interested in distributing is limited for all journalists.

"Everywhere in the world it is hard to get information, and nobody wants to give it. The difference here is that it is just a total ban to access information," said a panelist. Information access was the MSI indicator receiving the lowest score within the Free Speech objective, and the panelists said the situation was getting steadily worse. Moreover, there are no legal mechanisms to call officials to account.

Panelists gave several examples of gross violations of the rights of journalists and media owners. Several independent newspapers (*BDG, Vremya, Salidarnasc, Mestnaya Gazeta,* and *Den*) were forced to be printed in Russia. The newspaper *Kurier iz Borisova* was closed by a court ruling. Editors of another newspaper, *Zhoda,* were fined for publication of political collages. Irina Khalip, a Belarusian journalist, received numerous warnings from the office of the Prosecutor General for her stories in the Russian newspaper *Novaya Gazeta.* Andrzej Pisalnik, the acting chief editor of the *Glos znad Niemna* newspaper, was given a 10-day jail sentence for participation in an unsanctioned picket.

Independent media get virtually no support from the business community. Afraid of political risks, entrepreneurs avoid investing in the media. Unlike Russia or Ukraine, there are no media tycoons in Belarus.

Foreign channels and titles can enter Belarus only with approval from the Ministry of Information and only via channels controlled by the state. One panelist commented: "It is enough to drop in at a Belsoyuzpechat kiosk and compare what you see to newsstands in Warsaw or Vilnius. The latter have a wide selection of foreign press. Here in Minsk, Russian titles are what you get at best." The majority of independent media in Belarus cannot afford subscriptions to foreign news agency services and have to reprint or rebroadcast foreign news without permission. Russian media are widely available, and northern and western Belarus are reached by Polish and Lithuanian broadcasters. Russian television channels are censored on various pretexts.

The experts pointed out that access to Internet information sources still is widely available to the public and journalists. The number of Internet, satellite, and cable television users has increased. Internet use among the urban population has grown from 20.2 percent in 2003 to 26.1 percent in April 2005, according to Novak market research. The majority of Internet users are educated young people, which the panelists noted comprise the most promising stratum from the point of view of democratic development. However, the government fully controls the outbound Internet traffic via the state telecommunications monopoly Beltelecom. The panelists noted that this very monopoly puts the freedom of Internet access in jeopardy. Also, the participants mentioned that independent media find it costly to pay for Internet access. A panelist noted that a UNDP project to provide Internet access for media outlets and nongovernmental organizations (NGOs) might end and if so, "media outlets and NGOs will have to pay for Internet access from their very limited revenues and that can seriously limit Internet access." One participant mentioned the growth in the number of users of satellite television: "If last year the number [of satellite dishes] was approximately 400,000 dishes, now it is more. According to the companies that install dishes, the number is growing at 50,000 to 60,000 [dishes] per year."

"You would not get a license to start up a radio station unless you are related to a governmental body," one of the participants noted.

There are no special limitations to professional activity, except for difficulties connected with accreditation of journalists who do not have professional education. Journalism education is equally accessible for all citizens, but the panelists said the quality does not meet international standards. The participants mentioned that after the European Humanities University and local offices of the international media development NGOs IREX and Internews were closed, possibilities for professional development narrowed. Getting a second diploma in journalism is most difficult, as a second higher-education course is not free. Panelists noted with concern the January 2005 removal of Vasily Vorobiov, the dean of the journalism faculty at the Belarusian State University, on ideological grounds. This followed a 2004 inspection of the faculty by the Ministry of Education and major state media directors. The panelists also pointed to some cases of pressure put on students working in independent media outlets and tighter controls over job placements of journalist faculty graduates.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Belarus Objective Score: 0.78 / 4.00

The MSI panelists, recording a slight decline in journalistic professionalism during 2005, agreed that tendentious and biased reporting exists and quite often does not comply with professional standards. They said this is true in both state and independent media. "The stance of journalists and editors is very much that of [political] party and partisan literature," one panelist said. "This is an obstacle to overcome for journalists to create objective and fair reports, but nevertheless there are still objective reports and media outlets." Among newspapers offering high-quality stories are *Respublica, BDG, Intex-press,* and *Belorusy i Rynok*.

There are examples of high-quality journalism in state-owned newspapers such as *Respublica,* but they are rare. At the same time, there are articles in the independent media that are not fact-checked or objective. Still, panelists agreed that "the level of objectivity and the overall professional level of non-state journalism is generally higher." There is growth of professionalism in state media, but the journalists are constantly hampered by censorship and the need to compromise themselves. Numerous trainings held by international organizations contributed to improving the professional level of journalists. However, all the organizations working in the media sector had to leave the country and only are able to offer trainings in Russia and Lithuania.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

The experts mentioned the ethics code adopted by the Belarusian Association of Journalists (BAJ) as contributing to the introduction of international professional standards in journalism. Observing the code's principles makes journalists less vulnerable to libel suits, for example. Violations of professional ethics are mainly connected with conflicts of interests. The loyalty of state media journalists is essentially bought by various guarantees from the government that can be interpreted as hidden forms of bribery. But as the country has no well-developed markets, the demand for paid hidden advertising is minimal in comparison with Russia.

All participants agreed that self-censorship in Belarus is as widespread as in other CIS countries. One of the participants noted that "in the majority of cases, both journalists and editors do not simply practice self-censoring but use it as a daily guide." The panelists agreed that the self-censorship results mainly from pressure by editors on journalists.

For independent media, self-censoring is often a necessary means of survival to keep, for example, advertisers. Nevertheless, according to the participants, independent media, despite political risks, have fewer "closed" topics than do state media. However, one panelist described "one very negative tendency: The regional press—apart from several exceptions—is growing more toothless. And that amount of freedom has narrowed during this past year after the government has 'instructively' suspended several newspapers. It feels like there are ever fewer topics that can be covered by newspapers, both locally and nationally." Participants listed among the "closed topics" President Lukashenko's family and the business interests of government officials.

The panelists reported that salaries of journalists working for independent media have decreased during the past three to four years in comparison with the general countrywide income growth. Panelists expressed concern about the widening gap between the lower salaries at independent media vs. the higher ones at state outlets: "The gap in incomes is tremendous and getting to be dangerous. There is no point in pressing media outlets legally if the gap between the average salary in the country, said to be $500, and the income of journalists in independent media soon will be so big that nobody will stay to work for independent media." The worsening financial situation of journalists in independent media was cited

as a reason why many qualified professionals left their newspapers. Panelists also noted that regional media outlets already lacked qualified specialists.

Low salaries produce the potential for corruption in the journalism sphere, the panelists said. Journalists from independent media sometimes sell their articles to politicians and business owners, at times with approval from the editor. Corruption during political campaigns takes place as well. But there were no examples of gross violations of professional ethics or direct bribery of journalists offered by the panelists.

Positive growth in news and information coverage in broadcasting was mentioned. The majority of the participants thought the balance of entertainment and news programming was about the same in Belarus as many other countries. Some suggested that growth in informational broadcasting was to the detriment of entertainment content, but the conclusion was that it is difficult to draw a line between the two formats in Belarus. Entertainment on television becomes more and more ideological, more politically oriented, and thus more information-like, they said. It was mentioned that entertainment dominates on non-state radio. The main conclusion, however, was that increased news and information broadcasting did not appear to lead to greater informing of the population.

Panelists were unanimous in their view that upgrading the technical capacity of independent media will grow more pressing soon. Television companies face bigger problems: "As to the technical means for collecting information, they are quite good. As for the rest—production and distribution—there is an abyss." Other participants noted most journalists lack computers, camcorders, digital recorders, and other standard equipment. State media upgrade their equipment more often, to their competitive advantage. Independent media experience constant financial hardships. Moreover, new regulations adopted by authorities do not allow media to receive foreign help. There are practically no technical or financial opportunities for overcoming state barriers to media distribution through, for example, satellite television, Internet television, or independent terrestrial broadcasting. The panelists said this presents missed opportunity, as there are no political restrictions in this sphere so far.

There are enough specialized reports and information programs on television, panelists said, and local business, environment, education, and other topics are covered in regional newspapers and television programs. But some genres, particularly investigations, are becoming extinct. The general trend for this objective is downward. The panelists mention the following reasons: restricted access to information, insufficient professional education, lack of demand for specialized information, and the limited financial resources of the outlets.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Belarus Objective Score: 0.54 / 4.00

The availability of multiple news sources declined further in 2005. According to the MSI panelists, the population in large cities has quite good access to public and private sources of information. These possibilities, though, are limited in smaller towns and villages. Panelists noted that the selective hand of the editor is strong at many state and independent newspapers, and citizens generally are not accustomed to forming their own opinion from facts offered in balanced form. The experts emphasized the underdeveloped demand for information by the general public. Panelists said there is a lot of ideology in the media, and less information.

Participants agreed that in 2005 the government stuck to its practice of restricting access to international

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

"On one hand, there are independent media, there is Internet, and the number of users is growing, the number of satellite dishes is growing. But on the other hand, you need to make efforts to receive information. And the further from the city you are, the more effort is required and the less possibilities there in fact are," said one panelist.

news sources for the public and journalists alike. It is more difficult to buy foreign titles, except for Russian ones, even in the capital, Minsk, than in neighboring countries. Foreign news broadcasts have been decreasing for the past three years. For example, the programming of Russian channels rebroadcast in Belarus is frequently changed, with news and analytical programs cut out or censored, as in the cases of *Zerkalo* (Mirror) and *Vesti nedeli* (News of the Week) from Russian RTR network. Russian news programs are replaced by programs from Belarusian state channels. News broadcasting by cable operators is controlled, and some stopped rebroadcasting CNN and BBC.

Polish, Ukrainian, American, and British television channels are almost unavailable to wider audiences. FM radio stations stopped broadcasting independent news in 2004 for fear of losing their licenses, and they continue to broadcast only official information. Internet cafés block access to websites with political news under pressure from authorities. A forum at the Vitebsk city portal http://forum.vitebsk.by was the last of the "official" municipal sites that had political news, but it was closed down.

While opposition newspapers face repression, the government subsidizes subscriptions to state-owned titles. The authorities also pressure points of sale, and Minsk supermarkets and other shops refused to sell leading independent newspapers such as *BDG. Beloruskaya Gazeta, Belorussky Rynok,* and *Narodnaya Volya.* At the same time, there are new possibilities for people to access international media: The number of Internet and satellite television users is growing. Panelists anticipate new government measures to strengthen control over these information sources.

Nationwide opposition media, mainly printed, are mostly available in large cities. "On one hand, there are independent media, there is Internet, and the number of users is growing, the number of satellite dishes is growing. But on the other hand, you need to make efforts to receive information. And the further from the city you are, the more effort is required and the less possibilities there in fact are," said one panelist.

There are no true public media in Belarus. State media are setting their sights solely onto providing information on behalf of the incumbent government and do not reflect the interests of the whole of the political spectrum. In fact, the function of public media in the country is carried out by non-state media, said one of the panelists. But most participants said Belarus lags far behind even Russia and Ukraine in terms of state or public media reflecting a range of views in a nonpartisan manner. In fact, such media hardly reflect the views of the entire political spectrum, and the situation is getting worse.

There are 15 independent television stations in Belarus. Most of them produce daily news programs, mostly on local news. Journalists for these programs do not interfere with "big politics" and face many problems accessing information sources and finding technical and financial resources, panelists said. The quality of the programs is not high, and the content is formed on the basis of a limited number of sources, mainly Internet. "They do produce their own news, yet all TV and radio stations I'm familiar with aren't independent as to their content," said one panelist. "There are some newspapers, like *Vitebskii Kurier,* that is actually made of BelaPAN's newswire, BelaPAN's e-paper, and the Internet. Some newspapers just do not have anything written by themselves. Even so, they claim to be reporting nationwide news," added another expert. Many news programs are deteriorating and becoming, as one panel put it, "rather toothless."

There are eight news agencies in Belarus, including four independent ones—BelaPAN, Prime-TASS, Agentstvo Grevtsova, and a Russia-owned agency, Interfax-Zapad. The state-owned news agency BelTA is the mouthpiece of the government.

The panelists named BelaPAN the only "full-fledged news agency that covers all viewpoints." It is, however, repeatedly facing pressure from the government. There is an unofficial ban on state media subscribing to and broadcasting BelaPAN news. Many independent media cannot afford subscriptions to news services and have to use information illegally. State-owned agencies produce, select, and distribute news under severe censorship. The discussion showed that independent news agencies often are compelled to compromise themselves, to produce politically neutral or nonpolitical news, and to practice self-censorship. As a result, production of alternative information continues to shrink.

The information about the owners of media is open and available in Belarus. Many independent newspapers are in fact owned by government structures or local authorities. The independent media market is not monopolized. Big businesses do not own media and are not eager to do so. One of the panelists commented: "Independent media in Belarus are as much of a civic initiative as a business. It has its own advantages that business structures have no influence on them." The participants mentioned that there are thought to be cases of direct intervention into editorial policy, such as pressure on the biggest independent daily, *Komsomolskaya Pravda v Belorusii,* to be less critical of the government, but there are no open scandals. Information about the owners of media outlets does not really influence the level of trust the outlet enjoys, and most consumers do not care about it at all. The panelists agreed that the only monopoly on the media market is the state.

There is a number of small national minority newspapers in Belarus, including *Slowo Zycia* (circulation 7,575 copies), *Atikva* (the Vitebsk Jewish newspaper, circulation 299), *Istoki* (Vitebsk Russian community, circulation 3,000), *Gloz znda Niemna* (circulation 5,260), *Magazyn Polski* (circulation 2,000), and others. It is difficult to judge how well they reflect views of national minorities, as their readership is narrow, circulation low. They are difficult to find at newsstands and are distributed mainly by subscription. The only mass national newspaper, *Glos znad Niemna,* covering the Polish minority, was subject to pressure from local authorities during 2005 because of coverage of conflict within the ethnic Polish community over support to the government, the panelists said. It also was mentioned that there is no nationwide independent television company broadcasting in Belarusian and that the language appears to be forced out of the media.

OBJECTIVE 4: BUSINESS MANAGEMENT

Belarus Objective Score: 0.69 / 4.00

The business environment for media is bleak. MSI panelists noted in particular that media services such as distribution and printing are monopolized by the state. Their efficiency as businesses is minimal, and profits are achieved by side operations: "Belsoyuzpechat honestly admits it is making money by selling eau-de-colognes and hairbrushes rather than by selling newspapers, meaning a specialized structure set up to distribute the press makes money on something else," a panelist said.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

There is no fair competition on the market of services for media. Independent media must agree to very unfavorable terms, and the state structures routinely violate agreements. Belsoyuzpechat and Belpochta often delay payments to the newspapers for the copies sold, undermining the papers' efficiency. One of the panelists said: "The number of printing houses in Belarus is not enough, especially alternative ones. To change a printing house for a newspaper is a killer situation, and that's why we have to agree to any unfavorable conditions." Distribution fees for subscription are 30 percent higher for independent media than for state-owned ones. The state also interferes with subscriptions, demanding and then rejecting licenses for self distribution and sales. Local authorities in many oblast capitals continue the campaign started in 2003 to liquidate all private kiosks. State-owned kiosks, meanwhile, are often instructed not to sell certain independent newspapers, or to put these newspapers on the counters so they hardly can be seen by consumers.

The majority of media outlets are subsidized either by the state or by foreign sponsors. Dependence on subsidies influences the editorial policy significantly. Independent titles do not receive any subsidies from the state. To survive, they often must run side businesses, which are sometimes absolutely different businesses. Only electronic media in Belarus are self-sufficient, in the form of independent regional television companies.

Newspapers rely on advertising. "The worst comes if we have to rely on newspapers sales only. We won't survive on that," said a panelist. However, decreasing advertising sales prompt the search for other revenue sources: "All my colleagues from electronic media and also from printed ones are starting up other businesses to fund their media outlets," a panelist said.

"Belsoyuzpechat honestly admits it is making money by selling eau-de-colognes and hairbrushes rather than by selling newspapers, meaning a specialized structure set up to distribute the press makes money on something else," a panelist said.

Panelists agreed that business operations of independent media have improved somewhat, and the sources of revenue are differentiated. Due to business trainings offered by international media assistance organizations, media managers demonstrated certain progress as far as accounting, business planning, advertising, distribution, and marketing are concerned. Some independent media outlets choose to set up small regional media holdings such as in Pinsk and Svetlogorsk. "They earn money on television broadcasting, from advertising papers, and FM radios, yet there are only three or four of them," said a panelist.

Participants agreed that Belarus has moved toward international business management standards, but overall the situation has weakened. The improvements do not compensate for the negative consequences of economic discrimination against independent media outlets, resulting in decreased advertising profits, circulation numbers, and so on. Under such conditions, even leading independent media outlets are experiencing serious financial difficulties. Thus, for example, *BDG* has lost a considerable part of its circulation due to difficulties with distribution.

The participants agreed that advertising agencies do not assist independent media as they face pressure and interference by authorities themselves. Under pressure from the state, advertising agencies prefer to place ads in state media. "I would like to stress that they are afraid of working with independent media. There have been several instances when advertising agencies placed ads with our e-paper and the next day they were telling us they had received a call from the Information Ministry that ordered removal of ads," said a panelist.

Advertising revenues of independent media outlets are significantly lower than those in the neighboring countries. Additionally, one expert said, "Advertising possibilities are used more and more efficiently. Ad agencies are just too lazy to work with small media outlets." Also, advertising expenses are taxed at high rates, thus hindering the growth of the advertising market. Igor Samkin, director of the Association of Belarus Advertising Organizations, estimated the advertising market at $40 million to $45 million in 2004, with $20 million spent on television advertising, $7 million on outdoor advertising, $350,000 on Internet advertising, and the remainder in newspapers.

The experts agreed that some loyal independent media outlets (for example, the weekly *Obozrevatel* and Channel 2 TV in the city of Mogilev) as well as specialized titles on history, culture, and other topics (for example, *Krayaznauchaya Hazeta* and *Golas Radzimy*) do receive subsidies, though not full ones. Independent sociopolitical editions are not subsidized by the state.

The discussion showed that the majority of independent media managers realize the necessity of market research for their businesses. In particular, several newspapers conduct their own telephone- and questionnaire-based polls. Most independent media, however, cannot afford the services of professional marketing specialists and sociologists. Consequently, professional market research is rarely done. Media managers are underqualified as far as media marketing is concerned and often are unable to effectively use data already available.

Panelists said there are no trustworthy statistics on print media circulation, but the situation is improving. It was also mentioned that no research on television audiences is done using current technology. Research based on polls is offered only by one company, the Novak firm.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Belarus Objective Score: 0.72 / 4.00

Belarus has no trade union for journalists. State media journalists are members of the trade union for culture workers. Owners of independent media are often not interested in trade unions. "So, we should help starting up an organization that would fight us? Why would we need that? We already have to fight the government," said one panelist. However, there are a number of organizations setting their sights on consolidation of the community journalists and private publishers (BANT, BETA, TBN, and Foundation for Local Press Development). Panelists said that some of these

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

organizations are getting more active. The Foundation for Local Press Development is implementing a project to develop press distribution systems and offers members training and other incentives such as centralized purchases of newsprint.

The Belarusian Association of Journalists (BAJ) brings together about a thousand media professionals from both independent and state media. BAJ does a lot to protect journalists' rights, provide legal support, and collaborate with international organizations—and therefore is subject to prosecutions. BAJ activities in the regions have been hindered by liquidations of some of its regional structures, a tactic orchestrated through the Ministry of Justice. Although the number of BAJ members is growing, its local office in Gomel is registered at three square meters in a lobby. According to the MSI panelists, BAJ is doing its best to protect journalists' rights and to contribute to their professional development, but its financial and organizational possibilities are very limited. Some suggested that it is too early to call its work sustainable, and there were also doubts about the efficacy of one organization uniting both publishers and journalists.

Some human-rights groups and other NGOs—such as the Belarusian Helsinki Committee, Vyasna, and the Union of Entrepreneurs—also support independent media, monitor cases of violations of journalists' rights, and make public freedom-of-speech violations in Belarus. However, their representatives are located mostly in cities, and these organizations are subject to pressure from the authorities. When the national daily *Narodnaya Volya* was fined more that $30,000 in two court cases and was in jeopardy of being closed, some of these organizations helped to organize a protest action in Minsk. Overall, panelists said, aggressive state policy aimed at suppressing freedom of speech is being protested more often. There was a protest in Borisov to support *Borisovskie Novosti* and *Kurier iz Borisova* newspapers. Activists of the Zubr and Malady Front movements and the civil initiative Volat together with employees of *Borisovskie Novosti* and *Kurier iz Borisova* newspapers banded together against pressure targeting the independent editions.

The majority of the participants evaluated the quality of journalist education in Belarus as low and not corresponding to modern standards. Programs of journalist education in state universities are ideology-based and tend to prepare propagandists rather than journalists. Some hope to raise the quality of journalism education rests on the revival of the European Humanities University in Vilnius. The possibilities for further training abroad are still in place, a panelist noted, but "there is a tendency that to get such education, students of state-funded faculties should get approvals from their universities … which may limit the possibilities a great deal." The labor market for journalism faculty graduates is wide enough, but the prospects of low salaries, limitations for self-realization, and other factors are making the profession less attractive for young specialists.

"So, we should help starting up an organization that would fight us? Why would we need that? We already have to fight the government," said one panelist.

There is no system of further education for independent media journalists, and there is no systematic coordination among the training and seminar programs held by local organizations (Foundation for Local Press Development, Mass Communications Foundation, and others), although some attempts are made.

As noted, IREX, Internews, and other specialized international media development NGOs have been forced to leave Belarus. To the extent that foreign organizations continue to work in Belarus, they tend

to pay attention to the problems of journalistic ethics and other "general issues" and do not provide enough attention to practical journalism, panelists said. Most needed are sustained training in modern technologies, such as use of the Internet, and special programs for young journalists. Training abroad often does not meet local needs. "I'm not sure it is possible to train a journalist, first of all a TV journalist, say in Sweden, for them to work in Belarus. They have a different mentality, different approaches, and a different environment. International seminars and foreign internships are a double-edged sword," said a panelist.

There are private printing houses, but they are few. The state printing houses will print independent newspapers, but business contacts depend on political factors and independent media outlets can often be rejected. One of the participants described the situation: "Printing houses often refuse profitable clients due to political reasons. The distribution structures are monopolized, and there are practically no independent alternative distribution companies in the country now."

The state totally controls media distribution channels and keeps rejecting newspaper attempts to create their own systems. The experts mentioned that independent media are still looking for new opportunities for distribution. Private shops and kiosks are widely used, but sometimes it is necessary to distribute newspapers illegally and some activists in the regions have been arrested for doing this. In Grodno, a journalist at *Salidarnasc* newspaper, trade union activist Ivan Roman, was arrested by police for distribution of the opposition daily *Narodnaya Volya* to workers of a local plant.

Panel Participants

Leonid Mindlin, Journalist, WEN-TV, Minsk

Sieva Rahoisha, Board Member, Foundation for Development of Local Press, Minsk

Andrey Bastunets, Deputy Chair, Belarusian Association of Journalists, Minsk

Petr Martsev, Chief Editor, Publisher, *BDG. Delovaya Gazeta,* Minsk

Sergey Kuzemensky, Director, Skif TV, Borisov

Ales Lipai, Director, BelaPAN Information Company, Minsk

Pawlyk Bykowski, Political Editor, *Belorusy i Rynok,* Minsk

Andrey Dynko, Chief Editor, *Nasha Niva,* Minsk

Vladimir Yanukevich, Chief Editor, *Intex-press,* Baranovichi

Anatoly Martinkevich, Print Media Project Coordinator, Mass Communications Foundation, Minsk

Moderator

Andrey Vardomatsky, Director, Novak Opinion and Market Research, Minsk

BELARUS AT A GLANCE

GENERAL

■ **Population:** 9,812,900 (2004) *Belorussky Rynok*

■ **Capital city:** Minsk

■ **Ethnic groups (% of population):** Belarusian 81.2%, Russian 11.4%, Pole 3.9%, Ukrainian 2.4%, other 1.1% *1999 Official Population Census*

■ **Religions (% of population):** Christian 50% (Russian Orthodox 73%, Catholic 14%, Protestant 2%). *From an interview with Stanislav Buko, chair of the State Committee on Religions and Nationalities at the Council of Ministers, April 11, 2003.* Non-Christian religions make up the other 50% (data not available from official sources).

■ **Languages (% of population):** Belarusian 73.7%, Russian 24.1% *1999 Official Population Census* (However, only 36.7% speak Belarusian on a daily basis, while 62.8% speak Russian.)

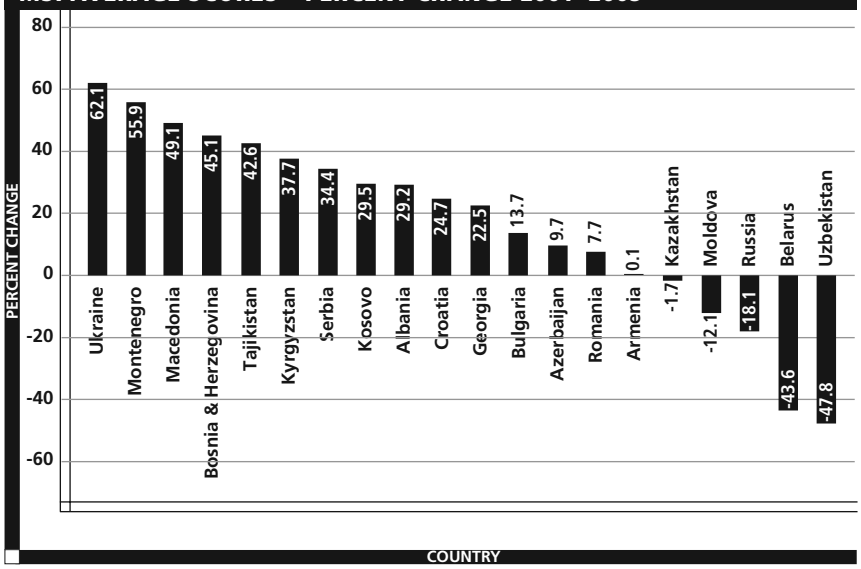
■ **GDP:** $17.45 billion *World Bank*

■ **Literacy rate (% of population):** 97% *1999 Official Population Census*

■ **President or top authority:** President Alexander Lukashenko

■ **Next scheduled elections:** September 9, 2006

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** *Sovietskaya Byelorussia* is a state-owned daily with an official print run of 506,948 copies per issue and a weekly circulation of 2,534,740 copies. *Belarusian Ministry of Information*

Komsomolskaya Pravda v Belorussii (Belarusian edition of a popular Russian daily) is the largest independent daily with an official print run of 43,000 copies per issue (220,000 copies on Fridays) and a weekly circulation of 435,000 copies. *Mass Communications Foundation, 2005*

Narodnaya Volya is the largest opposition daily with an official print run of 27,000 copies per issue and a weekly circulation of 135,000 copies. *Mass Communications Foundation, 2005*

■ **Broadcast ratings (top three ranked stations):** First National Channel of Belarusian Radio (broadcast throughout Belarus: Poland, Lithuania, Latvia), Radius FM, Radio Stolitsa (FM station) *Novak Laboratory, 2005*

■ **Number of print outlets, radio stations, television stations:** 1,266 print outlets, 8 news agencies, 54 television stations, 136 radio stations *Belarusian Ministry of Information, October 2005*

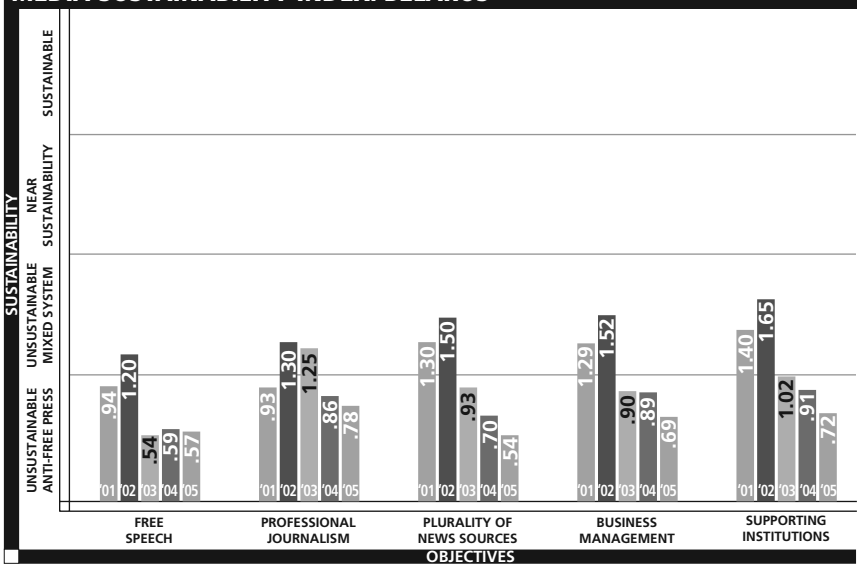
■ **Annual advertising revenue in media sector:** $40 million in 2004 (press, television, radio, Internet, *outdoor advertising) Hepta Group Publicis advertising agency*

Igor Samkin, director of the Association of Belarus Advertising Organizations, estimated the advertising market at $40–$45 million in 2004 ($20 million television, $7 million outdoor advertising, $350,000 Internet)

■ **Number of Internet users:** 14.3% of population *IISEPS News—Analytic Bulletin of Independent Institute of Socio-Economic and Political Studies, #3, October 2004*

■ **News agencies:** BelTA, BelaPAN, Interfax-Zapad, Prime-TASS, Ecopress, Agentstvo Grevtsova, Minsk-Novosti, Agentstvo Finansovykh Novostei, Register Information and Legal Agency

MEDIA SUSTAINABILITY INDEX: BELARUS



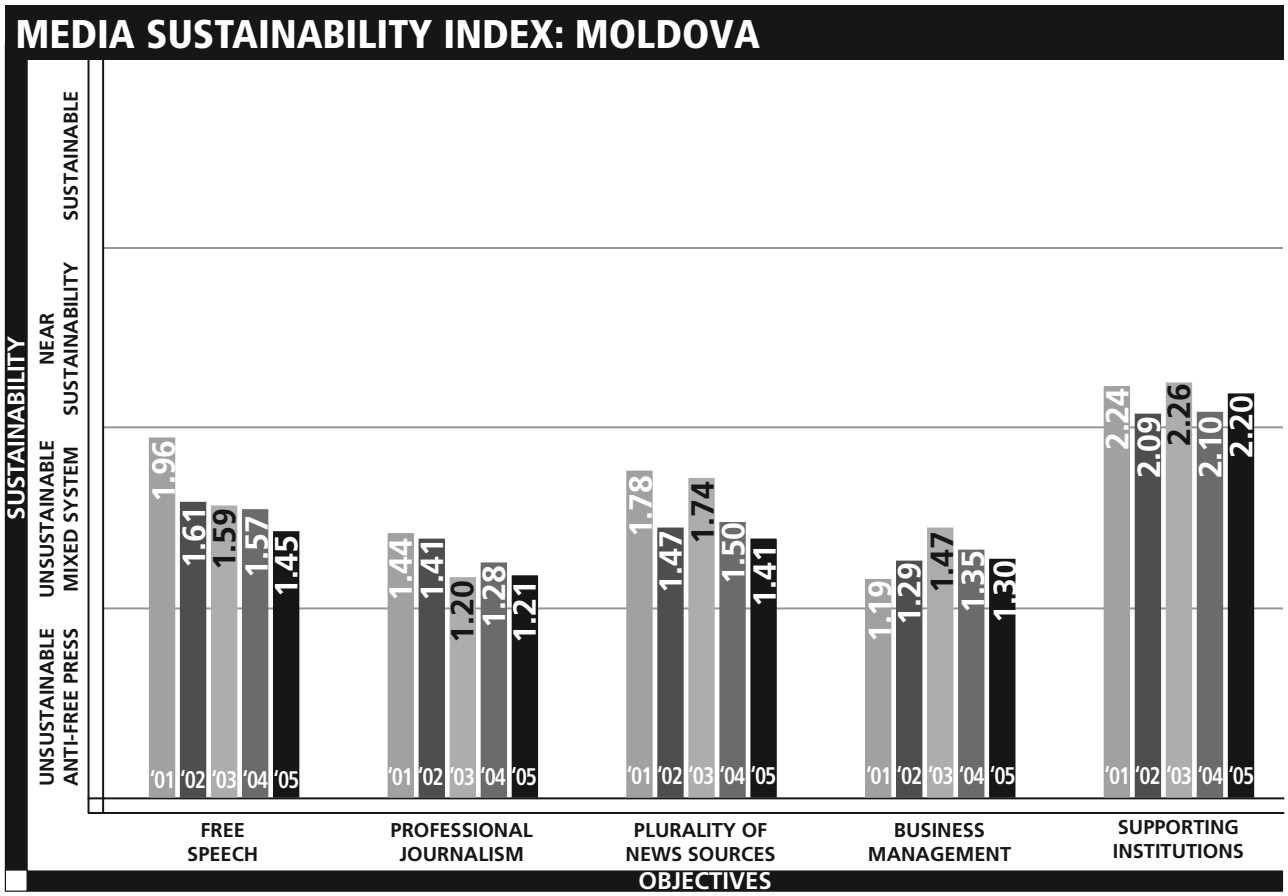
Unfortunately, the newly elected parliament started its work by reviewing two draft laws that further contravened the right to free expression and access to information: the draft law on the state and professional secrets and the law on information.

Introduction

In Moldova, 2005 was an election year, with voting for parliament and the mayor of the capital, Chisinau. The Communist Party managed to stay in power and form the government alone, although it received a smaller number of parliament seats than in 2001. To ensure parliament re-elected the party's leader as president, the Communists created a "political partnership" with the Christian Democratic Party and the Democratic Party. The coalition undertook a series of steps to democratize Moldova, in line with the Moldova-EU Action Plan that had been signed prior to the parliamentary elections. Among the media-related reforms were changes that would ensure the independence of the Broadcasting Coordination Council (BCC), the real (not only formal) transformation of the Teleradio Moldova Company into a national public broadcaster, and the elimination of state press.

Unfortunately, the newly elected parliament started its work by reviewing two draft laws that further contravened the right to free expression and access to information: the draft law on the state and professional secrets and the law on information. If these become law over the criticism leveled by Moldovan civil society, Organization for Security and Co-operation in Europe (OSCE) experts, and the international freedom-of-expression group Article 19, it would be a reorientation toward Soviet rather than European practices. Pending the outcome of this debate, the 2005 Media Sustainability Index (MSI) panel recorded an essentially static situation in the Moldovan media sector, with the overall MSI for the country at 1.51 for 2005, compared with 1.56 in 2004.

The governing party not only continues to maintain control over the public company Teleradio Moldova, the MSI panel agreed, but also takes steps through the BCC that appear to be attempts to take over, through faithful intermediaries, the most influential radio and television stations. At the same time, again through the BCC, stations that are seen as disloyal or in opposition are harassed. Among print media, the "liquidated" state newspapers have done nothing but change their insignia, thus becoming "independent" but continuing the same editorial policy that serves



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

the government. By contrast, after liquidation of Chisinau's news agency Info-Prim, seen as supporting the opposition, the journalists were simply thrown out onto the street. The district newspapers published by the local public authorities have not come under a privatization plan and thus continue representing unfair competition to independent local papers.

For various reasons linked to the yet underdeveloped advertising market, lack of investments and flawed management, profitable media are an exception rather than the rule. Their dependence on additional, nonbusiness revenues is fertile ground for journalists' self-censorship and partisanship.

The access to information, including to foreign stations and the Internet, faces no legal constraints but depends on geography and people's incomes. The rural population is the most disadvantaged from this point of view.

OBJECTIVE 1: FREE SPEECH

Moldova Objective Score: 1.45 / 4.00

The MSI panel concluded that 2005 has not brought major changes in legal and social regulations, and in some areas, such as access to information, the situation has degenerated. "There is a good (stable) situation only in access to international news and the practice of journalism," said Vitalie Cazacu, director of the DECA-Press news agency. The panel also said no physical assaults on journalists that might be linked to their professional activity took place in 2005.

The Communist government launched a review of two draft laws that, if adopted, would limit further access to information. The draft law on the state and professional secrets, developed by the Information and Security Service, and the law on information, submitted by the Department of Information Technologies, would replace the Access to Information Law, which is based on European norms. The MSI panelists believe that both drafts represent setbacks, returning to Soviet principles of protecting information, and said the drafts were submitted to parliament without prior consultations with the mass media or citizen review.

The absence of a ceiling for compensation awarded for defamation generated concern among the media. "The numerous lawsuits scare away investigative journalists, while the national laws and the way in which they are enforced make such journalists especially vulnerable in the face of likely legal action," said Olivia Pirtac, the Independent Journalism Center (IJC) media lawyer. "Although according to the jurisprudence of the European Court, judges have to take into account the good faith of the journalist and the reasonable amount of research done by him, this does not happen in practice and sanctions are applied in all the cases when the journalist fails to prove the truth of his statements."

"The numerous lawsuits scare away investigative journalists, while the national laws and the way in which they are enforced make such journalists especially vulnerable in the face of likely legal action," said Olivia Pirtac.

In summer 2005, the parliamentary faction Moldova Democrata introduced a draft amendment to Article 16 of the civil code that provided, among other things, for specific amounts for moral damages resulting from defamation. The initiative had not come to a vote by late 2005. In addition, Article 304 of the criminal code

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

provided for a fine of up to the equivalent of $500 or up to two years in prison for libeling judges, criminal investigators, or persons who "contribute to justice." The administrative code provides for arrest of up to 30 days for libel.

All the participants in the MSI discussion agreed that there is censorship at the public company Teleradio Moldova. The producer's code of principles, standards, and recommendations approved by the Teleradio Moldova management contains a series of ambiguous provisions that can be used against the principle of free journalistic expression. For example, Paragraph 2.1 says that "program producers must report to their superiors on problematic stories that might affect TRM's editorial policy, at the initial stage … The refusal to coordinate, inform, or approach the superior body can result in the omission, delay, or replacement of the given program from the plan." Paragraph 2.1 also provides that "before any information is broadcast, the journalist has to report the identity of the source to the coordinating editor or department director, who are under the obligation to preserve confidentiality. This disclosure of the source should not be confused with the public disclosure." Eugen Ribca, a lawyer at the Association of Electronic Press, evaluated many of the code's provisions as "vague and allowing censorship and sanctions against TRM journalists" (*Ziarul de Garda,* 6 October 2005).

The European Court for Human Rights scheduled a December hearing in a case, *Larisa Manole vs. Moldova,* started in 2002 by the TRM Strike Committee that requests the Republic of Moldova recognize limits on the right to the freedom of expression represented by the introduction of censorship at the national television station.

Olivia Pirtac said that "if a broadcaster changes its programming in order to adapt it to the requirements of the audience and the realities of the day, this is not a good enough reason for BCC to impose sanctions. The BCC warnings can be regarded as censorship and involvement in the editorial policy of the broadcaster."

The MSI panelists agreed that was no improvement in broadcast licensing, either, during 2005. The licensing is neither fair nor competitive, nor apolitical, and it is done according to some vague criteria—"plurality of opinions, equality in the treatment of participants, quality, and diversity of programs, free competition, local broadcasting products, and the independence and impartiality of programs"—that leave room for arbitrary decisions. The majority of the BCC members represent only the governing party and act in its interests. Under the guise of the licensing law's requirements, Radio Singera was forced to suspend broadcasting during elections. The license of Radio Media Sfera Ltd. was withdrawn before the expiry of the one-year period granted prior to the start of broadcasting, although the station acted in good faith and informed the BCC promptly about delays in renting premises caused by circumstances beyond its control. Although the holding Euronova Media Group includes popular stations, it remains unable to obtain new frequencies to expand its coverage area. The license of Analitic Media Group, which rebroadcast the Russian first channel, was withdrawn in October in spite of the fact that the group showed to BCC the contract for exclusive broadcasting rights granted by Russia's ORT until 2010. The license was given to an unknown company, which had been registered shortly before. In the view of Viorel Margineanu, Media IMPACT Agency director general quoted by DECA-Press news agency, the BCC meeting "was a show that was well-directed by the forces that continue to hold local broadcasting under their control." European diplomats in Moldova also expressed concern regarding the granting of broadcast licenses and the allocation of related frequencies in Moldova. "Serious questions remain regarding the transparency of such decisions and the independence of the Audiovisual Coordinating Council," they said in a statement released in November.

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The initiation of a media business and the related taxes are not different from other industries. There is, however, some discrimination against private media as compared to state-run ones (the governmental papers became formally "independent" in mid-2005) and district ones, although from a legal point of view they are equal. The discrimination can be seen in the distribution of such publications to state institutions and state-run businesses.

The paper *Ziarul de garda* reported in January 2005 that it had obtained a document demonstrating that the government orders institutions to use public

funds to subscribe to state-run and government-loyal newspapers. Also, some business owners voice unwillingness to advertise in independent newspapers for fear of attracting the wrath of the government (*Satpamana*, 14 October 2005, editorial by editor-in-chief Viorel Mihail).

According to the Access to Information Law, passed five years ago, any legal resident on the territory of Moldova can request any information or document from public authorities or institutions without having to explain a reason. About 20 lawsuits were started in 2005 against public institutions for their refusal to provide public information. The participants in the MSI discussion noted favorably decisions to publish the minutes of the parliament's plenary sessions and broadcast them live on Teleradio Moldova. "Although some public institutions have started to be more open to applicants for information, considerable efforts are still needed to break through the wall of excessive secrecy around public information," said Vasile Spinei, director of the Access-Info Center. "Moreover, instead of focusing on the enforcement of current provisions, some governmental bodies have come up with two draft laws (one concerning information and the other concerning state and professional secrets), whose purpose is to prevent the free access to information."

Petru Macovei, interim executive director of the Association of Independent Press, said "the government and the local administrations raise bureaucratic barriers to obtaining public information." Vasile Botnaru, Radio Free Europe bureau chief, added that although the Access to Information Law is generally perceived as an excellent one, "it is weakened by negative practices as information is turned into merchandise hidden under a layer of legal provisions that allow the introduction of fees or delays in delivering the requested information."

The state does not limit in any way the media access to international news and sources of information. The only real barrier in this regard is the financial capacity of the outlet.

Any person can become a journalist. The state does not impose any restrictions of licensing, except for the need of accreditation. Journalists enjoy no special rights or privileges. Foreign journalists are under the obligation to become accredited with the Ministry of Foreign Affairs. It sometimes happens, however, that local authorities can impose of their own will a requirement of accreditation for their territory. "They believe that journalist accreditation, for example in parliament, is meant to prevent them from going there and finding out the MPs' opinions on various issues. If a journalist's question is uncomfortable or if the civil servant is simply not competent on the issue, he will say every day that he is busy," noted Natalia Girleanu, a reporter for *Novoie Vremya.*

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Moldova Objective Score: 1.21 / 4.00

The MSI participants agreed that the quality of Moldovan journalism needs serious improvement. Accurate, objective information from several sources is an exception rather than the rule. Political partisanship has infiltrated even the products of some news agencies, which were once examples of impartiality. "Unfortunately, in terms of quality standards, journalism in Moldova is stagnating at best," said Petru Macovei. "Quality journalism is not profitable," added Vasile Botnaru. "On the contrary, it is becoming increasingly more unprofitable because it attracts risks, while obedient journalism is encouraged and wanted and compensated by various methods."

There is a code of journalistic ethics, adopted in May 2000, that says among its provisions that the journalist is obligated to make a clear distinction between information and opinion; use only the information believed to be accurate and based on sources the journalist knows; deliver such information impartially; reject compensation, directly or indirectly, from third

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

parties for the publication of a piece of information or opinion; and respect privacy. In reality, said Aneta Grosu, editor-in-chief of *Ziarul de Garda,* "poverty, self-censorship, and legislative imperfections are the things that mark the professionalism of journalists in Moldova. These circumstances also encourage corruption among journalists." Vlad Bercu, editor-in-chief at Basa-Press, added that "very low motivation in terms of salary and opportunities for promotion discourages journalism."

"Unfortunately, in terms of quality standards, journalism in Moldova is stagnating at best," said Petru Macovei.

As is the case with state-run media, the owners of some private media, including news agencies, also impose on their staff taboos or conditions that run counter to the principles of free expression and the ethics code. The MSI participants agreed that self-censorship remains to be a general phenomenon in Moldovan journalism, both in public media as well as in private ones.

According to the media monitoring report on the election period January-May 2005 published by the Civic Coalition for Free and Fair Elections, "the majority of radio and TV stations and periodicals subject to monitoring covered the elections from an angle of clear commitment to the authorities or the opposition. The authorities had on their side not only the majority of public media, except for the Chisinau city ones, but also the majority of the private broadcasters." According to the League of Professional Journalists of Moldova, the Association of Free Journalists, the Committee for the Defense of Human and Professional Dignity, and the Anti-Censorship Committee in Broadcasting, there has been recent intensification of "corruption of journalists by political forces by their involvement into image-making or media 'hit-men' roles, especially during elections."

Teleradio Moldova continues to cover events from the position of the governing party. According to the monitoring conducted by the Association of Electronic Press APEL, TV Moldova 1 prefers "nonconflictual events" and pays little attention to topics of public interest such as unemployment, salaries, and poverty. The majority of private radio and television stations also generally avoid events and issues that might trigger the anger of the Communist government. "Naturally, journalists avoid sensitive or controversial issues that might cost them their jobs," says Angela Sirbu, IJC director.

The average salary in journalism was $100 to $150 per month in 2004, and in the provinces it was $80 to $100. In private broadcasting, journalists received an average of $300 per month, compared with $150 in state broadcasting. According to the League of Professional Journalists of Moldova, the Association of Free Journalists, the Committee for the Defense of Human and Professional Dignity, and the Anti-Censorship Committee in Broadcasting, the salaries of journalists in Moldova "are much under the minimum consumption basket, and at some outlets even under the subsistence minimum." These organizations found that "black labor" had spread dramatically in the media, meaning the absence of social welfare for journalists. Many journalists have to work at several jobs and hunt for temporary positions to earn enough to survive, further challenging their ability to maintain professional standards. "We cannot speak about free press for as long as journalists live in poverty, corruption, and fear," read the declaration issued by these organizations on World Press Freedom Day in May 2005.

The declaration also mentions that investigative journalism has become an extremely risky undertaking, posing a real threat to the lives of journalists. As a consequence, journalists in Moldova continue to feel fear when it comes to a free exercise of their profession. In Transnistria, a conflict region controlled by a separatist administration, journalists can be kidnapped by armed gangs of the regime. Journalists are afraid of prosecution through the judiciary in the form of enormous compensations for moral damages. "Investigative journalism is not encouraged in any way. There are no legal provisions that would offer protection to investigative journalists, who work unwillingly because the risks are very high," said Olivia Pirtac.

The majority of private radio and television stations have their own broadcasting equipment, including transmitters. The public company Teleradio Moldova and a number of private radio stations, some of them Russian, use the services of the state company Radiocomunicatii. Teleradio Moldova, however, has serious technical problems, with more than 80 percent of its equipment outdated and worn, panelists said.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Moldova Objective Score: 1.41 / 4.00

As a whole, the mass media cover key events and main issues facing the Moldovan society. But in order to be fully informed, a Moldovan citizen must watch all the

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

television stations and read most of the newspapers published in Moldova, the MSI panel concluded.

In 2005, there were 28 Romanian-language newspapers in Moldova, of which two were dailies and two published twice per week; there were 34 Russian-language papers, of which four were dailies, with two published in Moscow and one a twice-weekly edition. The government published two of the papers, one in Romanian and one in Russian, which were "liquidated" and turned into "independent" publications after the parliamentary elections in May.

In Transnistria, there were seven newspapers, one of which comes out four times a week and another one three times. Only one weekly was published in Romanian, using the Cyrillic alphabet. Besides, there are about 40 local and regional publications in Moldova, including in the Gagauz autonomous area, of which about half are funded from local government budgets.

A number of party weeklies stopped appearing after the elections, including *Democratia, Opinia,* and *Alianta,* as well as private papers and news agencies including *Delovaia Gazeta* and Interlic. After Chisinau city's agency Info-Prim was "liquidated," the staff then created an independent agency, Info-Prim Neo. Also, in October, *Timpul* started appearing on a daily basis.

No major change took place in broadcasting outlets. There are private local radio over-the-air and wire stations in almost every town and district center of Moldova. Besides Radio Moldova, which covers the entire country, a few stations (Antena C of the city of Chisinau, the private HitFM and Russkoe Radio) cover 70 percent of the territory. Besides the public TV Moldova 1, two other stations have national coverage: the Russian state First Channel and the Romanian public TVR1. Since December 2004, the private NIT TV, loyal to the authorities, has reached almost all of the country.

"A major problem in villages is the lack of access to sources of information: newspapers, Internet, radio, and television stations," said Aneta Grosu.

There is free access to domestic and foreign media, without political, legal, or technical limits, but there are considerable financial barriers. Moldovan citizens can listen to global radio stations such as the BBC, VOA, Radio Free Europe/Radio Liberty, and Radio France Internationale, which broadcast on FM and UHF. Some local television over-the-air and cable stations rebroadcast BBC World, CNN, TV 5, RAI, etc. The most important channels from Romania, Russia, and Ukraine are also accessible. Western and Romanian newspapers are not being sold on the Moldovan market because of their high prices. However, papers from Russia are sold at accessible prices and nearly dominate the information market, as do Russian radio and television stations.

An average family can afford, at best, to buy just one publication. According to a February 2005 survey by the Institute of Public Policies, about 27.7 percent of the population had not read any newspaper in the past three months, 12.4 percent read newspapers "once a month or more rarely," and 18.9 percent "several times a month." Only 11 percent read papers daily, and 27.7 percent several times per week.

From a legal point of view, there are no restrictions on Internet access. However, only about 17 percent of the Moldovan population has access to the Internet.

"A major problem in villages is the lack of access to sources of information: newspapers, Internet, radio, and television stations," said Aneta Grosu. Unlike in Chisinau, where there is a large number of information sources, in many villages there are no news kiosks, there is no regular access to radio stations, and only one or two television channels are available.

The national public Radio Moldova and TV Moldova 1 continue to cover the varying political viewpoints of the country only selectively, thus serving the governing party. The final report on the monitoring conducted by APEL says that although Teleradio Moldova "has improved some qualitative and quantitative indicators," this has not reached the level required of a public broadcaster. "The authorities continue putting pressure on the media by referring to false loyalty criteria," said Vasile Botnaru.

"In the mass media of Moldova, the principle of including several viewpoints and different sources of information on an issue is generally not observed," believes Petru Macovei. Aneta Grosu noted as well that "although the information sources are multiple, they provide limited information. Often, various news agencies repeat the same information."

There are numerous news agencies, considering the size of the market. But just as the state-run news agency Moldpres provides news favorable to the government, the private agencies such as BASA-Press, Infotag, Info-prim Neo, Flux, Interlic (closed down), Reporter.md, Info-Press and DECA-Press also appear largely loyal to the authorities as reflected in the content they offer. However, Vitalie Cazacu believes that "the majority of the news agencies are still a credible source of information."

"The authorities continue putting pressure on the media by referring to false loyalty criteria," said Vasile Botnaru.

The majority of the independent radio and television stations rebroadcast foreign channels, mostly from Russia and some from Romania. The radio stations carry local news bulletins of three to five minutes every hour, based on news-agency stories. In Chisinau only the two public stations, Radio Moldova and Antena C, Radio Free Europe, and BBC have their own news bulletins. Among television stations, besides Moldova 1, Euro TV, and the Chisinau city station, original news bulletins can be seen also on Pro TV, NIT, the Russian Pervyi Kanal v Moldove, and TV 21. There are local radio and television stations outside of Chisinau, in Balti, Comrat, Cahul, Cimislia, Edinet, and others that carry their own local news.

Most radio and television stations rebroadcast or broadcast entertainment programs. Even when they are actively involved in the political struggle, the independent periodicals cover a wider range of issues such as social, economic, and even national minority topics.

Current regulations do not provide for transparency of ownership and funding sources of most media in Moldova, and the governing party uses intermediaries to buy private media, the MSI panelists said. "There is no, and probably there won't be any time soon, transparency regarding the true owners and funders of the media in Moldova," said Vlad Bercu.

In the declaration issued on World Press Freedom Day, several Moldovan media organizations pointed to "the appearance of informal media holdings and the stronger concentration of media outlets in the hands of several mafia clans involving politicians, businesspeople, representatives of control bodies and the judiciary, culture figures, clergy, directors, and editors-in-chief of media outlets."

The publications issued by national minorities (Ukrainians, Gagauz, Bulgarians, and Jewish) face financial difficulties. The media from Transnistria and the Gagauz autonomous region are published mainly in Russian. In broadcasting, an obvious disproportion in favor of Russian is noticeable, while print circulations are distributed more or less evenly between Romanian and Russian. According to the October 2004 census, about 78 percent of the population of Moldova is ethnically Romanian. The unsolved Transnistrian conflict creates problems of communication between the media on both sides of the Nistru river.

OBJECTIVE 4: BUSINESS MANAGEMENT

Moldova Objective Score: 1.30 / 4.00

The MSI experts agreed that profitable media businesses are an exception, with the advertising market developing slowly and investments in the media driven mainly by political rather than business goals. "The market is stiff and does not respond to any signals from the media," explained Aneta Grosu.

According to Sorina Stefarta, managing editor at *Timpul,* "The biggest challenge for the media in Moldova is management. That is, the absence thereof. More often than not the director of a publication is also its editor-in-chief and business director, while the marketing team is made up of one or two people." Vlad Bercu, who specializes in business coverage at BASA-Press, added: "Media managers do not use market surveys, have no clear long-term strategy, make no adjustments … (In addition), Moldova is a small market where advertising is sold according to criteria different from the business ones."

Some participants disagreed with the view that the main problem is the lack of experienced media managers. They mentioned such major barriers as the lack of investments, with foreign capital very cautious to enter the Moldovan market, and the unwillingness of local businesspeople to invest in advertising. The general poverty of the population is another factor that prevents an increase in circulation and subscription revenues. With advertising and circulation revenues covering only part of their expenses, media outlets are always looking for subsidies, which are likely to come with a price in terms of independence, the panelists said.

The most reliable, albeit insufficient, source of revenue for newspapers are subscriptions. However, according to data from the Department of Statistics and Sociology, media products are among the last in consumer preferences. For example, printed media (including books) represent only 0.43 percent of the monthly expenses of a typical household.

Some newspapers increase their circulations based on free subscriptions funded by unspecified sources, and there is also paid advertising hidden in the content, but many financial sources supporting the media remain unknown. The government provides no subsidies to independent media.

"A good deal of the local press in Moldova cannot overcome their precarious business situation because, paradoxically, of the permanent aid they receive from various foundations supporting a major part of their expenses (especially newsprint and the printing itself). This aid does not encourage the search for viable solutions to reach sustainability in a market," Alin Alecu, executive director of the Romanian Audit Bureau of Circulation, wrote in Opportunities for the Creation of an Audit Bureau of Circulations in Moldova, prepared for the IJC in 2005. On the other hand, there is "unfair competition on the advertising market from publications enjoying the support of the authorities. They receive advertising from public institutions and even from private companies subject to pressure from the authorities. Thus, a good portion of the advertising budget is distributed according to criteria other than the strictly market ones." Botnaru added: "The access to advertising is dependent not so much on the performance on the market but rather on obscure, oftentimes political criteria."

According to Sorina Stefarta, managing editor at Timpul, "The biggest challenge for the media in Moldova is management. That is, the absence thereof. More often than not the director of a publication is also its editor-in-chief and business director, while the marketing team is made up of one or two people."

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

The relationship between the newspaper and the advertiser comes under threat also because of the poor black-and-white print quality. At the same time, printers cannot operate at full capacity and modernize their businesses because of small circulations.

According to the survey *The Advertising Market in Moldova* published by IJC, more than half of all advertising budgets were used for television ads and sponsorships of television programs in 2004, the last year for which data were available. The print press received about $3.5 million, working out to an average of $2,900 per month per publication. However, in practice, 60 to 70 percent of this amount went to three newspapers.

There are no local commercial organizations in Moldova regularly studying the advertising market and providing information to help the media adjust their products to the public's requirements and attract advertisers. There is a deficit of information that

could be used for designing strategies, marketing plans, and business methods. The advertising market of Moldova is threatened by the television stations broadcast from Russia, Romania, and Ukraine. The foreign companies advertising in these neighboring countries automatically cover the Moldovan market, too. Media managers in Moldova have advocated a law to ban the rebroadcasting of advertising not paid for in Moldova.

Vlad Bercu, who specializes in business coverage at BASA-Press, added: "Media managers do not use market surveys, have no clear long-term strategy, make no adjustments … (In addition), Moldova is a small market where advertising is sold according to criteria different from the business ones."

Audience measurements have been done since late 2003 by local offices of international companies TNS TV Monitoring and AGB Nielsen Media Research. Some isolated audience and market-share surveys were carried out in 2003 and 2004 by the Moldovan branch of the Romanian polling agency IMAS, commissioned by the IJC, and funded by donor organizations. Although publications are under the legal obligation to show their circulations, the figures often are not real. Discussions have been held on the creation of an audit bureau of circulation.

The state continues to have an important role on the media market in its capacity as owner of the Press House, a complex originally conceived of as a national center for the printed press that hosts half the newspapers and magazines published in Moldova, as well as the press distribution companies Moldpresa and Posta Moldovei, many printing houses in Chisinau and outlying districts, and the fixed radio transmission network managed by the state company Radiocomunicatii. For most newspapers, the rent fees, printing and distribution prices, communication services, and radio signal transmission prices depend on the attitude of the state toward their outlet.

"Few independent media are well-managed businesses, and this affects their editorial independence. The less professional newspaper managers are forced to make compromises with the political authorities to be able to stay on the market," said Petru Macovei.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Moldova Objective Score: 2.20 / 4.00

Political affiliation, whether to the authorities or, to a lesser extent, to the opposition remained a serious impediment for the solidarity of the media during 2005, the MSI participants agreed. The work of the Association of the Independent Press (API)—founded in 1997 and including 17 local and national publications printed in Romanian and Russian in Transnistria and Moldova, two news agencies, and the IJC—and the Association of Electronic Press (APEL)—founded in 1999 and representing 22 radio and television stations, production studios, and professionals—is marked by a division of journalists according to political criteria. The expansion of these organizations, especially of APEL, is limited because the authorities believe they support opposition political forces. Many owners avoid association for fear of raising the anger of the Communist authorities. Nonetheless, both associations provide consultancy, legal, and training services.

The participants in the discussion welcomed the start of a project to create a journalists' trade union, which had been discussed for several years. Political forces still manage to divide the journalists, and many of them do not participate, for political reasons, in Union

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

of Journalists of Moldova (UJM) activities aimed at protecting journalists' rights and the freedom of the press. The League of Professional Journalists, founded recently by a number of journalists who separated from UJM, has only sporadic activities.

Among the nongovernmental organizations (NGOs) actively involved in the protection of free expression and freedom of the independent press are APEL, IJC, UJM, API, the Committee for Press Freedom, and Acces-info. Their work concentrates on monitoring and improving media legislation and access to information, journalist training, and protection of journalists' professional rights in court and elsewhere. The MSI panelists said the NGOs' work is increasing in effect.

One key shortcoming of the university journalism courses at the State University, Free International University of Moldova, and the European Studies University is the lack of attention in selecting students. Panelists said the reality is that anyone is admitted who can pay tuition, with little regard for sincere interest in the profession. Also, the reorientation of the university courses toward a stronger and more effective practical component is very slow. Most of the participants believe that universities are no longer justified in blaming the lack of funding. "What's really happening is inertia and the unwillingness to make one's life more complicated," said Angela Sirbu. "Professional, ethical journalism is seen as a Don Quixote or even as a Cinderella, while journalism training is the turf of some NGOs because the state has no interest at all in improving the situation," says Vasile Botnaru.

Journalists have the opportunity to update their knowledge and acquire new skills at short-term courses organized by the various NGOs. The topics and the nature of such courses generally reflect the needs and requests of journalists from all the areas of the mass media, including online journalism and photojournalism.

"Professional, ethical journalism is seen as a Don Quixote or even as a Cinderella, while journalism training is the turf of some NGOs because the state has no interest at all in improving the situation," said Vasile Botnaru.

Apart from financial difficulties, there are no problems with news print delivery. There are both state-run and private printing houses with no restrictions on their use. However, in Chisinau there is just one private printer besides the state-run Universul, and a second private printer would not survive for lack of business because the circulations are too low. Most regional newspapers are printed by privatized printing houses, which used to be part of the printing network of the Soviet-era Communist Party.

The press distribution system is based on two major enterprises: the state-run Posta Moldovei and Moldpresa JSC, which is the heir of the state company Moldsoiuzpechat. This results in a near monopoly situation. New press distribution companies are slow to appear, one of the reasons being the slow pace at which newspaper circulations develop. However, there are some private distributors, including private news kiosks such as Omniapresa in Chisinau. "The state's control over the Universul printing house and distribution companies is one of the biggest barriers in promoting the independent press," said Aneta Grosu.

Access to the Internet is provided by private operators and by the state-run Moldtelecom. However, specialists believe that Moldtelecom's monopoly over the communication network prevents competition that would lower prices of Internet services. There are no legal restrictions for journalists or the public at large in using the Internet.

Panel Participants

Vlad Bercu, Editor-in-Chief, BASA-Press News Agency

Vasile Botnaru, Bureau Chief, Radio Free Europe

Vitalie Cazacu, Director, DECA-Press News Agency

Aneta Grosu, Editor-in-Chief, *Ziarul de Garda*

Natalia Girleanu, Reporter, *Novoie Vremya*

Petru Macovei, Interim Executive Director, Association of Independent Press

Olivia Pirtac, Lawyer, Independent Journalism Center

Angela Sirbu, Director, Independent Journalism Center

Vasile Spinei, Director, Acces-Info center

Sorina Stefarta, Managing Editor, *Timpul* daily

Moderator

Nicolae Negru, Editor-in-Chief, Mass-Media in the Republic of Moldova bulletin, Independent Journalism Center

Observer

Iuri Datii, Country Director, IREX/Moldova

MOLDOVA AT A GLANCE

GENERAL

■ **Population:** 3,968,071 *October 2004 census, www.statistica.md/recensamint/Date_prel_Recens_din2004.doc*

■ **Capital city:** Chisinau

■ **Ethnic groups (% of population):** Moldovan/Romanian 78.2%, Ukrainian 8.4%, Russian 5.8 %, Gagauz 4.4%, Bulgarian 1.9%, other 1.3% (without Transnistria region and the city of Bender) *October 2004 census, www.statistica.md*

■ **Religions (% of population):** Eastern Orthodox (majority), Baptist, Catholic, Jewish, other

■ **Languages (% of population):** Romanian (official), Russian, Ukrainian, Gagauz (Turkish dialect), Bulgarian, other

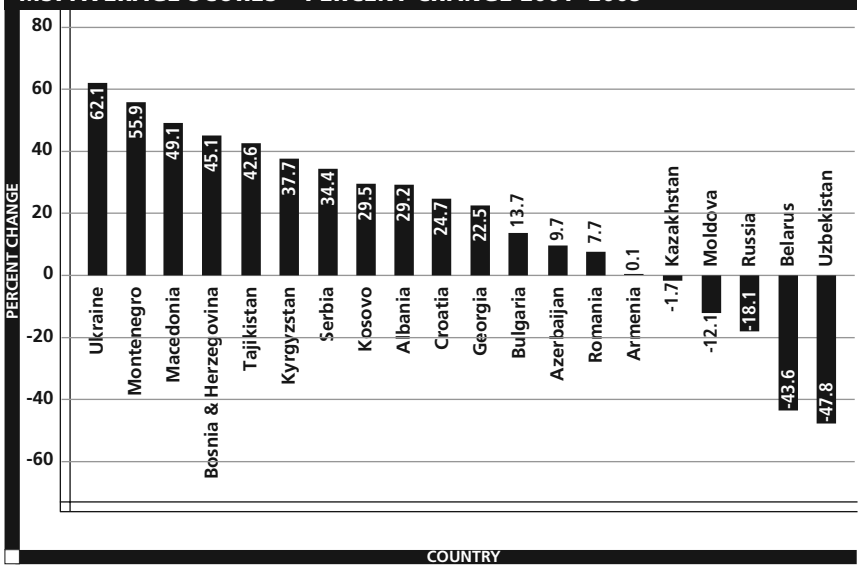
■ **GDP:** $2.6 billion (without Transnistrian region) (2004) *World Bank*

■ **Literacy rate (% of population):** Adult male 95%, adult female 81.3% (2000 est.) *World Bank*

■ **President or top authority:** President Vladimir Voronin

■ **Next scheduled elections:** Local elections 2007

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** NA. *Flux* is the largest paper.

■ **Broadcast ratings (top three ranked stations):** Radio Moldova, Russkoe Radio, Hit FM, Antena C *Media Audience Survey conducted in October 2004 by IMAS at the request of the Independent Journalism Center*

■ **Number of print outlets, radio stations, television stations:** There are 30 national Romanian-language newspapers (three dailies, one biweekly); the rest are weeklies. (Nine newspapers are not published temporarily.) There are 27 Russian-language newspapers, including four dailies (two published in Moscow) and one biweekly. There are about 40 local and regional publications. In Transnistria, there are seven newspapers. *www.moldpresa.md/*

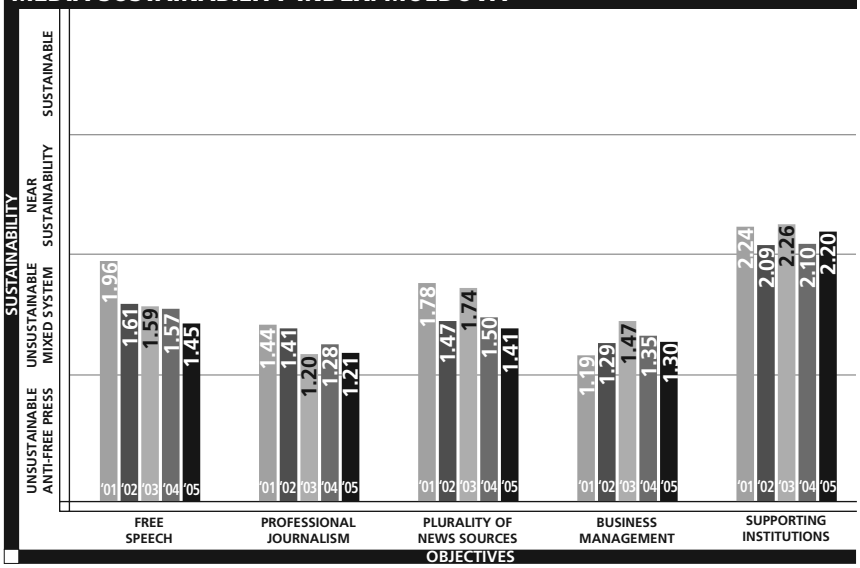
There are 40 radio stations (one radio station broadcasts by wire) and 167 television stations (51 private, 116 cable). *Broadcasting Coordinating Council, January 2005*

■ **Annual advertising revenue in media sector:** $3.5 million (print) *The Advertising Market of Moldova, IJC, Ch 2005, ISBN 9975-9599-1-1*

■ **Number of Internet users:** 150,000 *World Bank*

■ **News agencies:** Infotag, BASA-Press, Reporter.MD, Moldpres, Info-prim Neo, AP Flux, InfoMarket, DECA-Press

MEDIA SUSTAINABILITY INDEX: MOLDOVA



THE 2005 MEDIA SUSTAINABILITY INDEX (MSI) PANEL DETECTED ONLY ONE AREA OF IMPROVEMENT IN THE MEDIA SECTOR: BUSINESS MANAGEMENT AND PROFIT PROSPECTS AT MEDIA OUTLETS, INCLUDING INCREASED ADVERTISING REVENUES.

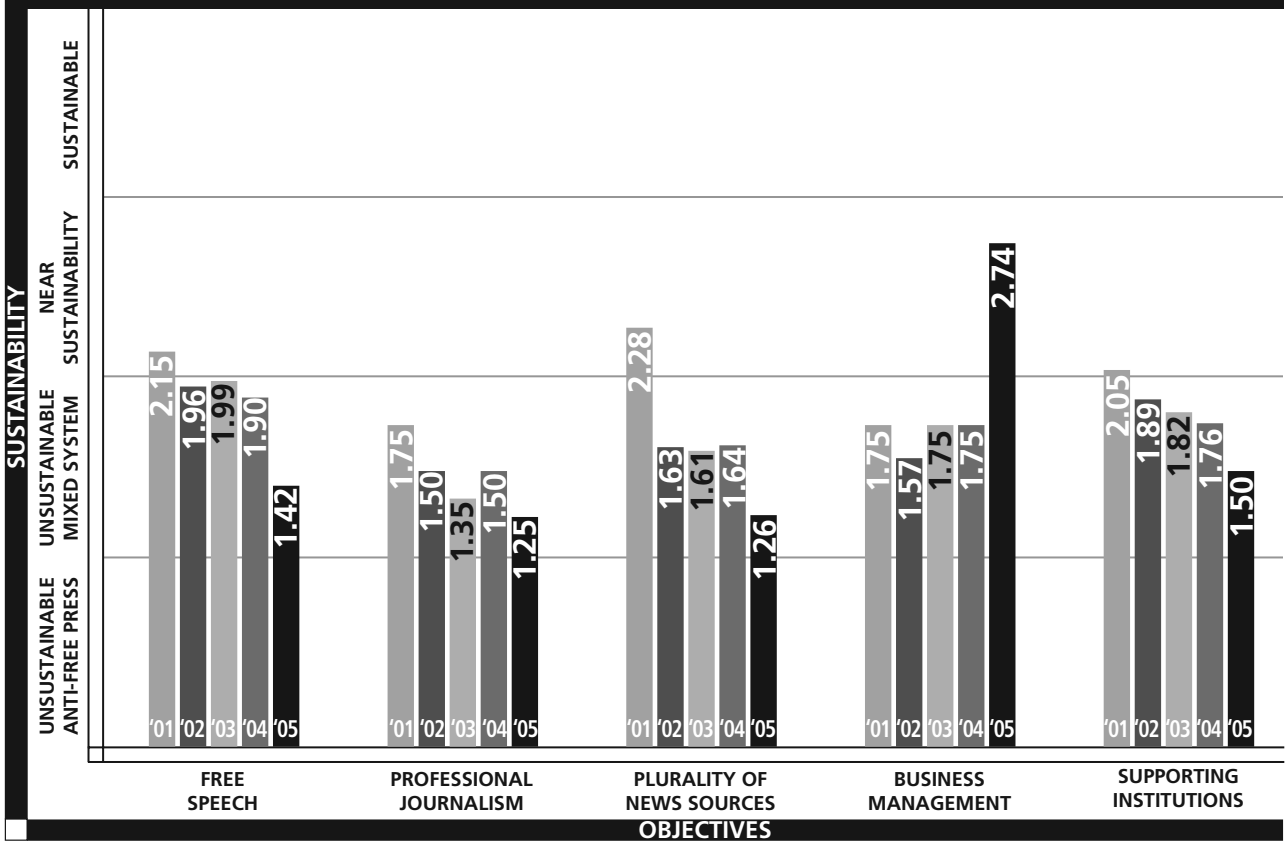
Introduction

The space in which Russia's media could operate independently continued to constrict in 2005. The government attempted to introduce censorship at the federal level and in the regions, while self-censorship increased among journalists and their editors. Propaganda and control of content grew at the state television stations, as evidenced by the anti-Yuschenko campaign on the First Channel during the presidential elections in the Ukraine. Central authorities increased their power over the government radio-television company, and major businesses linked to political forces bought other media outlets. Despite valiant efforts, especially in regional cities, the powerful media increasingly became an arm of the government, a trend witnessed as the NTV channel and other outlets joined the authorities' campaign against YUKOS oil company head Mikhail Khodorkovsky and his colleagues.

The 2005 Media Sustainability Index (MSI) panel detected only one area of improvement in the media sector: business management and profit prospects at media outlets, including increased advertising revenues. But the panelists said this did not influence the quality and objectivity of information. On the contrary, it made media businesses be more careful to avoid attracting the authorities' attention. Thus, self-censorship increased and owners opted for more profitable and less politically risky options, replacing news-oriented editions with entertainment and "yellow" tabloids and scheduling more entertainment programs such as soap operas, reality shows, and concerts. Newspapers attracted the attention of big-business interests as potential political tools, and *Ogonek* magazine was purchased by Telekominvest in St. Petersburg and the national *Izvestia* newspaper by Gazprom.

The MSI panels expressed particular concern about legislative initiatives that seemed in conflict with constitutional provisions proclaiming freedom of speech. They pointed to regulation of journalists' accreditation at regional legislative meetings, as well as the president's proposal to the Duma to broaden functions of the Public Chamber and provide it with the right "to make conclusions about violations of free speech in the media" and to report them to "the registration, controlling and authoritative organs, to

MEDIA SUSTAINABILITY INDEX: RUSSIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

the media that violated the rules, and to competent state organs or specialists."

The worsening situation was reflected in lower MSI rankings in all aspects of the media sector except business management and a significant decline in the overall index for the country from the 1.70 level, where it had been in 2002, 2003, and 2004, to 1.49 in 2005.

OBJECTIVE 1: FREE SPEECH

Russia Objective Score: 1.42 / 4.00

Concern voiced by the MSI panelists about the erosion of free-speech rights reflects broader public opinion. The All-Russian Public Opinion Research Center's survey for 2005 reports that more than half of the Russian population (53 percent) believes that the contemporary Russian media face problems in terms of freedom of speech, and 36 percent of respondents consider those problems significant. The survey also showed that 17 percent of respondents think that leading media outlets are controlled by the authorities.

The MSI participants agreed that the Russian legislation, at the constitutional level as well as within various laws, guarantees freedom of speech entirely in accordance with international human-rights standards. However, the panelists said the reality is different, with these guarantees respected less and less during recent years by the authorities as well as the community, mass media itself, and business. Andrei Richter, director of the Media Law and Policy Institute, noted that "media laws exist, but they are not observed due to how little respect there is for laws in general, the low authority of the media in the community, and the minimal interest of the community in defending free speech, in particular." Participants agreed that the numerous violations of free press rights did not rouse public indignation. According to Mikhail Melnikov, a Russia analyst at the Center for Journalism in Extreme Situations in Moscow, "Journalists and the community very seldom make use of the formal and legal ways of protecting free speech."

The issue of broadcasting licenses can be regarded as a vivid example of the lack of a fair and legal foundation for media activity. The issue of broadcasting licenses is governed primarily by political factors such as loyalty to central and local authorities and affiliation with powerful groups, according to the panelists. There is no law specifically on licensing, and the procedure is regulated by legislative acts and the Russian president's decrees. The vast majority of the members of the licensing commission represent government interests, and the work of the board is absolutely not transparent. There is no mechanism of public control and no possibility to appeal decisions. The participants gave numerous examples of injustices regarding license applications from regional broadcasters. Veronika Dmitrieva, Russia director for the Media Development Loan Fund, noted "three cases when independent companies won a contest and got broadcast licenses. But having paid considerable fees, two of them failed to get the second required communication license and, thus, could not continue working."

The panelists said market entry for media outlets is similar to that in other business sectors. However, subsequently, "the private press is more controlled and under the influence of the government compared to business in other branches of the economy," Mikhail Melnikov said.

The safety of journalists concerned the panel members. Participants mentioned many cases in which editorial staff were threatened or attacked. "None of the journalists' assassinations as professionals has been fully discovered in Russia," Melnikov noted. According to

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

experts, the police do not take measures to determine whether attacks against journalists are motivated by their work, instead consistently dismissing them as ordinary crimes. Yevgeny Abov, vice president of the Guild of Press Publishers, noted, "Neither legislators nor other authorities understand journalists cases as special, meaning they could be considered as constitutional violations, but instead lump them in the chaos, carelessly and indifferently, with any other case."

Emphasizing that there is no true public media in Russia, the MSI panelists agreed that although the laws do not give any preferences to the governmental media outlets, in practice they have considerable privilege provided by administrative recourse such as for licenses and to gain access to information.

According to Mikhail Melnikov, a Russia analyst at the Center for Journalism in Extreme Situations in Moscow, "Journalists and the community very seldom make use of the formal and legal ways of protecting free speech."

A federal law, No. 131, on local government adopted in 2003 and going into full force from January 2006, gives municipal governments the right to establish print media only for publishing municipal legal acts and other official information. This ended the financial support given to regional and city newspapers from the federal budget. But in practice, editorial offices of local newspapers were removed from the jurisdiction of municipal authorities and united with regional newspapers to form governmental media holdings at the level of the Russian regional administrations in 2004 and 2005. Such concentration provides local newspapers with guaranteed financial support from the regional budget, but at the same time diminishes the professional independence of the editorial offices and reduces the range of information sources in the regions. The law left a lot of ways for local authorities to control the media, including, for example, through government grants and as cofounders of outlets.

Another route for strengthening government media noted by the MSI panelists was the 2005 restructuring of the All-Russian State TV and Radio Company (VGTRK), which consists of the Rossiya, Kultura, and Sport channels as well as 89 regional television companies. This resulted in mass dismissals of journalists, cuts in regional broadcasting, and strengthening of central administration. The branches lost most rights, the authority of regional heads was reduced, and production of regional television programs was diminished. Creative and financial planning were centralized in Moscow.

Russian legislation considers libel to be a subject for criminal, not civil, law. A plaintiff is not bound to prove falsity and intentional malice by the defendant. The MSI participants said officials from government and business continue to increase the number and size of suits brought against the media. The resolution of the Russian Federation Supreme Court plenary meeting in February 2005 stated that the sum of compensation for moral harm should be equal to the caused harm and should not infringe on freedom of the mass media. The resolution was a response to the widely discussed decision of the Moscow Court of Arbitration from October 2004 to award 300 million rubles (about $10 million) to Alfa Bank in a case brought against the *Kommersant* newspaper for allegedly causing harm to the bank's reputation in a June 2004 article. The Federal Court of Arbitration reduced the sum to 40.5 million rubles. Media outlets are in danger of ruin as a result of such suits.

There is a range of laws that compel authorities to provide the media with information. For instance, Article 12 of the Federal Law on Information guarantees citizen rights to access state information resources other than security secrets. Article 38 of the Media Law gives media representatives the right to information access. Article 144 of the Criminal Code of the Russian Federation includes criminal penalties for preventing the legal professional activities of journalists. Nonetheless, panelists described growing numbers of violations by regional authorities, including depriving journalists of accreditation and ignoring their applications, refusing to provide public documents, and barring some journalists from official meetings while allowing loyal media to attend. The panelists described the paradoxical situation where media outlets are in effect government departments and have privileged information access, but relations between the media outlets and the authorities are essentially commercial. Andrey Allahverdov, editor-in-chief of the Foundation for Independent Radio Broadcasting, described how "when a journalist in one of the regions tries to report information about a deputy, it is suggested to him that the deputy's name can be mentioned on the state radio station either for a fee—or never."

The authorities do not restrict access to international news or news resources, although the market and distribution systems may have that effect.

There are no restrictions on joining the journalism profession. However, according to the panelists,

the government affects the selection process at the journalism departments of universities indirectly by raising or lowering the availability of places for free-of-charge studies. In addition, panelists estimated that about 80 percent of the curriculum at the university journalism departments is defined and standardized by the government.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Russia Objective Score: 1.25 / 4.00

Although there are positive examples of journalists sticking to ethical standards and working professionally at great risk, the MSI panelists said those standards are too often systematically violated. In particular, Russian media is frequently in the employ of interest groups. Sergei Bachinin, publisher of the *Vyatskiy Nablyudatel* independent newspaper from Vyatka, said, "On the professional level, understanding that a journalist must be objective is growing, but the hiring of the media is quite evident." Another growing problem cited by the panel is the fusing of journalism and PR, which begins from these subjects being taught together in one department at university faculties. As a result, a decline in the media professionalism ranking was recorded for the 2005 MSI in line with the broader general worsening of conditions for the media.

Panelists did differ on the extent of hidden advertising in the media. Print media experts reported that the situation is improving. "Hidden advertising appears less in the regional media of good quality," Veronika Dmitrieva said. "Publishers start to value the trust of their readers." Allahverdov, however, said it still is present in radio programming.

Self-censorship is growing, though Andrey Dmitrieva noted that it is difficult to determine whether this is the result of direct pressure or simply instinct. Media outlet owners, having established some success, are afraid to lose their businesses. Another factor is the threat of legal action and the tendency of courts to rule in favor of plaintiffs claiming damage to their honor and dignity. For their part, journalists self-censor for fear of losing their jobs.

The participants noted that there are certain forbidden themes for the media at the national level, including the ongoing conflict in Chechnya. There are even more such banned topics at the regional level, varying from area to area but often connected with the activities of major business, the army, and the authorities. "For example, in our region, the issue of the wood sales that is related to the interests of the wood industry is forbidden," said Rusanna Savikyan from the All-Russian State Television and Radio Company in Kostroma.

The respondents found wage levels for journalists to be low in comparison with other industries. This, in turn, caused negative trends such as the sale of journalistic coverage, the migration of journalists to public-relations work, and the active, paid participation of journalists and the media in election campaigns.

The participants noted decline in the informational and analytical programming on radio and television. Shows tend not to rely on multiple sources to assess issues from various points of view, they said, and instead only consider the views of a single commentator on a problem.

Opposition voices and journalistic investigations have disappeared from national channels, replaced by the official view on issues such as the election campaign in the Ukraine and the prosecution of the YUKOS oil company. At the same time, according to the respondents, the number of soap operas, entertaining programs, and concerts has increased sharply. Andrey Allahverdov said: "It is more profitable from the point of view of attracting advertising and less dangerous politically. This approach is supported by the government, although not officially." Another factor

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

noted by panelists is the aging of the audience for serious press.

Most television and radio stations have reasonably modern, efficient, technical facilities and equipment for news production and distribution. However, panelists said this equipment is not always used to produce high-quality materials. Particularly poorly developed are economic and political coverage, and journalistic investigations. Several factors contribute to this, the panelists said, including the failure of journalism departments to offer specialized training at the university level and the lack of encouragement from audiences, which do not tend to react strongly to the results of probing coverage.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Russia Objective Score: 1.26 / 4.00

The availability of multiple media offering varied viewpoints declined during 2005, according to the MSI panel. Government media are biased in coverage of social and political situations on the national and regional levels, with only positive coverage allowed of some themes. At non-state media, as well, news content may reflect the views of the outlet owner. The panelists also underlined the limits on access to varied media sources that are imposed by economic realities. People have access to various media—print, television (including cable and satellite), radio, and Internet—in the capital and major cities. However, small towns and especially the countryside have available only one or two central channels and limited radio. There are no alternatives due to the expense or technical limits. Some villages also do not have newspapers delivered on a regular basis. According to the Public Opinion Foundation results for 2005, only 46 percent of newspaper subscribers live in rural areas.

Internet use is growing fast in Russia. According to the Public Opinion Foundation, the percentage of Internet users among those over 18 years old increased from 16 percent in 2004 to 19 percent, or 20.9 million people, in 2005. However, the number of users in each region is not equal: 43 percent of the Moscow population uses the Internet, 28 percent of population in Northwest Russia, 15.5 percent in the Privolzhsky region, 16 percent in the Urals, and 17 percent in the Far East. By contrast, there are regions that still do not have even telephone communication. According to figures of the Ministry of Communications, about 40,000 settlements lack telephone connections in Russia.

Panelists agreed that there is no restriction on access to local or foreign media. People can watch foreign television, listen to radio, and read foreign online media and order foreign print editions. Their access is limited only by prices and knowledge of foreign languages.

Domestic coverage, however, is getting increasingly uniform. As one commentator put it, "The authorities dominate TV so dramatically that even the president pleaded to show the opposition." The MSI panelists said the national television channels turn from news to propaganda despite President Vladimir Putin's message to the Federal Council about the necessity of covering the full range of social and political movements in the country. The Ministry of Defense, meanwhile, has developed the Zvezda and Russia Today channels with the aim of teaching patriotism and changing the image of Russia abroad.

Public Opinion Foundation data for 2005 found that 40 percent of the population think that Russian journalists cover events in modern Russia without objectivity, 33 percent found objectivity, and 27 percent were unsure. For their part, the panelists agreed that neither national nor local print nor broadcast media perform a true public-service role in presenting anything more than the authorities' point of view. They did, however, give positive reviews to the Kultura TV Channel,

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

which receives government help to offer cultural and educational programs.

There are both national and regional independent informational agencies in Russia. There are also specialized news agencies that focus on business and economic, sports, and culture news. The Interfax Information Services Group is a large independent news agency specializing in news in Russia and NIS, while ITAR-TASS and RIA Novosti are the largest state information agencies.

Largely because of the price of subscriptions, most regional media instead use the Internet information agencies such as Regnum (www.regnum.ru), Polit.ru, Lenta.ru, Russian Business Consulting (www.rbc.ru), Political News Agency (www.apn.ru), and other agencies.

There is little transparency in media ownership required by law. Owners of media outlets are not known officially, but it is often easy to guess who they are. This "transparency" results from judging how information is manipulated. Large businesses continued to develop their media holdings all over Russia during 2005. For example, the industrial group Severstal controls leading media in Cherepovets and the Vologodsky region. This industrial group owns the Transmit radio station; television channels like TV-7, 12, and Provinsia; the Scat cable television studio; the *Rech* and *Kurier* newspapers, and others. GazProm Media, which belongs to the Gazprom conglomerate, is comprised of television companies NTV, TNT, and NTV Plus; radio stations Echo Moskvi, Radio Troika, Pervoe Popolyarnoe Radio, Do-Radio, and Sport-FM; the 7 Days publishing house; *Itog*i magazine, *Karavan Istoriy, Shtab-Kvartira, Seven Days* television digest, the *Tribune* newspaper, two cinemas, a film production company, and an advertising agency. During 2005, it acquired 50.19 percent of shares of the prominent national newspaper *Izvestia.*

The situation worsened for media in national languages during 2005 because of the restructuring of the All-Russian State Television and Radio Company (VGTRK). By bringing the regional television and radio companies into central administration, regional production and staff decreased dramatically. This had a serious impact on programs transmitted in national languages in many of the republics, reducing or eliminating much of them. Reduction of financial support of the print media outlets by local authorities also decreased publishing in national languages. The noncommercial character of much of the media in national languages made it vulnerable to these cutbacks, panelists said.

OBJECTIVE 4: BUSINESS MANAGEMENT

Russia Objective Score: 2.74 / 4.00

The skills of media managers and the volume of their businesses are expected to continue to expand, representing the only positive trend in the media sector recorded by the MSI panel. However, although many media companies are striving to become effective businesses, the quantity and professionalism of specialists in the field of management, marketing, and related fields continue to be problematic. As a result, media companies taking random "what if we try this" approaches and media outlets sponsored by politicians or government exist along with highly professional media operations.

Television dominates in the informational sphere in Russia, but online media have been gradually approaching the second place. Internet profit doubled from 2003 to 2004, when it reached $600 million. It may grow to $1 billion by 2006, according to industry analysts.

All respondents pointed to continuing growth of the advertising market in Russia. From 2000, advertising in the media has grown by about a third each year. In 2004, according to data from the Communication Agencies Association and the Guild of Press Publishers,

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

the volume was $3.85 billion. In the first half of 2005, it grew 28 percent, compared with the same period in 2004, and is expected to exceed $4.5 billion for 2005 and, potentially, $5.2 billion in 2006. International advertising agencies remain focused mainly on nationwide television channels, but there has been improvement in the distribution of advertising revenues to regional outlets in recent years, the industry officials said. Television and newspapers outdo radio in terms of advertising. "Radio is not taken as an effective advertising venue," Andrey Allahverdov noted.

Advertising revenue as a percentage of the whole profit corresponds to general standards in commercial media, the panelists said, although some print media outlets may be overly reliant on circulation. Media managers may tend to seek to grow profits by expanding their distribution rather than doing more intensive work with advertisers and existing loyal audiences.

According to Dmitry Surnin, the director of the Eurasia Foundation's media programs, the publishers received a response from the Federal Anti-Monopoly Service, which brought action against the Sverdlovsk Oblast's resolution to use about 12 million rubles from its budget to buy newsprint for municipal newspapers.

There are private printing houses in Russia, which cover some of the market needs. However, a substantial percentage of presses still belong to the government despite a privatization program because it has proven difficult to find buyers and investors, Yevgeny Abov said. As result, there has been little capital available for updating printing technology. Some newspaper companies are forced to print far from their circulation areas due to political pressures, poor quality, or high rates at the local presses. Although industry monitors say that more newsprint is produced than needed by the market, the price per ton for domestic newsprint is substantially above the world average while custom duties make importing even more costly.

The biggest players in print media distribution are Rospechat, DM Press, and Logos Media. There are some large regional distribution companies related to publishing houses, such as Nizhegorodkaya Pressa, but they are frequently not interested in distributing competitive editions, even if they are more popular.

A few newspapers have developed their own independent distribution systems. The government continues to dominate the subscription services market through the Interregional Subscription Agency. Panelists said this has stifled growth of newspaper circulation because of high prices and conflicts between the publishing companies and the agency. Another problem dampening interest in newspaper subscriptions is the poor condition of mailboxes in apartment blocks, leaving magazines and newspapers prone to theft after delivery.

Media get revenue from numerous sources, but in most cases, the experts emphasized, it is not enough for intensive development of their organizations. Increasingly, media outlets pay serious attention to advertising and try to work actively with advertising companies. Even governmental media that exist thanks to budget subsidies try to attract local advertisers, competing with independent media. Sometimes administrations "strongly recommend" that local outlets advertise in the local government newspaper, not only because it puts economic pressure on independent newspapers in the area but also because the administration looks at its newspaper as an additional source of income.

The government's use of tax revenues to support its media continues to be substantial. For example, in 2005, the budget of the Yamalo-Nenetsky Autonomous Region provided the regional media with 390 million rubles, the Vologodskaya Oblast spent 17 million rubles, and the Altaisky Krai 3.5 million rubles, according to government statistics provided by the MSI panelists. Three independent publishers from the Urals region distributed an open letter of protest against state support to local media during 2005. According to Dmitry Surnin, the director of the Eurasia Foundation's media programs, the publishers received a response form the Federal Anti-Monopoly Service, which brought action against the Sverdlovsk Oblast's resolution to use about 12 million rubles from its budget to buy newsprint for municipal newspapers.

In some cities, the authorities—in what a panelist called "fits of honesty"—announce tenders for grant support to local media outlets. Independent media are allowed to apply but rarely win. Some public-service programming produced by independent media receives government support, such as material for campaigns against drug use.

Audience and market research is developing rapidly. However, MSI participants emphasized that survey companies remain corrupted and nontransparent and even large, well-known firms have damaged their

reputations among media outlets. Media managers at more sophisticated outlets have some experience in using marketing surveys to improve the quality of news content. Television stations, including regional channels, are the most active customers for research, while it is rare when regional radio stations or newspapers can afford these services.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Russia Objective Score: 1.50 / 4.00

Various professional associations serve the interests of media outlets and journalists, but they do not yet fully protect members. Among the better known are the Russian Union of Journalists, the Guild of Press Publishers, the National Association of Television and Radio, the Media Lawyers Union, and the Association of Independent Regional Publishers.

In some cases they compete, while at other times they unite to face common challenges. The essential issue, MSI panelists said, is that lobbying and advocacy in the media sector are not developed well enough. "It takes a lot of time to receive answers from the ministries," said Dmitry Merezhko of the Association of Independent Regional Publishers. "Besides, the media market is a bit wild. We are in the process of growth. Newspapers rather compete than defend common interests. A publisher sometimes refuses to defend industry interests. He could say, 'If you die, I will come to the market myself.'" One example presented by panelists involved free-advertising newspapers that do not want to help commercial newspapers defend their interests in discussions with the postal service. "They tell commercial newspapers to fight, but as for them, they do not need this," Dmitry Merezhko said.

The Russian Union of Journalists has not taken its position as an authentic defender of journalists' rights, the panelists said. "There are certain regional managers in the branches of the Union of Journalists, for instance in Perm and Ekaterinburg, that bravely defend free speech, but these are only fragments not an optimistic picture," Mikhail Melnikov said. Journalists also have not formed an effective trade union.

Several nongovernmental organizations (NGOs), including Internews-Russia, the Eurasia Foundation's media program, the Foundation for Independent Radio Broadcasting, and the Center for Journalism in Extreme Situations, work effectively in providing support to developing the media through consultations, training, and advocacy, panelists said. However, government authorities have begun to question NGOs that work with international donors. Doubts about the motivation of foreign funders were raised by President Putin and Nikolai Patrushev, head of the Federal Security Bureau. As a result, the government's committee on technical assistance declined during 2005 to register grants given by international donors to some organizations providing professional development and other services to independent media outlets, including the Association of Independent Regional Publishers, the New Eurasia Foundation, and Internews-Russia.

Many state and private universities have journalism faculties that operate in accordance with educational standards that do not meet market requirements. An essential number of hours is devoted to public relations, and the programs for journalists do not include enough practical exercises. An advertisement from a publisher reading, "We would like to hire a journalist. Graduates of Journalism Faculties are asked not to apply" demonstrated the severity of the situation.

Pressure of the authority on the media infrastructure—printing houses and distribution channels—is not heavy in some regions. But in other regions, including Bashkortostan and Mariy El, it is serious. In these regions, newspapers are refused printing services, and their print runs are seized. As for information distribution through the Internet, the government has declared the necessity of taking control of this channel, but no action has been taken outside of isolated security cases.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Panel Participants

Yevgeny Abov, Vice President, Guild of Press Publishers, Moscow

Andrey Allahverdov, Chief Editor, Foundation for Independent Radio Broadcasting

Sergei Bachinin, Publisher, Independent newspaper *Vyatsky Nabludatel,* Vyatka

Veronika Dmitrieva, Regional Director, Media Development Loan Fund, Moscow

Mikhail Melnikov, Russia Analyst, Center for Journalism in Extreme Situations, Moscow

Dmitry Merezhko, Executive Director, Association of Independent Regional Publishers, Moscow

Andrei Richter, Director, Media Law and Policy Institute, Moscow

Rusanna Savikyan, Journalist, VGTRK Radio Station, Kostroma

Dmitry Surnin, Media-Sector Portfolio Manager, Eurasia Foundation, Moscow

Olga Vdovina, Chief Manager of the Internet Project, Mediaguide.Ru, Moscow

Moderators

Anna Koshman, Director, Inter-Regional Institute of Media Consultants

Anna Averina, Media-Sector Consultant, Eurasia Foundation

RUSSIA AT A GLANCE

GENERAL

■ **Population:** 143,500,000 *Goskomstat*

■ **Capital city:** Moscow

■ **Ethnic groups (% of population):** Russian 79.8%, Tatar 3.8%, Ukrainian 2.0%, Bashkir 1.2%, Chuvashi 1.1% *2002 Census*

■ **Religions (% of population):** Orthodox 86.5%, Moslem 10%, Armenian-Grygoryans 0.8%, Pagan 0.5%, Catholic 0.35%, Lutheran 0.3%, Buddhists 0.25%, Jewish 0.15% *Inter-Religion Council of Russia, 2002 Census*

■ **Languages (% of population):** Russian 98%

■ **GDP:** 2004: 16751.5 billion rubles ($598.27 billion); 2005: 6% growth expected

■ **Literacy rate (% of population):** 99.6%

■ **President or top authority:** President Vladimir Putin

■ **Next scheduled elections:** Presidential 2008, State Duma 2007

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):**

- **Total annual circulation of Russian newspapers:** Over 8.5 billion copies
- **Total annual circulation of national newspapers (400):** 2.9 billion copies
- Prof Media is the largest publishing house, with 90 newspapers and a total one-time circulation of 6,133 copies. *Federal Agency of Print and Mass Media, 2005*
- *Argumenti I fakti* national newspaper has the largest circulation, with 3,000,000 copies. *www.mediaguide.ru*

■ **Broadcast ratings (top three ranked stations):** Channel One, Russia, CTC TNS Gallup Media

■ **Number of print outlets, radio stations, television stations:**

- 62,971 media outlets: 50,621 print media outlets, including 26,000 newspapers, 16,500 magazines, and 12,350 broadcasting and Internet media
- 3,720 broadcasting licenses: 1,466 radio and 2,254 television

Federal Service of Inspectorate for Law Observance in Mass Media and Culture Heritage Protection as of October 1, 2005

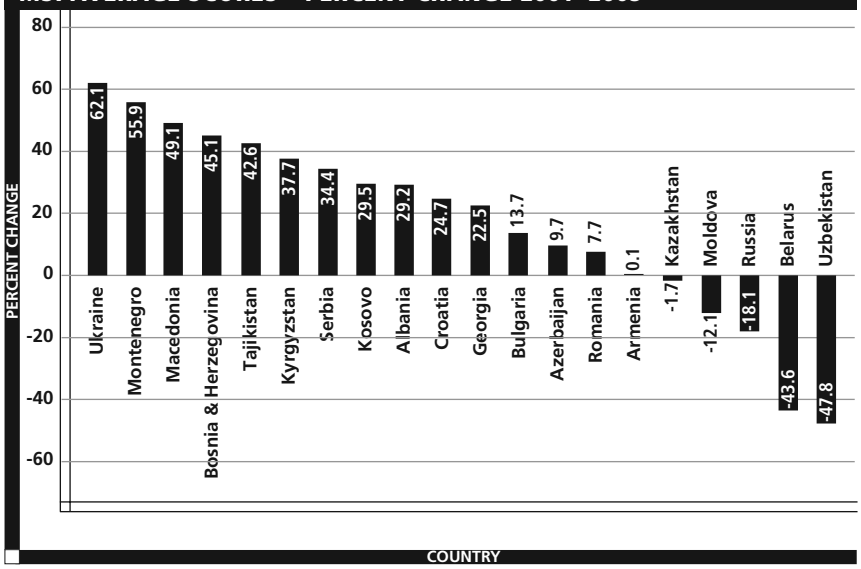
■ **Annual advertising revenue in media sector:**

- **Media (print, broadcasting, Internet):** more than $6 billion
- **Print:** $1.9 billion (sales copies), $1.25 billion (advertising) *Federal Agency of Print and Mass Media, 2005*

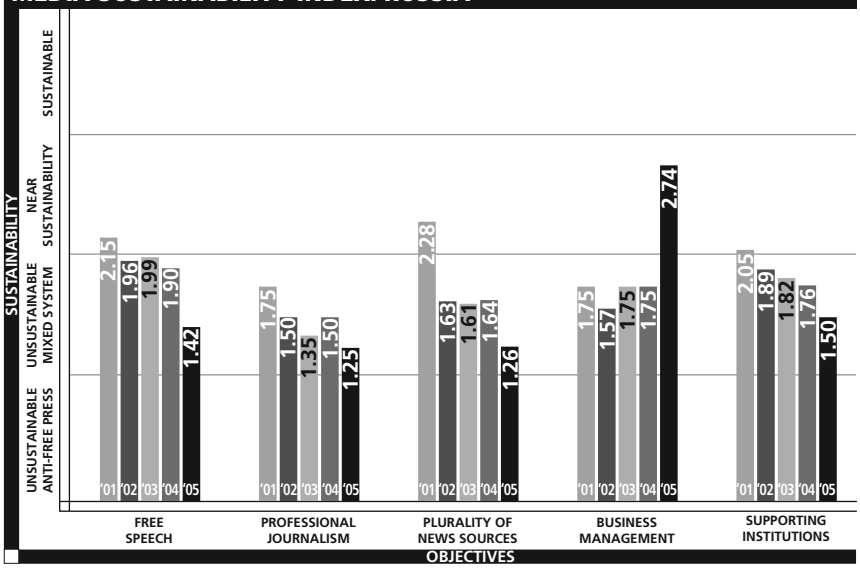
■ **Number of Internet users:** 20.9 million *Public Opinion Foundation*

■ **News agencies:** ITAR-TASS (state), RIA-Novosti (state), Interfax (private)

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA SUSTAINABILITY INDEX: RUSSIA



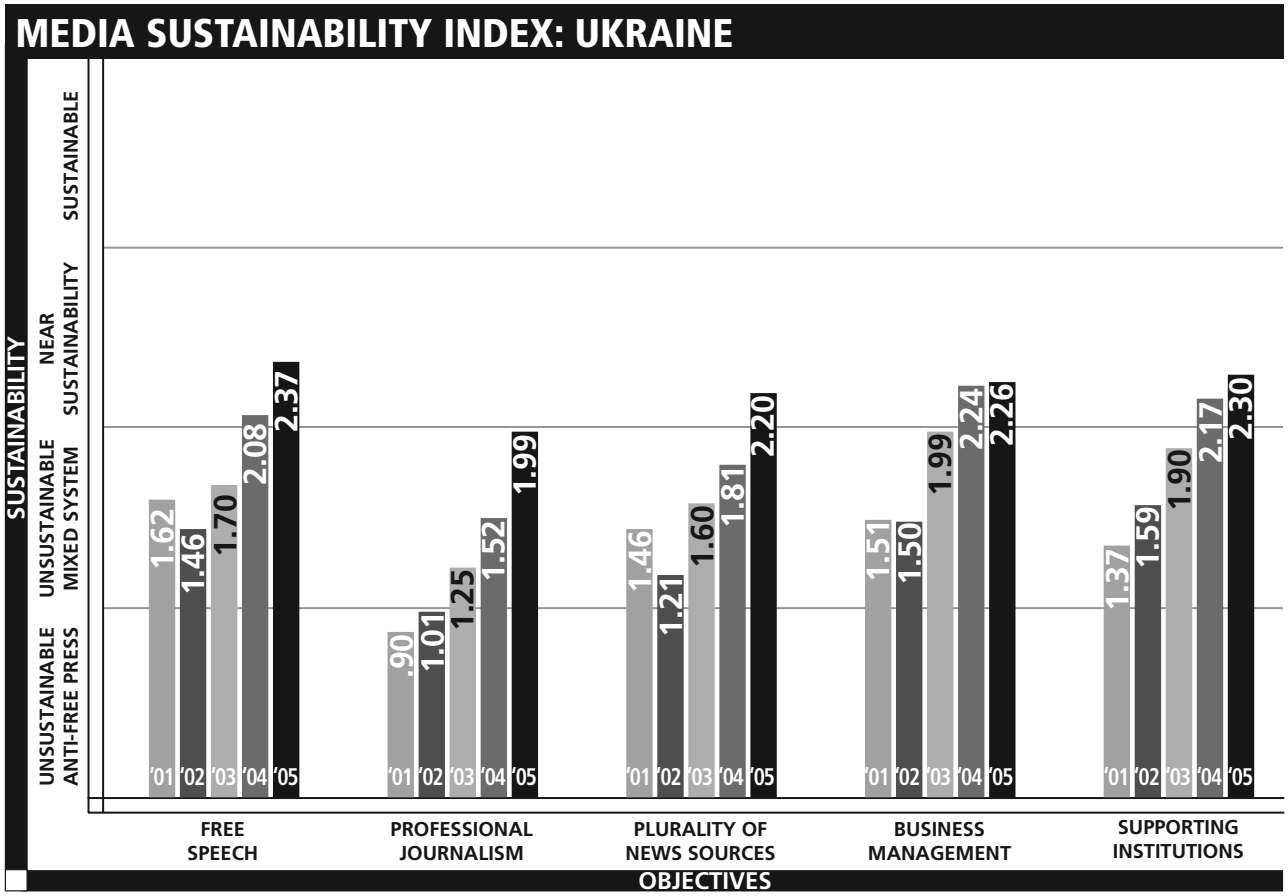
THE TREND WAS TOWARD LESS STATE INTERFERENCE IN THE MEDIA, BUT SABOTAGE OF LEGAL PROTECTIONS CONTINUED. PRIVATIZATION OF THE GOVERNMENTAL MEDIA APPEARED UNLIKELY BEFORE ELECTION OF THE NEW PARLIAMENT.

Introduction

Immediately after Ukraine's Orange Revolution late in 2004, when leading broadcasters and newspapers united to counteract pressure from the regime for biased coverage of the tainted elections and the protests that followed, there was optimism that the change in the media sector would be profound. The 2004 Media Sustainability Index (MSI) anticipated that journalists had learned important lessons in professionalism and that the new government would reflect a different attitude toward the media. The 2005 MSI assessed a different situation: the faded initial delight, the "Orange" team split and overwhelmed by corruption scandals, politicians teaming up to fight 2006 parliamentary elections, and people uncertain where to place their trust.

All MSI indicators increased at least slightly for 2005, in comparison with the previous year, and the overall index measuring the strength of Ukraine's media sector advanced from 1.96 to 2.23. The MSI panelists found no fundamental changes during the year, but rather incremental progress. The business environment, including legal provisions, the advertising market, and the private printing facilities and distribution systems, improved, the panelists said. The trend was toward less state interference in the media, but sabotage of legal protections continued. Privatization of the governmental media appeared unlikely before election of the new parliament.

The year saw changes in the Law on Elections that caused an outcry among journalists. Under the new provisions, media outlets can be "temporarily closed" by the resolution of the Central Elections Commission or even a district commission. Journalists must cover campaigning but cannot agitate for a candidate—but the law does not define political agitation and how it differs from coverage. This lack of clarity can lead to reticence on the part of journalists to try to cover the campaign, restriction of television debates, and lack of information for the public on the differences among political programs.



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

Natalya Ligachova, chief editor of *Telekritika* magazine, said the press remained "soft, loyal, and not aggressive." She noted that media ownership has shifted to supporters of President Viktor Yuschenko, listing as examples the sale of *Inter* to owners unlikely to be aggressive toward the president.

OBJECTIVE 1: FREE SPEECH

Ukraine Objective Score: 2.37 / 4.00

Ukraine might be proud of its media and free-speech legislation, but there remain problems with enforcement, especially in access to information. There were no major media scandals, crimes against journalists, or murders, but cases from previous years remain uninvestigated and unresolved, leaving journalists without a feeling of safety. State-owned and municipal media continue to be dependent on their governmental sponsors and unfairly compete in the market against private media, and editorial independence is also not guaranteed in private media.

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Nonetheless, regarding legal and social protections of free speech, most of the 2005 MSI panelists agreed that there is a positive trend as Ukraine moves toward harmonizing its laws with international human-rights and freedom-of-expression standards. Ukraine has among the most developed media legislation among the countries of the former Soviet Union, they said, and there are sufficient legal protection tools. There are also examples of residual problems in the statute books, such as an article in the Civil Code of Ukraine stating that "negative information about a person is considered false," but these elements have not been applied by the courts in recent years. Free speech is valued by the society and promoted by leading government officials and social activists. The country's legal provisions are harmonized with international human-rights and freedom-of-expression provisions.

"There has been an essential improvement: If last year we could not even talk about transparency and competitiveness of licensing at all, this year there were no notorious discrepancies at any competition," said Andriy Schevchenko.

Broadcast licensing is controlled by the National Council on TV and Radio (NCTVR), which has to apply the prescribed licensing procedure. A law on the council adopted in March 2005 remedied a problem by making it impossible to replace council members at political will. Now individual members cannot be rotated, and only the whole council can be changed. A Civic Council for the NCTVR was established in May 2005, designed to protect citizen rights regarding free speech and ensure transparency of the NCTVR.

The year was free of licensing controversies. Andriy Schevchenko, vice president of the Ukranian national television company, said: "There has been an essential improvement: If last year we could not even talk about transparency and competitiveness of licensing at all, this year there were no notorious discrepancies at any competition." He called the signing of a memorandum on collaboration between the National Council and 10 key television market players a significant event. The agreement means the parties are ready to embrace and apply fair, competitive rules for licensing, instead of resorting to court resolutions, as was done heavily by the previous regime.

Market entry and commercial regulations for the media business remain the same as for other sectors.

A high level of taxation and many tax-administering complications still contribute to the increasing number of shadow transactions. There is an exemption to the value-added tax (VAT) for sales of print publications and reduced custom duties for import of printing equipment and newsprint not produced in Ukraine. However, there remain wide possibilities for using tools of political pressure, such as tax inspectors and tax police, on media outlets.

State- and municipal-owned media receive subsidies from the government's budgets and sometimes enjoy lower prices for using state-owned printers, transmitters, offices, or newsprint suppliers. There is a law providing that governmental media pay rent at the level of other budget-financed organizations. Most distribution facilities are communal companies as well, able to use levers against private media such as refusing to accept certain titles or damaging publications during transportation. Governments strongly advise other state institutions to ensure a certain number of subscriptions to the municipal media. And still lacking money despite these advantages, governmental media enter the market and by being able to lower prices artificially create unfair competition for private media, the MSI panelists said.

While there were no major crimes against journalists during 2005, investigations of the murders of journalist Georgy Gongadze in September 2000 and broadcaster Igor Aleksandrov in July 2001 remain incomplete. In the Gongadze case, the General Prosecutor's Office reported the investigation completed in August, but this related only to those who committed the slaying. The investigation into who ordered the murder was separated, and an impasse remained over whether the prosecutor would meet in the United States with Mykola Melnichenko, who fled there claiming that evidence might reveal the involvement of high state officials.

In May 2005, the Ukrainian Newspaper Publishers' Association released an open letter reminding the authorities of the unresolved 2004 crimes against media outlets, including fires at the *Postup* newspaper in Lviv and the printing press of *Molodyi Bukovinets* in Chernivtsy, the theft of computers at *OGO* newspaper in Rivne, and others. There is a general insecurity among journalists because threats are received but not given much attention by security services or the public, the MSI panelists said. Irina Prokopyuk, editor and publisher of *Kafa* newspaper in Crimea, recalled, "The prosecutor's office refused to file a criminal suit about written threats to me and my family, as investigators didn't consider these threats realistic." She also mentioned numerous local cases: The editor of *Vse Dlya Vas* newspaper, Feodosya, was fired because the mayor disliked her book about the city's mayors, for example, and the reporter of *Kafa* newspaper who had his equipment taken after he made pictures of oil storage construction from the street, securing its return only with a lawyer's help. "Even one threat, one crime against a journalist is too much for a civilized country," said Susan Folger, director of the Internews Network Ukrainian media-support program.

Editorial independence is not guaranteed by law, and only a few media outlets with the best market practices exercise it independently from their owners. In addition, appointment and dismissal of government media's top managers is a political issue used to control editorial policy. Government journalists have the status of civil servants and receive related increases in pensions and salaries that, while not competitive with the pay levels at the most successful private media in the biggest cities, can be a significant benefit at the regional level.

Libel is not a criminal offense. No code specifies that defendants have to prove the truthfulness of information called into question, although judges sometimes apply this norm. There are provisions requiring that journalistic malice be proved in cases where moral damages are claimed by government and political officials. Yet corruption among the judges exists, especially at the local level, and the courts remain under influence of the government and business. Generally, however, the MSI panelists said practices in this area are improving. "There were no major cases this year, and the sums claimed for damages are substantially lower where previously they were millions," said Taras Schevchenko, director of the Media Law Institute.

There are legal provisions making access to information equal for all media. However, officials are not afraid to ignore information requests, and practice shows that they are not much penalized for this. Many suits on information requests are lost by journalists, and sometimes courts refuse to accept such suits. Even President Yuschenko continued the practice of his predecessor on issuing secret decrees.

Irina Prokopyuk said, "Every second request of *Kafa* for information to the governmental bodies is ignored. Our newspaper had lost a suit against Kerch's mayor, who refused to provide the requested data on average salaries of local government employees. The court of appeal also confirmed this resolution. We are waiting now for the Supreme Court's decision."

According to Ali Safarov, deputy general director and

head of the Analytical and Legal Department of the UAPP, officials tend to formalize information access as much as possible, requiring written requests, waiting until the legal deadline, and providing very formal and unresponsive replies. "In my practice, the defamation lawsuits haven't become less often, (and) the situation with information access at the regional level even became more critical," he said.

On the other hand, this problem is closely linked with the persistence and professionalism of journalists and the will of their management. Are the journalists insistent enough to force local officials to react on their legal requests, and are they able to formulate requests specifically enough that officials cannot turn them down? In some regions, including Lviv, journalists have had some success in teaching local officials to better react to information requests, an MSI panelist said.

There are no restrictions on access to international news and news sources. Media are allowed to reprint and rebroadcast foreign news. In July 2005, according to GfK-USM research, the Internet was used by 18 percent of Ukraine's population, twice as high as 2004's rate. Private newsrooms, usually better equipped than local governmental outlets, do not have financial problems with Internet access.

Entry into the journalism profession is not limited by law or practice. However, officials are able to apply various excuses to deny certain journalists, such as the staff of unregistered Internet publications, accreditation for their events.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Ukraine Objective Score: 1.99 / 4.00

Journalism is still under the influence of owners and political and commercial interests. Ethical standards are not regularly complied with, and many media outlets practice self-censorship on issues related to influential politicians and business leaders. Even when there is no pressure, however, journalists do not necessarily comply with standard professional practices, the MSI panelists agreed. The low level of basic journalism education is one of the most critical problems, and journalists generally are not well paid.

In Ukrainian journalism, it is the exception rather than the rule when journalists do not include their own opinion in their coverage, and it is also rare that they give a word to a contrasting position. Journalists appear to prefer this system, which does not differentiate between a qualified expert's opinion and their own, even though this contributes to the number of lawsuits against the media. Sometimes, even when journalists do try to verify information, they might be unable to do this due to the access-to-information problems. Alexander Makarenko, production director for Internews-Ukraine, said there are regional television companies that comply with professional practices but "if we take all media in Ukraine, this indicator is rather low ... If we take a TV company under serious political pressure, its journalists … receive instructions on what to cover, and how. Maybe it's less strict now than last year when 'temniks' were widespread," referring to directives issued by the government on what state media should report about.

"The prosecutor's office refused to file a criminal suit about written threats to me and my family, as investigators didn't consider these threats realistic," said Irina Prokopyuk.

There are at least three national ethical codes accepted in Ukraine that correspond to internationally recognized standards. In addition to the lack of differentiation between true news and hidden advertising, there are also examples of breaching the codes with regards to racial, ethnic, and sex discrimination; getting fair comment from the accused in criminal stories; and other issues. Politicians and public figures treat journalists mostly as servants to use when necessary, and journalists allow them to do it. Many "rayonki"—small local municipal newspapers and local television companies—exist beyond any ethical and professional standards. They eagerly cover local government and sell news pieces to commercial companies.

Kateryna Laba, MSI panel moderator and media trainer, recalled that at a workshop she conducted in Mykolaiv, an advertising manager for a state-owned newspaper said: "I personally do not need to learn sales techniques as I sit and wait for advertisers to place ads. Those are our journalists who actively sell advertising stories to our newspaper; they must have been invited to the seminar."

According to Alexander Chovgan, publisher of eight regional newspapers in western and central Ukraine, "It's a management issue: whether they want to differentiate between news and paid stories. In advanced publications, journalists cannot sell a story as management will quickly recognize it among the others." In advanced television companies, there is a

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

trend to place such paid materials, so-called jeans, at least away from regular news programs.

Self-censorship is rather rife in Ukrainian media. The panelists noted that the situation on national channels has improved, however. Although the program "Podviynyi Dokaz" has disappeared, its editor, Vahtang Kipiani, said that two prepared programs dedicated to Beslan events (with an anti-Putin tone) and Yuschenko's poisoning have never been broadcast, and there has been no explanation.

The municipal media outlets that operate from the budget of local government would not dare to cover negatively local authorities. Private media outlets backed by certain political forces also have their sacred cows. Ironically, local media are able to criticize national government safely but abstain from being critical toward local authorities, and vice versa. Sergei Guz, head of the Independent Media Trade Union, said that on the local level one cannot write about the origin of wealth of significant figures, links of officials with criminals, and similar themes.

The panelists differed about whether higher salaries are a factor in preventing corruption. According to the Independent Media Trade Union survey, only 30 percent of salaries are paid officially. Half of the regional journalists in regions receive the equivalent of about $100 per month, while the other half earn in the range of $150 to $240. Government journalists with five to 10 years of civil service have comparably higher salaries than beginners in private media. Low salaries force journalists to have two or three jobs, and not always in journalism. They may work also as advertising agents or PR assistants to politicians or commercial companies. In Kiev, journalists' pay starts at about $250. However, there were examples of "stars" who may be well paid but still sell stories. The MSI panelists agreed that the corruption is closely linked with the level of management and the outlets' corporate culture.

There is a positive trend toward increasing news and information programs as well as improving their quality. According to Alexander Makarenko, the directors of regional television companies recognize that news programs are in demand and give them priority, with commercials more expensive to place during news programs. Moreover, most regional television companies can produce news programs while they lack experience and resources to produce successful entertainment shows. Panelists mentioned the need to have a news channel of the Euronews or CNN format that is updated around the clock; they also said there is a lack of in-depth analytical programs on the local level.

According to the panelists, the technical equipping of media outlets is acceptable. However, there is an obvious difference of picture quality among national, regional, and local television channels that is easily noticed while switching the channels. With regard to print media, there is not such a vivid difference between national and regional newsrooms equipped with computer networks. State newspapers might be produced using old printers, but usually that is not an issue of financing but of inefficient prioritizing of funds.

Local and regional media usually cannot afford to hire too many journalists with different specializations. Where there are more resources, the situation improves. The panelists noted this at the national level, especially in the sphere of economic and business coverage by *Biznes, Halytski Kontrakty,* and *Zerkalo Nedeli.*

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Ukraine Objective Score: 2.20 / 4.00

A wide variety of news sources are available for Ukrainians. There are, however, certain limitations that MSI panelists noted. Choices in print and electronic

media constrict in the countryside, and numerous state-owned and municipal media continue to service governmental interests. Efforts to establish public-service television were not expected to move forward until 2006, and ownership of private media is not transparent.

Although television remains the most popular news source, most people can afford to buy newspapers and they do. The weak circulations of many newspapers are linked with poor quality rather than low buying capacity. The main vehicles of newspaper distribution are still the government-controlled post office Ukrposhta, which handles most subscriptions, and Soyuzdruk, which handles most of the retail sales at kiosks. Only economics limit development of private distribution networks.

Cable television providers are restricted in their ability to increase prices for the so-called social set of television channels. According to the president of the Cable TV Union of Ukraine, Aleksandr Lyahov, 120 cable networks operate in Ukraine, providing services to 1,950,000 households.

According to GfK-USM research released in mid-2005, the Internet was used by 18 percent of Ukraine's population, while 24 percent had potential access to it. Of users interviewed, 32 percent are connected at work and 24 percent at home.

In areas with populations below 50,000, residents generally only can get national and regional newspapers by subscription through the post office, perhaps with as little as twice-weekly delivery. Several television channels are available throughout Ukraine, but cable television is not accessible in small towns and villages. Internet access is technically available in rural areas and small towns, but it is little used.

Access to domestic and international media is not restricted, except by language barriers and economics, and 2004's attempts to deny access to foreign news broadcasters were not repeated. Foreign press is not widely represented in Ukraine, probably due to a lack of demand, and foreign subscriptions and satellite television are expensive for average Ukrainians. The distribution of Russian publications is large in comparison with other foreign media, especially in eastern regions.

There are no truly public media. State media up to the level of the regional administrations are financed from the state budget and there are also so-called communal—or municipal—media that are set up by local governments subordinated to the central government. Communal media are financed partially from the local budgets. Most state-owned media lobby political interests and do not address such areas as culture and education.

The only positive advance during 2005 was an effort to rebuild the first national channel as public television, and early staff changes and improved programming were already obvious to most Ukrainians. Parliament consideration of the draft legislation creating the National TV Company of Ukraine started, but it was not expected to be completed before the 2006 vote. At the regional level, however, panelists noticed no such progress.

The major nationwide news agencies are DINAU, Interfax-Ukraine, UNIAN, and Ukrainski Novyny. The state-owned agency DINAU-Ukrinform is financed from the state budget and is provided free of charge to the state-owned media outlets. There are regional news agencies that local media can use, but too often the quality of their reports are low because their market is too narrow. Most outlets can hardly afford to subscribe to the larger national news agencies, and foreign agencies are not affordable at all. It is rife among regional newspapers to use Internet-based news sites and reprint the stories for free, making just reference to the source. For many of these websites, it is not possible to identify their ownership, sources of financing, contact information, or staff.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Due to broad use of offshore entities and figureheads, it has been easy for a few oligarchs and political players to amass huge media holdings. For example, STB, Novyy Canal, ICTV, and M1 all are believed to belong to Viktor Pinchuk, son-in-law of ex-president Leonid Kuchma.

Most private broadcast media produce their own news; in some regions these newscasts are of higher quality and are more relevant to the audience concerns in comparison with local state television stations that mainly glorify local authorities. However, when private channels are under strong political influence, their news programming might be more biased and partisan.

There is a lack of transparency in media ownership. Most people have an idea of who is thought to be the owner, but documented proof is unavailable. Sometimes it is even impossible to identify the owner when employees and media trade unions attempt to negotiate with them. Due to broad use of offshore entities and figureheads, it has been easy for a few oligarchs and political players to amass huge media holdings. For example, STB, Novyy Canal, ICTV, and M1 all are believed to belong to Viktor Pinchuk, son-in-law of ex-president Leonid Kuchma.

The majority of large nationwide newspapers are published in Russian. Some publications publish two editions, one in Ukrainian and one in Russian, while others mix both languages in one edition. There also are Crimean Tatar, Bulgarian, Hungarian, Roma, and Jewish publications, although their circulations are limited.

OBJECTIVE 4: BUSINESS MANAGEMENT

Ukraine Objective Score: 2.26 / 4.00

Private media operating as profit-seeking business increasingly supply sound business practices, and the advertising market is growing rapidly. However, the MSI panelists noted that the media markets are rather fragmented, with numerous small and handicapped players, many of which rely on state subsidies or business and political sponsors. Also, the distribution system as a rule is government owned, and outlets resist showing true circulation figures and ratings that would contribute to maturing the media sector.

Several private printing presses have opened in recent years, some with the aid of international organizations such as the Media Development Loan Fund. Alexander Chovgan, a newspaper publisher and owner of the printing press in Vinnitsa, said that there are enough printers in western and central Ukraine and that the competition leads them to follow sound business practices, improving quality and services. On the other hand, the publisher from the south of Ukraine, Irina Prokopyuk, complained about a lack of efficient presses in her region. Even private companies are not oriented toward clients' needs, are not flexible and reliable, and easily break their agreements, she said. Many state-owned printing presses are technically outdated, and in regions where there are no alternatives, newspapers cannot print quality publications that attract readers.

Rostyslav Vavriv, executive director of Radio Lvivska Hvylya, said all transmitting equipment is private, but antennas, regional transmitter towers, and Ukrchastotnaglyad—the organization that controls frequency resources and issues permits for private transmitters—are state-owned monopolies and dictate their conditions and prices. Many state-owned media companies do not pay their fees, but their debts seem to be ignored, panelists said.

Distribution of print publications is controlled by Ukrposhta and Soyuzdruk, virtual monopolies with pricing and other policies still considerably less than transparent. They do not provide information to the publishers on actual retail and subscription sales, delay payments, and neglect contractual obligations. Soyuzdruk charges commission and easily returns unsold copies and therefore has little incentive to actively sell any given title. Several national private subscription networks are in operation, and regional publications also establish systems. However, in some regions distribution companies are in the hands of competitive publishers who will not serve competitors.

The ability of media to earn money from diversified sources largely depends on the management's professionalism. Private profit-oriented and well-managed outlets, according to the publishers on the MSI panel, have a minimum 35 percent growth of annual advertising revenues, with some having up to 70 percent growth. There is a great disparity between Kiev, large cities, and smaller towns and rural media, but even in Kiev one may find large circulation newspapers with almost no ads. State-owned and communal media receiving state subsidies are able to dump advertising on the market as well as undercut subscription and retail prices.

Some regional publishers may run several publications, such as purely advertising and niche newspapers, which largely support their social and political editions. They may also run supporting businesses such as advertising agencies, distribution and delivery bureaus, or printing facilities.

The advertising market is growing rapidly, with a 22 to 32 percent increase anticipated for 2006. The All-Ukrainian Advertising Coalition, in its mid-year analysis, predicted that the advertising market would total $482 million for 2005, up 39 percent from 2004. Of that, the television advertising market would reach $232 million, up 40 percent from 2004. Print media were expected to receive $107 million in advertising, up 32 percent from 2004, with $42 million of the total going to newspapers and the rest to magazines. Another $20 million was anticipated to go to radio advertising, up 25 percent from 2004, and $2 million to the Internet, up 33 percent from 2004. Shares in the total media advertising market were expected to remain almost the same for 2005, with 48 percent going to television, 22 percent to the print media, 4 percent to radio, less than 1 percent to the Internet, 24 percent to outdoor advertising, and 1 percent to cinema advertising.

Prices for television advertising were expected to rise 50 to 60 percent during 2005, due mainly to a shortage of airtime for commercials. However, even the high prices were not expected to dampen the market, and 15 percent excess demand was anticipated in late 2005. Agencies, looking for lower rates, had to redistribute parts of their budgets to smaller channels, therefore contributing to their development. Growth in print media was lower than in outdoor advertising, with advertising in the magazine segment increasing much faster than among newspapers.

The Coalition also acknowledges that part of the marketing budget for clients is spent for "zakazukha"—paid-for "news" and "analyses" in media.

The panelists reported that advertising volumes brought by Kiev ad agencies to regional media are growing, but there remains a lack of national advertisers in local outlets. This stems in part from the lack of verified broadcast ratings and circulation statistics and the fragmented coverage areas of some outlets, panelists said. They also complained that too many agencies place advertising based on favorable discounts rather than true benefits for clients.

Two agencies, Inter-Reklama (up to 58 percent) and Video International (up to 30 percent), dominate the national television advertising market. Inter-Reklama serviced Inter, Novyi Kanal, M1, STB, ICTV, Enter-film, and Enter-Music television channels, and Video International worked with 1+1, TET, Tonis, RTR-Planeta, and ORT. For the year 2006, Novyi Kanal, STB, and M1—part of Viktor Pinchuk's media holding—transferred to Stil' S house, which is formally independent from Inter-Reklama. However, an investigation by the Antimonopoly Committee was undertaken and remained under way.

The most effective business-oriented publishers among the panelists said they had been able to increase the advertising share of their revenues from 60 to 70 percent. Most print media, however, rely more heavily on circulation sales.

Generally private media do not receive state subsidies. But the panel participants mentioned few "corruptive" cases when, for example, a local private radio station was given regular subsidies to provide airtime to local officials. Other panelists mentioned more transparent cooperation with local governments when newspapers sign agreements with them and provide, for example, a separate appropriately marked page for official information from the local authorities.

Profound audience and market research sponsored by donors was ordered by the Ukrainian Publishers Association in 2002, but only in 2005 did the UAPP manage to repeat the work. It covered the regions as

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

well, and UAPP will aim to order such surveys at least once a year. More than 20 regional publishers ordered surveys or conducted some research on their own. Cities with more than a million people are regularly covered with different media surveys by professional companies, but no one conducts any in the towns of 200,000 or less. The survey results are often used for fancy booklets to show to potential advertisers rather than for thorough work on content improvement. At the Kiev-based advertising agencies, the lack of reliable audience data is a big obstacle for cooperation with large advertisers. Most regional media cannot afford to conduct quality market research or valid opinion polls, and thus most do not have an accurate picture of their own audiences and their interests.

Most newspapers in Ukraine claim inflated circulation figures, add up figures of different editions, and then pretend that weekly or monthly circulation is that of a single issue, panelists said. There is a Circulation Certification Bureau in Kiev, but it has not covered many outlets. In addition, there are questions about whether it is unbiased. One regional publisher, Mikhail Novitsky, certified the circulation in his region and consequently got increased response from national advertising agencies. There is also a regional circulation audit bureau in Zaporizhzhya.

Irina Prokopyuk is well-known for her fight for true circulation figures in Crimea. She said there were no laws to prosecute those who lie about the circulation. She complained to the Crimean Press Committee and insisted that true circulation figures gathered at printing presses be published on its website. However, the Committee subsequently suddenly stopped publishing these figures. The UAPP and the All-Ukrainian Advertising Coalition have set up a working group on development of the National Circulation Commission, but the issue faces strong resistance at the market.

A reliable rating system exists for nationwide television channels. GfK-USM won a tender for the work in 2002 and signed a contract with the Industrial Television Committee through the end of 2007. GfK-USM ratings are used by up to 30 television companies and 30 advertising agencies. According to GfK-USM, the top-rated television channels are Inter, 1+1, Novyi, ICTV, STB, TRK "Ukraina," ORT International, TET, 5 Kanal, and UT-1.

"There was a true war of ratings in Lviv. Everyone published whatever he wanted," said Rostyslav Vavriv.

In the regions, there are usually ratings produced according to unreliable methodologies. According to Rostyslav Vavriv, radio ratings produced even by larger marketing companies are not trustworthy. "There was a true war of ratings in Lviv. Everyone published whatever he wanted," he said.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Ukraine Objective Score: 2.30 / 4.00

Associations of media owners have become strong advocates of industry interests, provide effective assistance, and protect the rights of journalists of member outlets in collaboration with media-related nongovernmental organizations (NGOs). Unions of individual journalists are not so widespread and well-developed, the MSI panelists said, and in particular the Union of Journalists of Ukraine, a Soviet-era holdover, does not fulfill its functions. Journalism education is extremely weak, lacking practical training and appropriate programs and instructors. Short-term training sessions are in demand but cannot meet all the demands for qualified personnel. The number of quality printing facilities is on the rise, and newspapers are acquiring more alternatives. But the field of distribution is more difficult, with two virtual state-owned monopolies.

The Ukrainian Newspaper Publishers Association (UAAP) provides legal, information, and training support to its members; develops and tries to lobby for draft laws in support of the industry; analyzes current laws; and supports its members at different institutions. Publisher Irina Prokopyuk said that when she had problems with a mayor who barred her journalists, the mayor heard from the UAPP. Early in 2005, the UAPP submitted an industry appeal to the new government, elaborating on the industry's most acute issues. UAPP also ordered the TNS National Readership Survey and got the Kiev city administration's ban on newspaper stands and walking retailers in the metro lifted. Its membership now is about 110 publishers of about 300 newspapers and 80 magazines with a total circulation of several million copies. It is financed through membership fees and donor contributions.

The Independent Association of Broadcasters (IAB) is known for legal services in media and commercial law areas and is working to develop a training center for broadcasters. The IAB contributes to lobbying-industry interests regarding public-television issues, the new Law on Radio and Television, and the newly produced elections coverage legislation that may limit free political news coverage. It also is financed through membership fees and donor contributions.

In mid-2005, 20 leading regional publishers, most of whom are still members of the UAPP, established the new Ukrainian Association of Independent Regional Publishers (UAIRP). They had felt some threat from the increasing influence of the large national publishers in the UAPP. Even professional competitions launched by the UAPP became poorer, as regional media were afraid to share secrets or show their best talents for fear the Kiev-based publications would pirate the best regional journalists. The total circulation of UAIRP member papers is more than 1 million. The organization is financed by membership fees only, with most publishers being members of both organizations.

By contrast, MSI panelists said, the existing unions of journalists do not unite substantial numbers of practitioners. The newer Independent Media Trade Union renders legal and organizational support to the unions of journalists in different media. The Union of Journalists of Ukraine is the old Soviet entity that unites retired journalists or employees of the state media. Financed by the State Committee on Television and Radio Broadcasting, it has affiliates in different regions, but as a rule it does not advance media needs.

There are many central and regional NGOs related to media, such as the Institute of Mass Information, the Academy of Ukrainian Press, the Media Reform Centre, the Information and Press Center in Simferopol, the Association of Journalists of South Ukraine "Pivden" (Kherson), the Journalists' Initiative (Kharkiv), the Poltava Media Club, TOP Media in Odessa, the Association of Free Journalists in Crimea, the Media Law Institute, and the Guild of Vinnichina Editors. They monitor violations, defend free speech, petition the government for changes in laws, and offer training sessions for media employees. Almost all of them rely on financial support from international donors.

All panel participants were unanimous in evaluating the quality of journalism education as extremely low and irrelevant. The existing curricula approved by the Kiev Institute of Journalism and the Ministry of Education do not correspond to modern needs, according to the MSI panelists. Professors hardly have any practical experience in media, and the graduates lack practical skills—and are often too ambitious and lazy to start as reporters. The outdated curriculum teaches the student journalists to express their opinions in the news reports, while offering laboratories or other settings in which to develop a working knowledge of the profession.

The majority of journalists do not have professional education. Among the journalists working for private regional newspapers, only about 30 percent are journalism faculty graduates. Irina Prokopyuk said this is one of the most acute problems in the sector: "Terrible education! Journalism graduates immediately want to be at least editors or TV anchors, not just reporters. They are lazy, don't have skills relevant for market economy, and we have to teach them from zero. Demand for personnel in provinces is extremely high. I have looked for a journalist in Kerch for a half a year—with no progress as yet."

Irina Prokopyuk said this is one of the most acute problems in the sector: "Terrible education!"

Short-term training sessions are conducted by international and domestic organizations, generally paid for by donors but also sometimes at the expense of media outlets. The most popular topics are connected with advertising and marketing, information access, and defamation issues. Alexander Chovgan said that "three or five years ago training sessions were urgent therapy for many Ukrainian newspapers, which needed reanimation. Now, when the requirements are higher, we still have employees without systematic knowledge, and that can't be acquired at training. Thus, donor support of journalism education changes is critical and necessary." In late 2005, a major two-year support program to raise standards of university journalism was launched by the BBC World Service

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Trust, IREX Europe, and three European journalism faculties, with the support of the European Union. The project is based at the Kyiv Institute of Journalism and will include two additional pilot schools.

The media industry infrastructure is being developed. More and more publishers are setting up their own presses and buying newsprint independently. However, the development and availability is not evenly spread. There are more privately owned presses in the west of Ukraine rather than in the east, where communal and state-owned facilities prevail. Local authorities are still able to pressure them to prevent some publications, and their business practices and equipment are outdated, panelists reported.

Distribution is a more problematic area. The national postal service is the main manager of subscriptions, and retail sales are largely controlled by kiosk networks owned by municipal bodies. Both are able to refuse to distribute certain titles. Kiosks in private hands are also under the influence of local authorities, as they have to get space rental agreements. According to panel members, to set up a kiosk one may need to submit from 22 to 115 documents. Irina Prokopyuk said distributors may require bribes for entering a market, add a markup of up to 70 percent, and may refuse to sell some publications on the grounds that they have enough on offer already.

Panel Participants

Brent Byers, Press Attaché, US Embassy, Kiev

Alexander Chovgan, President, RIA Corp., Vinnitsa

Susan Folger, Chief of Party, Internews' Network U-Media Program, Kiev

Sergei Guz, Head of Trade Union of Journalists, Kiev

Oleg Khomenok, Print Media Advisor, IREX U-Media Program, Kiev

Natalya Ligachova, Director and Chief Editor, *Telekritika* magazine, Kiev

Alexander Makarenko, Production Director, Internews-Ukraine, Kiev

Victoria Marchenko, CTO for U-Media Program, USAID, Kiev

Irina Prokopyuk, Editor and Publisher, *Kafa* newspaper, Feodosia, Crimea

Ali Safarov, Deputy General Director and Head of the Analytical and Legal Department of the UAPP, Kiev

Taras Schevchenko, Media Lawyer, Internews Network, Kiev

Rostyslav Vavriv, Executive Director, Radio Lvivska Hvylya

Tatiana Vorozhko, Media Advisor, OSCE Project Coordinator in Ukraine

Moderator

Kateryna Laba, Media Trainer, Kiev

UKRAINE AT A GLANCE

GENERAL

■ **Population:** 47,034,000 as of September 2005; 47,157,000 average for January–August *State Committee of Statistics*

■ **Capital city:** Kiev

■ **Ethnic groups (% of population):** Ukrainian 77.8%, Russian 17.3%, Belarusian 0.6%, Moldovan 0.5%, Crimean Tatar 0.5%, Bulgarian 0.4%, Hungarian 0.3%, Romanian 0.3%, Polish 0.3%, Jewish 0.2%, other 1.8% (2001 census) *CIA World Factbook*

■ **Religions (% of population):** Ukrainian Orthodox—Kiev Patriarchate 19%, Orthodox (no particular jurisdiction) 16%, Ukrainian Orthodox—Moscow Patriarchate 9%, Ukrainian Greek Catholic 6%, Ukrainian Autocephalous Orthodox 1.7%, Protestant, Jewish, none 38% (2004 est.) *CIA World Factbook*

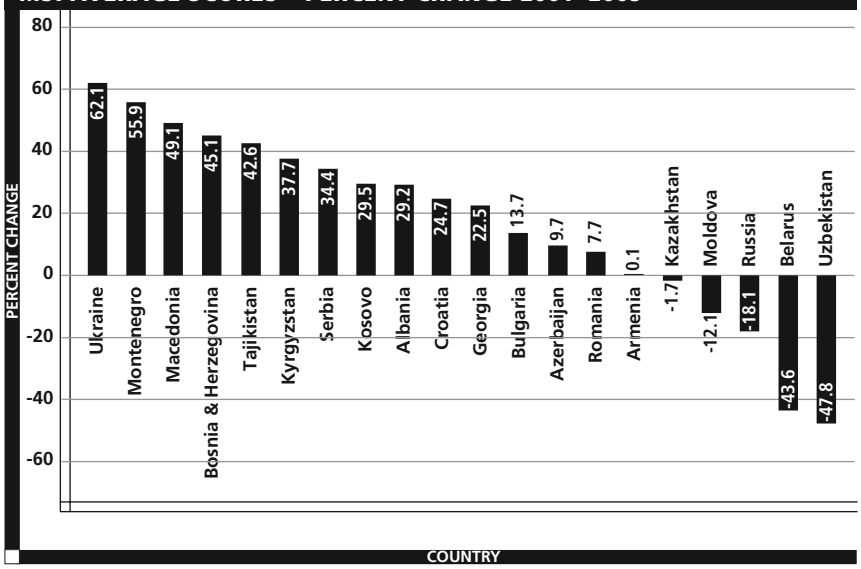
■ **Languages (% of population):** Ukrainian (official) 67%, Russian 24%; small Romanian-, Polish-, and Hungarian-speaking minorities

■ **GDP (purchasing power parity):** $299.1 billion (2004 est.)

■ **GDP per capita (purchasing power parity):** $6,300 (2004 est.) According to the International Centre for Perspective Studies, the 2005 GDP will be about 412,100 to 418,493 million UAH. GDP growth is forecast at 3.5%.

■ **Literacy rate (% of population):** 99.7% (male: 99.8%, female: 99.6%) (2003 est.) *CIA World Factbook*

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



■ **President or top authority:** President Viktor Yuschenko, Prime Minister Yuriy Ekhanurov

■ **Next scheduled elections:** Parliamentary, March 2006

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** *Silski Visti* claims its total circulation to be 1,519,705 copies. UNPA (UAPP) estimates its member newspapers circulate 10 million copies.

■ **Broadcast ratings (top three ranked stations):** Inter, 1+1, Novyi Kanal *GfK USM, open sources*

■ **Number of print outlets, radio stations, television stations:** 20,903 officially registered print publications; 8,859 national, regional, or foreign periodicals; 12,044 local circulation papers *State Committee on Television and Radio, as of June 25, 2005*

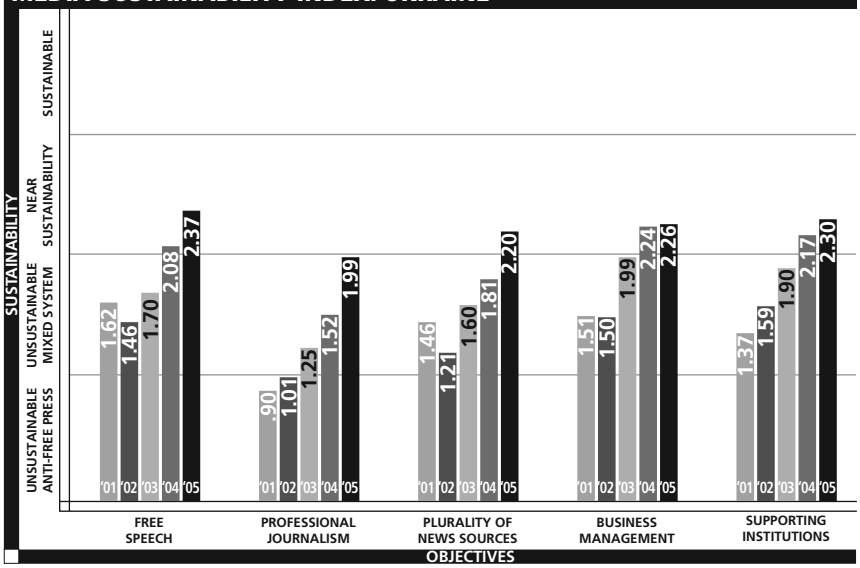
1,211 television and radio outlets as of January 1, 2004 (35 state-owned, 422 communal, 754 commercial) *National Council of TV and Radio Broadcasting, 2004*

■ **Annual advertising revenue in media sector:** Television: $232 million, outdoor: $116 million, print: $107 million, radio: $20 million *Forecast by the All-Ukrainian Advertising Coalition in July 2005*

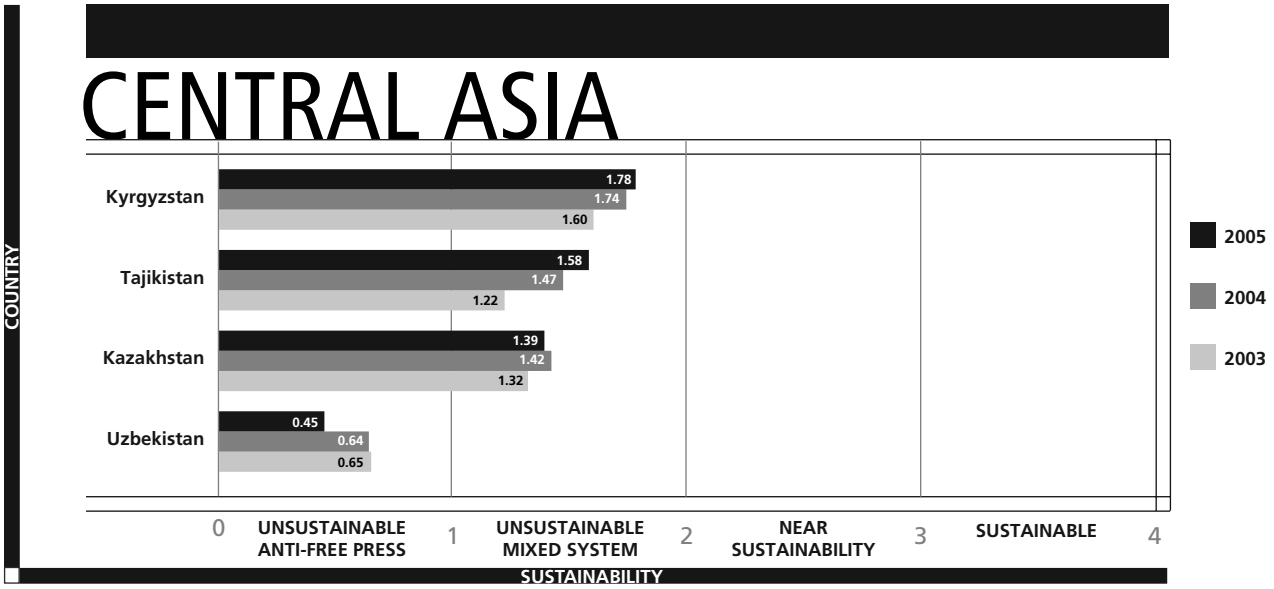
■ **Number of Internet users:** 18% of population, with Internet accessible to 24% *GfK USM*

■ **News agencies:** Interfax, UNIAN, Ukrainski Novyny, DINAU (Ukrinform)

MEDIA SUSTAINABILITY INDEX: UKRAINE



CENTRAL ASIA



IN THE PERIOD PRECEDING THE DECEMBER 2005 PRESIDENTIAL ELECTION, IN WHICH PRESIDENT NURSULTAN NAZARBAYEV WAS THE ODDS-ON FAVORITE TO BE RETURNED FOR A THIRD SEVEN-YEAR TERM, RIGID DIVISION OF THE MEDIA TOOK PLACE.

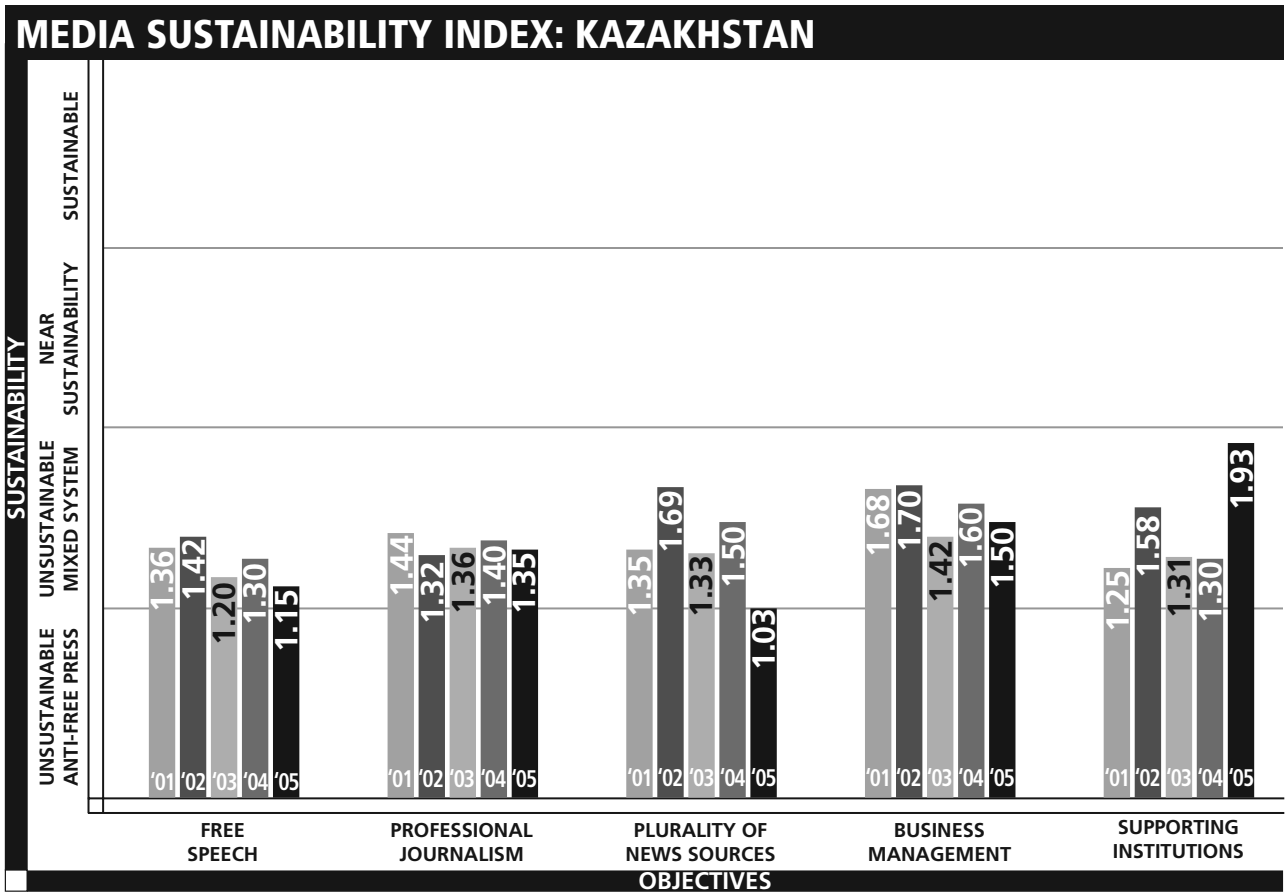
Introduction

The consolidation of opposition forces in the run-up to the presidential elections and the government response distinguished 2005 in Kazakhstan. Fairly prominent figures with rather substantial financial resources came together with a coordinated and aggressive opposition strategy, particularly in the area of the media. Six private media outlets lent support to the opposition, a development seen as causing concern to the government, which had established control over the electronic media and then started exploring options for dealing with the independent print media. For example, according to the 2005 Media Sustainability Index (MSI) panelists, illegal confiscations of the pressruns of opposition newspapers became increasingly frequent starting in the spring and, as the December election approached, so did harassment of journalists.

The country continued to develop economically, although macroeconomic structural reforms progressed more quickly than the sluggish growth of small and medium-sized business. Social stratification and disparities continued to grow. The polarization of opinion between government supporters and opponents was reflected in the operation of the media, which lined up between the two political viewpoints. Declared to have been liberalized and appearing outwardly to be free, the media market in fact continues to exist under conditions that prevent it from functioning normally. The state strictly controls the electronic media, the MSI panel said, and the authorities' outlets engage in dishonest competition with respect to private newspapers.

However, there are also cases in which media outlets, unable to survive competition under market conditions, seek underlying political motives for their problems rather than economic causes. Attributing their problems to pressure on the opposition press, these outlets demand more favorable and preferential treatment from the state.

Although there are constitutional free-speech guarantees, Kazakhstan has a Law on the Mass Media and various other provisions of civil and criminal



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

law that are restrictive in nature, the MSI panelists said. The judicial defense of free speech is virtually nonexistent because in the vast majority of cases the courts, which are under the authorities' political control, render decisions in favor of the plaintiff—the government. There are no broadly accepted ethical standards covering the work of journalists in Kazakhstan. Crimes against journalists are not uncommon and go unpunished, while journalists are subjected to both legal and criminal harassment.

In the period preceding the December 2005 presidential election, in which President Nursultan Nazarbayev was the odds-on favorite to be returned for a third seven-year term, rigid division of the media took place. MSI panelists estimated that in 95 percent of publications, coverage of political and social topics presented opportunities to deliver propaganda for the merits of the incumbent president. The positions of opposition forces are either poorly represented or entirely absent, the panelists said.

There are no genuinely public media in Kazakhstan, and private media reflect the views of the government, with the exception of the few opposition newspapers. The dissemination of information is uneven, with the urban population having greater access to various sources of information than the residents of outlying regions.

No progress was seen in advancing the media sector in Kazakhstan during 2005. All objectives were seen as declining, with the exception of the measure of the performance of supporting institutions. There was a particularly severe decline in the plurality of news sources available to citizens. Overall, the rating of the strength of the media sector declined to 1.39 from 1.42 in 2004, a drop that would have been more severe were it not for the advance in support to the media through new nongovernmental organizations (NGOs).

OBJECTIVE 1: FREE SPEECH

Kazakhstan Objective Score: 1.15 / 4.00

On the whole, the provisions of law with respect to free speech poorly accord with international standards, the MSI panel concluded, with registration of media made difficult and journalists subject to being held liable for unintentionally causing moral damage. Television broadcasting licenses in Kazakhstan are issued on an unfair, noncompetitive basis, with a view to political interests, the panelists said. Technically, the treatment of owners of the media is no different from those of businesses, but their situation is significantly more complicated because of the high degree of politicization in the media sector.

Freedom of speech is declared as protected in the Constitution, but in practice it is restricted by a large number of provisions of civil and criminal law. Galina Dyrdina, deputy editor-in-chief of the *Respublika* newspaper, said the "code of administrative infractions, civil code, and criminal code contain about 40 articles stipulating certain sanctions for media outlets and journalists, including criminal liability for infringement of the honor and dignity of the country's president and for libel." Moreover, she said, the Law on the Mass Media contains an article stipulating penalties for media outlets, up to and including being shut down, for the abuse of free speech, the definition of which is ambiguous and open to interpretation by the courts. Journalists are left to feel they can be charged with various violations at any time.

According to the MSI panelists, in cases of the infringement of free speech, citizens may turn to the courts for protection, but when the judiciary is rendering decisions on the basis not of law but of orders from higher up, there is no real legal protection. "Article 155 of the criminal code stipulates liability

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

for interfering with a journalist's professional activity, but it has not been invoked even once," said Tamara Kaleyeva, president of the Edil Soz International Foundation for Protection of Free Speech. "On the whole, the possibility of judicial protection for media outlets and journalists is limited by the arbitrary and subjective actions of judicial bodies."

Society is not prepared to defend freedom of speech, either. This is evident in the lack of public concern over the harsh measures taken against a number of independent media outlets, even when the media environment in the country draws the attention of the international community for failing to meet democratic standards.

Galina Dyrdina, deputy editor-in-chief of the* Respublika *newspaper, said the "code of administrative infractions, civil code, and criminal code contain about 40 articles stipulating certain sanctions for media outlets and journalists, including criminal liability for infringement of the honor and dignity of the country's president and for libel."

The issuing of television broadcasting licenses is controlled by the Ministry of Culture, Information and Sports (MCIS), which belongs to the executive branch of government and is under total political control. "The participation of certain representatives of journalists' organizations and public figures on the judging commission makes its decisions slightly more transparent and substantiated, but it does not remove the political bias," said Yevgeniy Zhovtis, director of the Kazakhstan International Bureau for Human Rights and the Rule of Law. Tamara Kaleyeva noted as an example that for two years, an application by Rifma independent radio, which was shut down in 2002, has not been considered, but several frequencies were immediately granted to the AS-TV television network, a private company affiliated with Timur Kulibaev, vice president of the national KazMunaiGas company and the husband of President Nazarbayev's younger daughter.

Since 1998, there has been no genuinely independent television or radio in the country, Galina Dyrdina said, because "all the electronic media outlets are in the hands either of President Nazarbayev's family members or of his closest aides who have demonstrated their loyalty, although there is no provision in the country's laws barring the fair and competitive licensing of television broadcasting." These private television and radio companies, in concerted fashion, either do not cover social and political problems or practice strict self-censorship in order not to lose their licenses, the panelists said.

Media outlets function in the business environment on equal terms with other participants in the market. Current law guarantees all businesses free entry into the market, but in practice all manner of obstacles are placed in the way of private media outlets, from the refusal of printers to take their work to the illegal removal of these publications from sale by the police and other security and law-enforcement agencies. According to Tulegen Askarov, economics commentator with the *Respublika* newspaper, "Just before the election campaign, opposition media were denied access to printers that are technically private but are actually under the strict control of the authorities. In order to control the media market, the authorities often employ the services of oligarch-owned entities that are affiliated with them, or use the financial potential of national companies and republic state-owned enterprises."

Kazakh journalists feel unprotected, the MSI panelists said. Fear of losing their jobs leads journalists working for pro-government media outlets to go against their own principles, practice self-censorship, and distort information. Journalists with the non-state *Respublika* have worked under extreme pressure, putting out every issue of their newspaper as though it were their last—and in fact seeing their publication shut down various times during the past several years and re-emerging in different forms.

The journalists say they are unable to rely on the courts because the judges and prosecutors side with the authorities. "Since these actions (against media) are usually carried out by personnel of the law-enforcement agencies or prosecutor's office, the investigations of such violations of law usually do not end in the journalists' favor," Yevgeniy Zhovtis said. "A similar situation occurs when the attacks are committed by criminal elements, who often act under the shield of the authorities or circles close to the authorities."

In the first six months of 2005, the Edil Soz International Foundation for Protection of Free Speech recorded nine attacks on media personnel, and not a single perpetrator has been found and punished, the organization's president said.

There are no media outlets serving the public interest in Kazakhstan. There are media outlets that are either

partially or fully funded out of the state budget, and are therefore dependent on the orders of the government, officials, pro-government politicians, and business entities that are intertwined with the government. Although laws make no provision for preference to government or government-related media outlets, in practice they enjoy considerably better access to information compared with private media, especially opposition outlets. Often the latter are not even able to obtain accreditation to cover official activities, briefings, or press conferences. Galina Dyrdina recalled that *Respublika* journalists were not allowed into a meeting with US President Bill Clinton when he visited Almaty, although the US Embassy had sent a request to President Nazarbayev's press service for the journalists to receive accreditation. *Respublika* personnel also never have been accredited to cover activities of the Almaty local government or activities involving the president, she said.

Although the law states that government agencies are required to provide publicly important information to all media outlets, panelists noted that no official has been punished for refusing. Independent journalists and NGOs have worked with limited success to fight this practice, including appealing to multilateral organizations monitoring international conventions in areas such as the environment.

Libel in Kazakhstan is prosecuted under the criminal code, which contains six articles dealing with charges of libel and insult. Journalists have not been imprisoned, to date. The civil code also contains articles on derogation of honor and dignity, protection of the right to depiction, and the collection of moral damages. In a criminal trial the plaintiff must prove media guilt, while in a civil trial the journalist must prove it. Derogation of the honor and dignity of the president or a deputy to parliament, as well as insulting a government official, are criminal offenses, and there are cases in which citizens have been convicted under the criminal code. According to the panelists, lack of accountability in the courts and prosecutor's offices in Kazakhstan affects all implementation of the laws.

Access to international news is open, but the authorities attempt to restrict those that contain a negative view of the Kazakh leadership, and monitors report that local Internet service providers have at times blocked opposition websites. For example, according to Galina Dyrdina, her newspaper's site is "practically inaccessible to Kazakhstan residents." Tamara Kaleyeva noted that "reprinting news from the Internet with a citation of the information source does not relieve media outlets of liability." The Law on the Mass Media contains provisions restricting the rebroadcast of foreign television channels. According to Sergei Vlasenko, a media law specialist with the American Bar Association's Central European and Eurasian Law Initiative, the rebroadcast of foreign media must not constitute more than 20 percent of a radio or television station's total broadcasting.

"Article 155 of the criminal code stipulates liability for interfering with a journalist's professional activity, but it has not been invoked even once," said Tamara Kaleyeva.

The authorities have various means of removing a journalist from the practice of journalism. They can shut down media outlets—not by court order, as the law requires, but by order of the Ministry of Culture, Information and Sport—or they can include in a law a provision prohibiting foreign citizens from being media editors. Accreditation is required, for example, to cover Kazakhstan's parliament, and independent journalists may have difficulty obtaining this permission to work.

Entry into the profession is not restricted by the requirements of having a license, passing qualifying exams, or the like. However, according to Yevgeniy Zhovtis, one university administration is known to have barred students in the journalism department from interning with opposition media outlets.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kazakhstan Objective Score: 1.35 / 4.00

Most media outlets belong to one oligarch's group or another and are therefore forced to serve their owners' interests, precluding objectivity and the careful checking of information for accuracy. As a result, the MSI panel reported, media professionalism continued to decline in 2005. Established ethnical standards are pro-forma and constantly violated in the interests of the government and media owner, with gifts and other benefits in exchange for positive articles welcomed. Self-censorship thrives everywhere out of fear of legal prosecution, physical reprisal, or dismissal.

It was noted during the MSI discussion that in most cases journalists try to use diverse information sources, including international ones. However, bias is evident in the coverage of events by both government and nongovernmental media, particularly during the presidential election campaign. "And so more than

"And so more than 90 percent of all articles and reports in both the electronic and the print media are devoted to the incumbent president," said Tamara Kaleyeva.

90 percent of all articles and reports in both the electronic and the print media are devoted to the incumbent president," said Tamara Kaleyeva, based on assessments by the Edil Soz International Foundation for Protection of Free Speech.

Repeated attempts have been made to adopt an ethical code, but no single document has been accepted by the journalistic community. Even the proposal of the Congress of Journalists, the organization of the president's daughter, Dariga Nazarbayevam, did not take hold. "Journalists definitely accept payment and gifts for covering events in a certain way," Galina Dyrdina said. "Official media outlets have a system for providing bonuses to journalists. And in all competitions for the media conducted by government agencies or pro-government entities, the winners are invariably pro-government media outlets and journalists who work for them, so that too is a kind of a gift—for loyalty."

Self-censorship is widely practiced by all journalists except those at a few opposition media outlets, who are subjected to harassment as a result. "Self-censorship has become a mass phenomenon, since media outlets strive to avoid a negative reaction not only on the part of authorities, but on the part of private entities and certain individuals, since Kazakh law makes it possible to claim both moral and financial damages from media outlets," said Tulegen Askarov, economics commentator with the *Respublika* newspaper. The self-censorship leads to selective coverage of key events and trends, in Kazakhstan and internationally, as well as dissenting views. Topics that might be covered internationally are not probed in the country, including investigations of high-ranking Kazakh officials and the subject of property owned by the members of the president's family. "By a court decision, the owner of the newspaper *Respublika* was punished for reprinting an interview with Vladimir Zhirinovskiy conducted by the Ekho Moskvy radio station, although that interview had public significance for all of Kazakhstan," Galina Dyrdina said.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

Journalists' pay levels vary extremely widely, from $50 monthly for district newspaper correspondents to $1,500 for top figures at national publications. The panelists also believe that the compensation of journalists working for government media is higher because these outlets, in addition to receiving support from the government budget, also can work with major advertisers, which the independent media outlets cannot do. According to the panelists, virtually all journalists seek to earn extra money through covert advertising in their articles. In Vlasenko's opinion, "The low salaries are often a factor destabilizing personnel policy on various media outlets. Personnel turnover, in turn, affects the fact that such media outlets lack their own distinctive personalities, and such media outlets, as a rule, are not popular with the public."

Since virtually all the television and radio companies are under the direct or indirect political control of the authorities, they do not risk raising controversial social and political problems. Consequently, entertainment programming clearly eclipses information and sociopolitical programming, the panelists said. There are virtually no political debates or live broadcasts on television. Tatyana Pak, president of the FORPOST Order for the Defense of Free Journalism nongovernmental foundation and a journalist with the *Gorod 326* newspaper, said: "Media outlets that have a good financial base can afford to carry an equal mix of entertainment and news programming. But one can see a trend toward news being displaced by entertainment programs."

Lately the government has made a noticeable effort to modernize the look of the media outlets under

its control, particularly the *Kazakhstanskaya Pravda* newspaper and Khabar TV. At the same time, the independent media outlets have made some advances, although their resources are insufficient for them to make a qualitative leap forward by, for example, switching newspapers completely to color. The technical facilities at the disposal of journalists working in Almaty and Astana are fairly modern and meet the necessary standards. That is not true at all regional media outlets, some of which are in need of modern printing equipment, distribution systems, and vehicles.

In the opinion of most panelists, quality reports on specialized topics are more the exception than the rule. In most cases, coverage is fairly superficial, routine, and colored by ideology, but there are periodicals that write only on economic or legal topics, cover local problems, or publish articles especially for entrepreneurs. Among the electronic media outlets, Channel 31 is distinguished for producing higher-quality reports, the panelists said. Indeed, despite the partiality and the technical difficulties, there are journalists capable of producing quality material, including investigative reporting. But the multiple pressures tend to result in journalists choosing the least controversial topics, or criticizing that which permission has been granted from on high to criticize. A vivid example cited by the panelists was the case of Gennadiy Benditskiy, a journalist with the newspaper *Vremya,* who they said was saved only by his personal acquaintance with President Nazarbayev from being criminally prosecuted for a journalistic investigation he conducted into a corruption case. At *Respublika* during 2005, Galina Dyrdina said: "For conducting a journalistic investigation of the alleged theft of funds Kazakhstan received from Russia for the lease of the Baikonur Space Center, the newspaper found itself on the verge of being shut down … Officials who were too big found themselves in the zone of the newspaper's attention."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kazakhstan Objective Score: 1.03 / 4.00

The 2005 MSI panelists were particularly concerned by the decline in news sources available to the people of Kazakhstan, and the score for this objective declined to 1.03 from 1.50 in 2004. International media, including the Internet, is practically unrestricted, although some websites are blocked, but this is more a theoretical option than a realistic one for most people due to price and accessibility. The government media do not reflect the whole political spectrum. Members of opposition parties and movements either do not appear on television or the pages of state newspapers, or their activities receive only negative coverage. There are not many local independent agencies in Kazakhstan, and there are no public television and radio outlets at all.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- Citizens' access to domestic or international media is not restricted.
- State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- Independent news agencies gather and distribute news for print and broadcast media.
- Independent broadcast media produce their own news programs.
- Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

The low purchasing power of a substantial percentage of the population—one-fifth of which lives below the poverty line—does not permit the broad development of a media market, especially outside urban areas. Rural people are largely limited to the Khabar Television Network, which is headed by Dariga Nazarbayeva, Galina Dyrdina said. The independent press by no means reaches all communities, and with television under pro-government control, people are likely to be exposed only to one-sided information. Many outlying regions still cannot receive television broadcasts, and for all intents and purposes fall outside the delivery system for print media.

The same applies to the Internet, since many communities do not have telephone service. For those who can access the Internet, some websites, including the www.eurasianet.org site, are blocked at times in Kazakhstan. The government also attempts to control the granting of domain names, the panelists said. Cable television is no panacea, either, Sergei Vlasenko noted, because "any time any channel can be cut off,

and the explanation will be that this has been done for technical reasons."

Although taxpayers support the official media, they generally are not provided with information about views in opposition to the government position. According to the panelists, the opposition was even refused the broadcast of paid campaign materials during election campaigns. During the 2004 parliamentary elections, several television networks refused to carry paid ads for the election bloc formed by the Kazakhstan's Democratic Choice People's Party and the Communist Party of Kazakhstan. For the most part, private media outlets also try to reflect state interests, with the exception of just a few opposition outlets. There are no public television and radio networks in Kazakhstan, and the private ones produce their own news programs, but within the limits of strict self-censorship.

"Many media outlets have even developed a mandatory sequence for the presentation of news: the president, the government, the parliament," Tulegen Askarov said.

The news agencies supply their news to all media outlets without discrimination, on a paid basis, but their operations also depend on the will of the current government. The independent broadcast media outlets differ little from state television in the concept and content of their news and analysis programming, because television licenses are granted based on loyalty. "Many media outlets have even developed a mandatory sequence for the presentation of news: the president, the government, the parliament," Tulegen Askarov said.

Information about the owners of media outlets is, for all practical purposes, secret, and attempts by journalists to illuminate this issue may result in lawsuits. Kazakhstan has no laws requiring that information concerning the actual owners of media outlets be made public. And the public at large does not know to whom big media holding companies and individual media outlets actually belong. "Business circles that control broadcast media outlets do not want to be transparent and open owners," Tulegen Askarov said. "All this results in reducing the public's trust in the media, in general."

In 2005, Galina Dyrdina said, "The Khabar Television Agency brought suit against Altynbek Sarsenbayev, a former information minister and now an opposition leader, for the fact that he had stated in an interview that Khabar belonged to a media holding company. Despite the fact that Sarsenbayev submitted documents confirming this fact to the court, the court ruled for the plaintiff and required Sarsenbayev to compensate Khabar for moral damages to the tune of 1.5 million tenge ($12,000)."

Panelists said there are media monopolies in Kazakhstan and, in particular, the one to which Khabar belongs owned by Dariga Nazarbayev, but it is taboo to discuss who might own various other outlets. Other taboos pertain to reports on the opposition, crimes of corruption by high-ranking officials, civil rights violations in Kazakhstan, and negative assessments of the situation in Kazakhstan on the part of international public opinion. Most of the panelists agreed that the motivation for this control is to prevent objective information from fueling opposition and protests.

There are media in the languages of minority nationalities, and they are accessible without restriction. "A citizen of Kazakhstan of any nationality may publish a newspaper in any language; the only restrictions are in television and radio, where he is required to provide proportional programming—50 percent in the state language and 50 percent in other languages," Sergei Vlasenko said. Although few in number, newspapers in the languages of minority nationalities are accessible, including in Ukrainian, Korean, German, and Hebrew. However, Yevgeniy Zhovtis observed: "The subjects of relations among nationalities and of ethnic minorities are among the subjects in which self-censorship is practiced. In the opinion of the authorities, these subjects should be treated only in a positive light, and reporting on any problems draws an aggressive reaction on the part of both the authorities and the Kazakh-language press."

OBJECTIVE 4: BUSINESS MANAGEMENT

Kazakhstan Objective Score: 1.50 / 4.00

Attempts by media outlets to become efficient *media* businesses generally are thwarted by the whims of owners, who see their enterprises as tools for their other economic and political interests. Further, the printing presses and distribution systems, including private distributors, are either directly or indirectly controlled by the authorities. In the opinion of most of the MSI panelists, media outlets in Kazakhstan should be regarded as businesses that are auxiliary to their owners' principal activities and do not necessarily need to produce profits. "It is becoming prestigious to own a media outlet, and when necessary an owner can use it to advance his interests," Sergei Vlasenko said. Added

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

Tatyana Pak: "From the outset media outlets are put under the sort of conditions that they need government support in order to be profitable. And therefore, either commercial media outlets or those that are loyal to the state become winners in the media market."

It is impossible to overcome the lack of media freedom through better management, Galina Dyrdina said. "Any media outlet or any publishing house, no matter how well it is managed, no matter what marketing research is conducted, no matter how well organized the media distribution system is, always faces the threat of pressure from the government, or even of destruction." Her newspaper, *Respublika,* is the successor to the *Assandi Times,* which closed in August 2004 after being unable to pay a fine for allegations it made concerning the forces behind the publication of a fake edition of the newspaper.

Tulegen Askarov also noted that due to the interference in the industry by the authorities, "a super-competitive situation is created in the urban media markets, which holds down circulation growth and the revenues of the regional and national press and also causes stagnation in the development of the electronic media."

Pressure is applied not just for political reasons, but also out of a desire on the part of well-connected people to take over that business, the panelists said, citing what they believe to be attempts to do this in the city of Aktyubinsk. Moreover, advertisers are afraid to place ads in opposition media outlets. Tamara Kaleyeva said the authorities in the West Kazakhstan local government "did some 'work' with local businessmen to keep them from advertising in the local independent newspaper, *Uralskaya Nedelya,* which has a circulation of 10,000." Consequently, many independent media outlets operate at a loss. According to the panelists, at present the authorities interfere with the businesses of the newspapers *Apta.kz, Epokha, Azat, Data Nedeli, Pravda Kazakhstana,* and *Svoboda Slova*, as well as *Respublika.*

Printing presses are discouraged from handling opposition newspapers, or their press runs may be confiscated, the panelists said. *Respublika* had printing interruptions from May 2005. However, according to Tamara Kaleyeva, when the printer Vremya refused to print six opposition newspapers in September, the Dauir printer immediately signed a contract with them.

The private media outlets are, by and large, funded by their owners, with advertising coming in second among funding sources, and sales third. Since oligarch-owned entities loyal to the government or controlled by the closest aides of the country's high-ranking officials own the leading advertising agencies, the main flow of major advertising goes to the media outlets controlled by those same circles, and also to state-owned media outlets, according to the MSI participants. Officially, the government provides no subsidies to the media. But in actuality, the panelists said, the authorities accomplish this through the system of government contracts, the bidding for which is won by the media outlets that are controlled either by the authorities or by oligarch-owned entities that are close to them, or that follow editorial policies loyal to the government.

"It is becoming prestigious to own a media outlet, and when necessary an owner can use it to advance his interests," Sergei Vlasenko said.

In the media outlets themselves, with the exception of the large media holding companies, work with advertisers is far from meeting present-day standards. However, market research is coming to be used more widely and professionally by large media outlets, although most regional publications, which usually cannot afford such services, rely instead on personal observations and experience. Newspapers for the most part supply accurate circulation data due to enforcement of harsh penalties for false claims that

are provided for in the administrative code, according to Tamara Kaleyeva. "It is harder to verify the ratings of television and radio programs, and the distortion of such ratings does not bring administrative penalties. So there may be more abuses there," she said. The ratings results also meet with skepticism because in Kazakhstan rating companies have just begun to be established, and the prominent public-opinion research agencies are controlled by the oligarchs.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kazakhstan Objective Score: 1.93 / 4.00

Associations of publishers and of radio and television broadcasters do exist in Kazakhstan, and in principle they attempt to defend and lobby for the interests of their members with government agencies. However, linked to the direct or indirect dependence of media outlets on the authorities, these associations, like the media outlets themselves, are forced to constantly maneuver and thus are rather limited in their ability to exert influence. The independent NGOs that advocate for free speech and defend journalists and the independent media are fairly active, but are subject to the resistance by government agencies.

The two journalists' associations—the Union of Journalists of Kazakhstan and the Congress of Journalists of Kazakhstan—do not much influence the situation with respect to free speech and of the media, the MSI panelist said. "The Union of Journalists is an organization completely independent of the government that exists so long as it keeps quiet and does not oppose government policies," Galina Dyrdina said. "And the Congress of Journalists is the organization of the Kazakhstan president's daughter, Dariga Nazarbayeva, which was established to give an appearance of democracy and operates in collaboration with the regime." Membership in the associations is unrestricted, but they do not come out in defense of opposition media.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Tulegen Askarov said journalists for the most part "simply do not realize the potential that the concerting of efforts could give them." There are human-rights organizations that do help independent media outlets by providing legal support, monitoring infringements of free speech, informing the world of the situation with respect to the media and free speech in the country, and conducting seminars and trainings for journalists. They include the Edil Soz Foundation for Protection of Free Speech, the Kazakhstan International Bureau for Human Rights and the Rule of Law, the Journalists in Trouble Foundation, and the American Bar Association's Media Support Center. Among the NGOs that defend media interests, Edil Soz and Internews Kazakhstan especially stand out. However, the organizations' influence on the government is not very great, either. A typical symptom of the intensification of government control over the activities of the media was a change in leadership of the Kazakhstan president's Public Council on the Media, whereby Setkaza Matayev, who is highly regarded in journalist circles, was replaced by State Secretary Oralbay Abdykarimov.

In the MSI panelists' opinion, these organizations' capabilities are limited because under the existing judicial system it is impossible to defend the rights of the media and journalists in court, no matter how skilled lawyers may be. These NGOs are unable to exert influence to improve media laws, although they do a huge amount of work in this area. "Evidence of this can be seen in the amendments that were made this year in media laws, supposedly in the interests of national security," Galina Dyrdina said. "One of the amendments, to the effect that foreign citizens may not be the editors of Kazakhstan media, was specially introduced because of *Respublika* editor Irina Petrushova, who is a citizen of Russia. Moreover, these NGOs themselves come under harsh pressure. This year three NGOs at once were subjected to special inspections by the prosecutor's office. The purpose of such actions is clear: to make the NGOs be more obedient and shut up."

Nonetheless, Tamara Kaleyeva said: "New NGOs have been springing up, for example, in Kustanai, Pavlodar, Taraz, and Almaty, and have been quite active."

The training of journalists in institutions of higher learning is unsatisfactory, in the panelists' opinion. "In the universities there are few practicing journalists among the professors and instructors, especially in the fields of business and political journalism, and there is not enough up-to-date equipment," Galina Dyrdina said. "The system of internship for future journalists in media outlets has been destroyed."

Even as the journalists grow professionally, as a rule, the best of the specialized correspondents are lured away financially by the press services of companies and banks, or are invited to join government agencies. Establishment of new business media recently has kept some specialists working as journalists, the panel said.

It has proved possible to improve journalists' professional skills through various short-term trainings to which media staffs readily send their employees. Valentina Kulikova, president of the Otyrar private television network, for example, considers the international organization Internews' training to be of high quality. Media outlets do encounter financial and personnel problems during the time instructional seminars are being held. Sergei Vlasenko noted that "they have to pay for their journalists' travel, and during their absence someone has to do their work. Therefore, work on holding seminars locally, on location in outlying regions, would be more efficient and productive."

The printing presses and channels of media distribution, whether state-owned or private, are dependent on the government, as is any business in Kazakhstan. Presses can be forced not to print any publication. As an example, the panelists mentioned the Vremya company's September 2005 cancellation, simultaneously, of contracts to print a number of leading opposition publications. The panel suggested the reason was the desire of the owners to have their paper, which has the same name, keep a government contract to publish in every issue a column called "Open Rostrum," which is devoted to lauding the government's accomplishments or disparaging the opposition.

"The Union of Journalists is an organization completely independent of the government that exists so long as it keeps quiet and does not oppose government policies," Galina Dyrdina said.

The only major press distributor, the state-owned Kazbaspasoz enterprise, is managed in the same way. For example, more than a year ago it unilaterally canceled a contract with *Respublik*a and has refused to make a new one. All television and radio transmitters are controlled by the state, and the television towers are all state-owned. For the Internet, the main lever of government control is the Kazakhtelekom national company, which also dominates the market of landline long-distance and international telephone service, as well as the cellular phone market. As a result, the government also can control access to media outlets' Internet portals, the MSI panelists noted.

Panel Participants

Tamara Yeslyamova, Editor-in-Chief, *Uralskaya nedelya* newspaper

Tamara Kaleyeva, President, Edil Soz International Foundation for Protection of Free Speech

Sergei Vlasenko, Senior Legal Specialist, Media Specialist, American Bar Association's Central European and Eurasian Law Initiative

Valentina Kulikova, President, private Otyrar television network

Tatyana Pak, President, FORPOST Order for the Defense of Free Journalism nongovernmental foundation; Journalist, *Gorod 326* newspaper

Vladimir Mikhaylov, Director, Rifma LLC

Galina Dyrdina, Deputy Editor-in-Chief, *Respublika* newspaper

Yevgeniy Zhovtis, Director, Kazakhstan International Bureau for Human Rights and the Rule of Law

Tulegen Askarov, Economics Commentator, *Respublika* newspaper

Moderator

Yelena Buldakova, Kyrgyzstan

Observer

Maria Stefurak, Media Development Specialist, USAID

KAZAKHSTAN AT A GLANCE

GENERAL
(source: CIA World Factbook)

■ **Population:** 15,185,844 (July 2005 est.)

■ **Capital city:** Astana

■ **Ethnic groups (% of population):** Kazakh (Qazaq) 53.4%, Russian 30%, Ukrainian 3.7%, Uzbek 2.5%, German 2.4%, Tatar 1.7%, Uygur 1.4%, other 4.9% (1999 census)

■ **Religions (% of population):** Muslim 47%, Russian Orthodox 44%, Protestant 2%, other 7%

■ **Languages (% of population):** Kazakh 55%, Russian 100% (inasmuch as the country's entire population knows Russian), Uighur 3.7%, Ukrainian 3%, German 5%, Uzbek 5% (All numbers are approximate.)

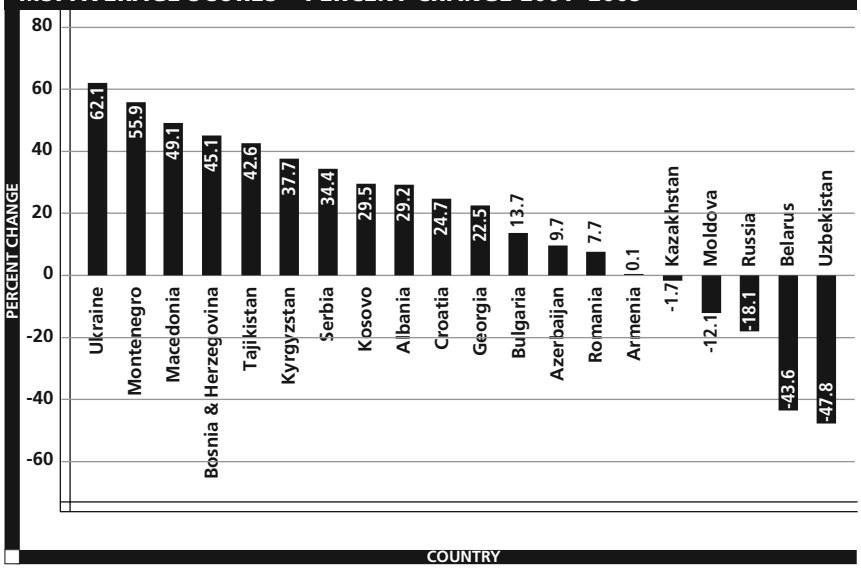
■ **GDP:** $118.4 billion (2004 est., ppp)

■ **GDP per capita:** $7,800 (purchasing power parity) (2004 est.)

■ **Literacy rate (% of population):** 98.4%

■ **President or top authority:** President Nursultan Nazarbayev (elected by popular vote for a seven-year term; election last held January 10, 1999, a year before it was previously scheduled [next election: 2006]; President Nazarbayev's previous term was extended to 2000 by a nationwide referendum held April 30, 1995; prime minister and first deputy prime minister appointed by the president)

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



■ **Next scheduled elections:** Presidential elections were scheduled to be held on December 4, 2005. The National Assembly elections are to be held in 2006.

MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** Kazakhstan has 1,824 functioning media outlets: 1,202 newspapers, 483 magazines, 124 television and radio stations, 15 news agencies. The circulation leaders are the newspapers *Karavan, Vremya, Kazakhstanskaya Pravda, Zhas Alash,* and *Komsomolskaya Pravda* (Kazakhstan supplement).

■ **Broadcast ratings (top three ranked stations):** Television: Channel 1—Eurasia (formerly Russian Public Television, Kazakhstan) 43.1%, Khabar 42.2%, KTK 30.7%. Radio: NS, Radio 31, Avtoradio. *Center for Social Strategies survey (September 25–October 5, 2005)*

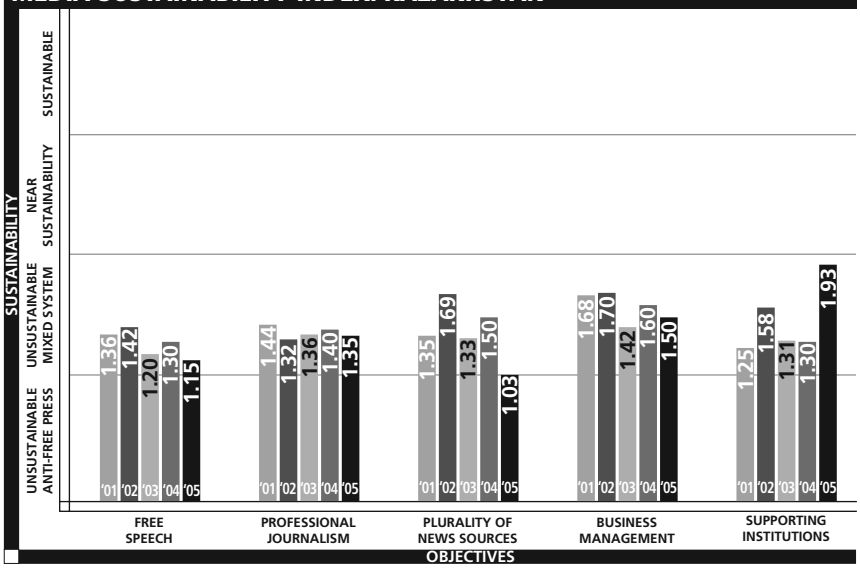
■ **Number of print outlets, radio stations, television stations:** As of June 1, 2004, 5,495 media outlets were registered, but only 2,022 of them are active. Of this amount, 514 are state-owned and 1,508 are private. Television companies: 130; radio stations: 40.

■ **Annual advertising revenue in media sector:** NA

■ **Number of Internet users:** 250,000 (2002) *CIA World Factbook*

■ **News agencies:** 15 news and information agencies

MEDIA SUSTAINABILITY INDEX: KAZAKHSTAN



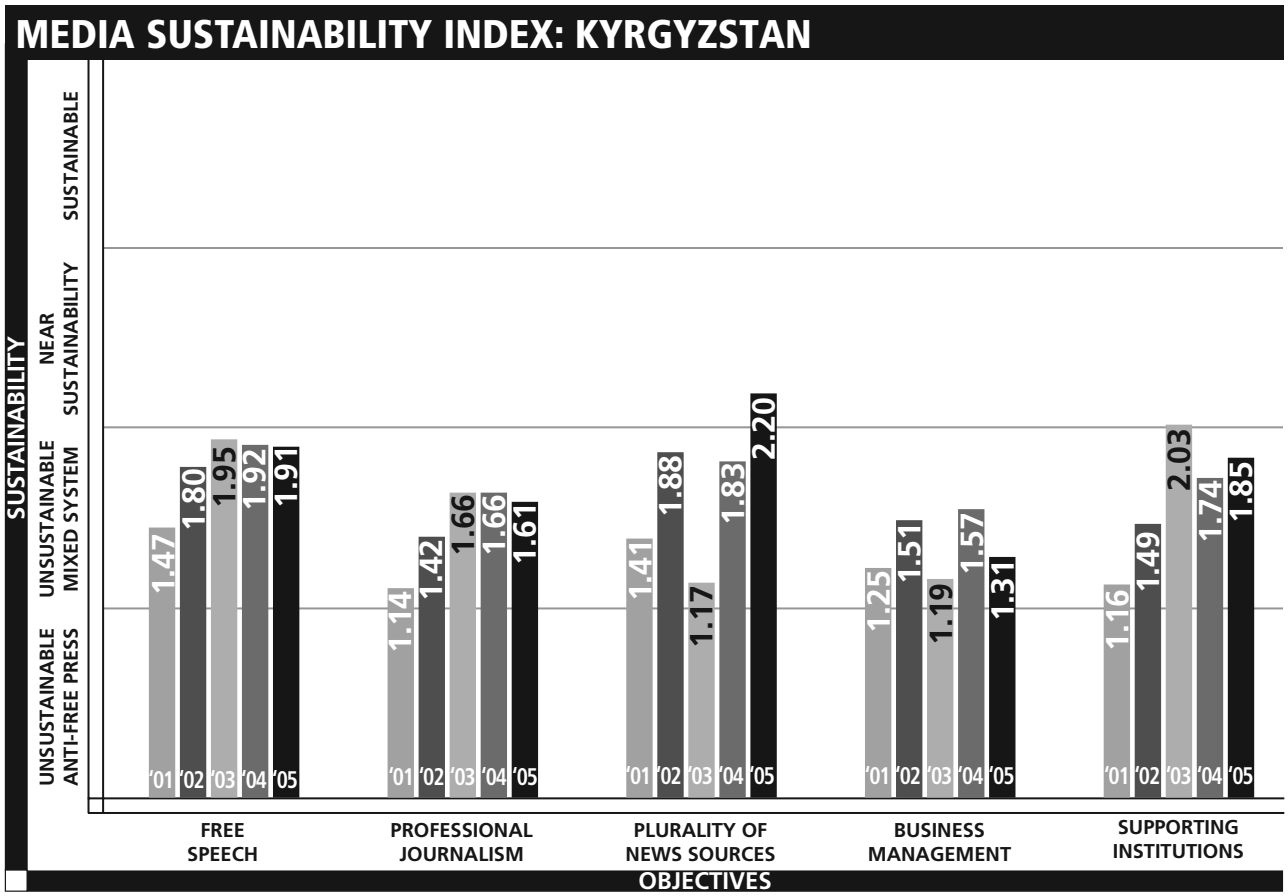
KYRGYZSTAN COMPLETED 2005 WITH CENSORSHIP ENDED AND A HITHERTO UNKNOWN LEVEL OF FREEDOM OF EXPRESSION. HOWEVER, AS THE MEDIA SUSTAINABILITY INDEX (MSI) PANEL NOTED, IN ADDITION TO SOBER CRITICISM, NUMEROUS ARTICLES THAT FALL INTO THE CATEGORY OF SO-CALLED BLACK PR APPEAR BOTH IN THE PRINT MEDIA AND ON INTERNET WEBSITES THAT BASE THEIR COVERAGE ON RUMOR.

Introduction

The year 2005 in Kyrgyzstan was marked by dramatic political events. After widely disputed elections appeared to return President Askar Akayev to office in March, protests led with startling speed to his departure from the country and announcement of a new round of balloting. Former opposition leader Kurmanbek Bakiyev was elected president in July.

Media outlets played a major role in the dramatic political developments when they reversed decades of subservience to report more critically on Akayev, his family, and his regime during the initial presidential election and the protests that followed. The new political alignment was reflected in the media, as well. For example, the newspapers *Moya Stolitsa-Novosti* (MSN) and *Respublika*—which had been the most active opponents of the former government—turned into the most loyal supporters of the new leadership. And after the March events, the newspaper *Vecherniy Bishkek,* which had represented the interests of the former government, became an emphatically opposition publication, carrying out the directives of the newspaper's director, Adil Toygonbayev, Akayev's son-in-law, who continued to promote the interests of the republic's ex-president. A crisis manager was even sent from Israel to join the paper's editorial staff, although the direction of the paper ultimately changed following a court decision that required *Vecherniy Bishkek,* which had come under pressure some years previously, to turn over a large percentage of the stock to Toygonbayev.

Kyrgyzstan completed 2005 with censorship ended and a hitherto unknown level of freedom of expression. However, as the Media Sustainability Index (MSI) panel noted, in addition to sober criticism, numerous articles that fall into the category of so-called black PR appear both in the print media and on Internet websites that base their coverage on rumor. It has been conjectured that the current "information war" is being waged by former favorites of the ex-president who refuse to reconcile themselves to the power shift, but not a single court action against journalists or publications has been brought since the revolution.



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The mass media are divided into two categories: government publications partly funded out of the republic budget and nongovernmental publications funded from private sources. But the new government has offered a new vision for the development of the media. Thus, immediately after the revolution, the new political leaders declared that government newspapers would be set free. However, it is possible that many government media, released to follow their own courses, do not have the management leadership to survive in a market economy. These media have no systems in place to earn money, and since they receive their funding from the state budget, they have no serious financial foundation, their marketing skills are essentially undeveloped, and the media market is oversaturated.

The government media have been trying to improve the popularity of their publications, but they cannot yet withstand competition from the free press. The nongovernmental media, on the other hand, operate in highly competitive conditions and need to design their work in such a way as to win a readership. Despite all the difficulties of survival in a market economy, new media have appeared, including the newspaper *Novyy Kyrgyzstan,* the Belyy Parokhod news agency, and others.

Kyrgyz media outlets, as a rule, lack clear-cut systems of management, and their process of soliciting advertisements is unsystematic, the MSI panel said. For many media, it is much easier to get a grant than to build a sustainable business base. This results in low incomes for both media outlets and journalists, which prevents the media from achieving financial independence and developing their coverage.

However, as a result of the political changes, there is a significant increase in the plurality of media voices available to citizens. This MSI indicator rose significantly for 2005, although the overall situation in the media sector remained rather stagnant.

OBJECTIVE 1: FREE SPEECH

Kyrgyzstan Objective Score: 1.91 / 4.00

Since the popular revolution of March 24, 2005, the legal status of Kyrgyz media has not changed. Freedom of speech in Kyrgyzstan is guaranteed by the Kyrgyz Republic Constitution, which contains a provision forbidding the passage of laws restricting freedom of speech and of the press, and by the Law on the Mass Media, the Law on the Protection of Professional Activity, and the Law on Guarantees of Access and Freedom of Access to Information. All media outlets, government and independent, are equal before these laws. However, according to MSI panelists, not a single law on the media meets international standards.

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

As Aleksandr Kulinskiy, editor-in-chief of the newspaper *Komsomolskaya Pravda v Kyrgyzstane,* noted, "The laws in this area are obsolete and need to be revised." It is possible to restrict the work of media outlets and journalists because of the many legal gaps. For example, the 1992 Law on the Mass Media, which is still in force, contains no legal concept of television.

The article on libel contained in the criminal code is a source of special concern for journalists. As Marina Sivasheva, the editor of the Open Kyrgyzstan website observed, "There is no statute of limitation. This means that a journalist can be taken to court 10 or 15 years after the publication of an article."

There has been some progress. A Kyrgyz Republic Law on Freedom of Access and Guarantees of Access to Information was drafted during 2005 by an expert group that included representatives of the media, business, nongovernmental organizations (NGOs), and the government. The president's office and Transparency International of Kyrgyzstan, with the

support of the Soros Foundation-Kyrgyzstan, submitted the bill for public discussion.

It is still too early to say that freedom of speech is valued in Kyrgyzstan. As Igor Shestakov, director of the Interfax News Agency, said: "In our country all the journalists could be shot, and no one would pay any attention. Suffice it to recall the example of last year when, with the exception of several nongovernmental organizations, society remained quiet when the staff of the Piramida television and radio broadcasting company went off the air because of a policy disagreement with the new management." At the same time, as Kuban Mambetaliyev, chairman of the board of the Journalists' Nongovernmental Organization, said: "We no longer have such cases as occurred under President Akayev, when journalists would be thrown in prison for criticizing parliamentary deputies and the like."

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The licensing of electronic media is based not on law but on administrative orders and resolutions. This made it possible for the previous government to make political decisions with respect to certain media. Marina Sivasheva noted, "Until the events of March 2005, television broadcast licensing occurred under pressure by the country's political leadership—independent television networks and radio stations operated in a vague legal field, and licenses that were issued were temporary and short-term." Broadcast licenses are issued by the National Communications Agency, but they may be issued only upon receiving authorization to broadcast from the State Radio Frequencies Commission. Officials on the state communications agency are appointed by the government.

Media companies operate under essentially the same conditions as other businesses. However, the MSI panelists said that more companies have entered the market than it can support. According to Viktor Shloyev, the commercial director of Polonya LLC, "The existing tax base in Kyrgyzstan is very high for the media." For example, there are no concessions on the value-added tax (VAT) for media, as has been the case in Russia.

The Law on the Mass Media does not give government media any advantage over independent media. However, some panelists believe that government media journalists have greater access to information. According to Marina Sivasheva, "The government media have advantages over independent media in accreditation to cover official activities and the opportunity to accompany top officials on foreign trips at state budget expense, while representatives of independent media have to pay for such trips at the expense of their own media outlets." Other panelists, however, said that since the revolution, the status of government and independent media has become the same. According to Aleksandr Kulinskiy, "Now the authorities do not give any clear preference to the government media. Quite to the contrary—the new government gets along better with the nongovernmental media."

The country's new leaders have voiced their own vision of the development of the media in Kyrgyzstan. Following the election, a commission on the denationalization of the media was established almost immediately to begin planning reform of state media. It is intended for the government in Kyrgyzstan to be served by a single newspaper (instead of three), which will publish laws and other official documents, and by the National Television and Radio Company (NTRK), and for the rest of the media to be set free to operate independently.

Panelists noted that not a single crime was committed against journalists in 2005. However, libel continues to be a matter of both administrative and criminal investigation. Furthermore, an accused party must prove its innocence in court, and no statute of limitations exists with respect to libel. Panelists reported, however, that since the change in government, the number of lawsuits related to libel has declined sharply.

This has not left journalists feeling fully protected. As an example, Bektash Shamshiyev, a journalist with the Azattyk radio station, cited the case of Iryspek Omurzakov, a journalist with the newspaper *Tribuna*, and a trade union that was defending the honor of a physician. He said the doctor had taken offense at an article by the journalist and brought suit in the Bazarkurganskiy District Court. "The judge, without even inviting the journalist to appear at the trial, rendered a verdict for him in his absence," said Bektash Shamshiyev.

Access to public information at the legislative level is the same—difficult—for all journalists. The reason, in the opinion of Maksuda Aytiyeva, editor-in-chief of Salam Radio in the city of Batken, is that "officials do not always comply with the law on access to

information, and the media are not creating a precedent." As Marina Sivasheva puts it: "Publicly significant information is accessible for all journalists, but they are not fighting for the right of access to any and all information."

There are no restrictions on access to sources of international news on the Internet. The exceptions to this stems from the financial capability of some journalists and media outlets, especially regional media with weekly circulation around 150,000, said Anonina Blindina, editor-in-chief of the *Chuyskiye izvestia* newspaper.

One may enter journalism freely in Kyrgyzstan, and the government does not issue licenses for the right to practice journalism. Admission to journalism departments at institutions of higher learning is under the same conditions as other departments, with no official interference. Nor is there administrative involvement in the hiring of journalists, panelists said.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kyrgyzstan Objective Score: 1.61 / 4.00

In terms of professional standards of quality, journalism in Kyrgyzstan leaves something to be desired, the MSI panelists concluded. They said it will take time for fundamental changes to occur in the quality of the journalistic product. Journalists have a poor conception of ethical codes, and self-censorship is practiced at all levels, from editors to journalists, out of a fear of lawsuits. Journalists' salaries are low, and this may leave them vulnerable to taking money to put out compromising information, covert advertisements, or "black PR."

Panelists assessed journalism in Kyrgyzstan as excessively subjective, although most journalists are familiar with the parameters and standards of international journalism. "There are frequent cases in which certain publications, in the pursuit of 'juicy' facts, publish unverified reports," said Viktor Shloyev. "They lack serious evaluations of current events." Zholdoshbay Osmonov, a journalist with Jalalabat Television and Radio in Jalalabat, observes: "Sometimes it proves impossible to cover a problem treated in an article or report objectively, since it is impossible to obtain comments or explanations from different sides." According to Marina Sivasheva, "Journalists are, by and large, subjective in their reports, since they do not understand the lines separating the terms: fact, judgment, and opinion. And they frequently offer readers their subjective opinion, rather than information sources. That is, a journalist tries to act as an expert and specialist in all areas and all fields. After all, it is much simpler to write an article sitting home than to engage in a search for four or five sources and obtain comments from them." There are exceptions, panelists said. Igor Shestakov said: "Our agency's work is based solely on the objective provision of information and the mandatory presentation of several viewpoints, because we work for the entire world and have a stake in maintaining our readers' trust."

> ***"In our country all the journalists could be shot, and no one would pay any attention," said Igor Shestakov.***

There are codes of journalistic ethics drawn up by the Union of Journalists, the Journalists' Trade Union, and the Journalists Nongovernmental Organization. But there is no ethical code common to all journalists, just as there is not, among journalists, the practice of conforming to ethical standards. Consequently, as Marina Sivasheva notes, "media outlets settle scores with one another over differences of opinion." Some journalists are prepared to write anything for a certain amount of money. Bakut Orunbekov, editor-in-chief of the newspaper *Kyrgyz Tuusu,* said that "since the revolution, there have appeared some obviously 'paid'

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- Reporting is fair, objective, and well sourced.
- Journalists follow recognized and accepted ethical standards.
- Journalists and editors do not practice self-censorship.
- Journalists cover key events and issues.
- Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- Entertainment programming does not eclipse news and information programming.
- Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

media outlets that are carrying out someone's 'contract' to defame the new government."

The average salary in government media outlets is no more than $100 to $150 monthly, with independent outlets offering only slightly higher wages, panelists said. In the regions, the salaries of the reporters and editors never exceed $15 to $30 monthly. There is not a significant gap between print and broadcast media wages.

In the opinion of the panelists, self-censorship has not disappeared as a phenomenon since the revolution. But it has become much more specifically loyal and selective. Journalists and editors are forced to resort to self-censorship for several reasons—fear of losing their jobs, an editor's pressure, the possibility of offending certain political forces and officials, and fear of lawsuits. In the opinion of Maksuda Aytiyeva, "Journalists and editors practice self-censorship, since they have no confidence they will be protected."

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The Kyrgyz media give broad coverage to most key events and issues, especially the political situation. "The quantity of information provided about political events has naturally increased. There is relatively little demand for social information," said Aleksandr Kulinskiy. However, social and regional issues are not ignored. For example, all outlets report on the situation of the Uzbek refugees who showed up in Kyrgyzstan following the 2005 riots in Andijan.

The number of news programs and political shows on local television channels rose during 2005. Two analysis programs showed up on the NBT (Independent Bishkek Television) network under the titles "Personality" and "Tamga." Piramida network added a new program called "New View." NTRK kept pace with the independent television networks, adding programs such as "Dobysh" (Voice), "Bagyt" (Direction), and "Obet Sabazy" (Lesson in Upbringing). Yevropa Plus Radio has started carrying the talk show "I Want to Live in Kyrgyzstan," on which the hottest current topics are discussed by qualified people. Some panelists believe entertainment programs still outweigh news shows, while others say there is a balance.

By and large, only large-circulation newspapers and major television and radio companies have the technical capabilities for the collection, production, and dissemination of news at a relatively modern level. Bishkek media outlets are in the best position. Journalists tend to lack basic equipment: digital recorders and cameras, professional video cameras, vehicles, and cellular telephones. Viktor Shloyev said that international organizations such as the Soros Foundation-Kyrgyzstan, USAID, and Internews provide significant help with updating equipment.

High-quality reports appear in the media but are rare. While it is possible to find quality coverage of economics, culture, business, investments, the banking sector, and agriculture at times, reports on political topics clearly predominate. In addition, observes Bektash Shamshiyev: "Journalists are reluctant to treat crime topics, and rarely do they practice such a provocative genre of journalism as investigative reporting. No one wants to sacrifice himself for the sake of truth and justice." And Kuban Mambetaliyev added: "Journalists may not conduct journalistic investigations out of a fear of the objects of investigation—corrupt officials, drug barons, and other dangerous persons—and also out of a lack of sources of funding to cover the investigative process."

At the same time, quite often various international organizations interest journalists by holding competitions in the coverage of specialized subjects such as drug abuse or HIV/AIDS and offering the winners substantial monetary prizes. According to Oleg Ryabov, deputy editor-in-chief of the newspaper *Slovo Kyrgyzstana,* "Such competitions are a powerful incentive for journalists, but they are not always popular with readers."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kyrgyzstan Objective Score: 2.20 / 4.00

Kyrgyzstan has an increasing diversity of news sources, but the focus is largely confined to the capital, Bishkek. The greatest number of publications is distributed in the capital, and the countryside and small cities suffer from information starvation. The poorer segments of the population live mainly in the outlying regions, and they mainly use radio since the purchase of a television set or daily acquisition of newspapers are impermissible luxuries for many rural families.

In the opinion of the MSI panelists, both government and private independent media often reflect the opinions of the individuals or groups that are behind a publication. Igor Shestakov said, "Most media outlets are used for the political and other purposes of certain

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

entities (the state, businessmen, politicians). Often the staff of media outlets serves private and political interests, rather than the public interest."

Since the revolution, however, there has been a trend toward the establishment of reasonably neutral media outlets, and some government media outlets have abandoned their former practice, which was guilty of one-sidedness, and started to present various points of view. One example of this is the newspaper *Slovo Kyrgyzstana,* which has drastically changed its image and started to carry articles that reflect diametrically opposing points of view. Oleg Ryabov observes: "The circulation of the weekend supplement to the newspaper *Slovo Kyrgyzstana* has risen by nearly 3,000 since the revolution." But according to Aleksandr Kulinskiy, "The public cannot yet obtain the full spectrum of information from the government media."

The residents of big cities enjoy advantages with respect to the diversity of information sources, since they have access to diverse print publications and electronic media outlets, including cable television and the Internet. However, people tend to limit their media consumption to that produced by outlets that reflect their political leanings, rather than take in a range of views, according to the MSI panelists.

Economics does limit access to various points of view. "For the most part, people buy the Friday or Saturday editions of newspapers with the television listings," Viktor Shloyev said.

For the residents of remote regions of the country, the information field is limited to just a few media outlets, Radio Azattyk (Radio Liberty) and government television and radio broadcasts. Zholdoshbay Osmonov said that in his province, only 3 percent of the population can afford to buy private print publications.

There are no restrictions on citizens' access to international sources of information. Access to foreign print media, as well as to the Internet and satellite television, depends exclusively on economics. International print publications are freely offered for sale, but because of their expense they do not sell well. Cable television has been acquiring greater popularity, but not many can afford it.

Kyrgyzstan has several local news agencies, such as Aki-press (private), Kabar (government), Kyrgyzinfo (a joint-stock company), and Belyy parokhod (private). Zholdoshbay Osmonov said, "Regional media take advantage of the services of the news agencies, using their news and including attributions to them." The quality of the news provided by the local news agencies does not always suit media editors, however. Antonina Blindina observed: "We use the news agencies' information, but since it is written unprofessionally and ungrammatically, staff journalists have to rework it." For the most part, local news agencies provide their information free of charge. As Antonina Blindina noted: "If the news agencies demanded payment, our paper would be forced to drop their services because we don't have the money."

"Most media outlets are used for the political and other purposes of certain entities (the state, businessmen, politicians). Often the staff of media outlets serves private and political interests, rather than the public interest," said Igor Shestakov.

All of the broadcast television and radio stations create their own news and analysis programs, as well as talk shows. But Kuban Mambetaliyev said the independent broadcasters—NBT Independent Bishkek Television (NBT), New Television Network (NTS), Piramida, and Kyrgyz Public Educational Radio and Television (KOORT)—differ from government media

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"by virtue of their opposition viewpoint and the promptness with which they cover extreme events." Zholdoshbay Osmonov noted: "The content of the news from private media outlets is influenced by the following factors: who owns a given media outlet and the affiliation with certain political, economic, or other interests." However, other viewpoints were also expressed. For example, in the opinion of some panelists, the owner of a media outlet does not always influence the outlet's internal policy and may entrust it to the editor-in-chief or staff.

In addition, representatives of several international news agencies work in Kyrgyzstan, including Interfax, RIA-Novosti, ITAR-TASS, Reuters, the Associated Press, and Agence France-Presse. However, the news agencies' services are not always accessible to local and regional media outlets.

According to unofficial data, Internet users do not exceed 500,000. The number of Internet service providers increased during 2005 to six: Ak-Tel, KyrgyzTelekom, Sayma-Telekom, Azia-Info, Totel, and Elkat. With the exception of KyrgyzTelekom, they are all private.

Information about the real owners of media outlets was not available to the public until the March revolution. Marina Sivasheva said, "Readers had to 'extract' that information from the media outlets themselves" and make it public. For example, the information provided in *Vecherniy Bishkek* did not indicate that its owner was ex-president Akayev's son-in-law Adil Toygonbayev, but the whole republic knew. Since the events of March 24, there has been unprecedented transparency in Kyrgyzstan with respect to media ownership, the MSI panelists said. According to Aleksandr Kulinskiy, "The names of the owners and the terms and value of deals involving the sale of media outlets are publicly known."

The problems of ethnic minorities are treated in the media. Marina Sivasheva said, "There have been especially many articles and reports on such problems in 2005, since the March events, in support of the Russian-speaking population, among which a disposition to emigrate has grown stronger." There are also newspapers published in the languages of ethnic minorities, such as in the Uzbek and Dungan languages. These publications are accessible to everyone.

OBJECTIVE 4: BUSINESS MANAGEMENT

Kyrgyzstan Objective Score: 1.31 / 4.00

Non-state media outlets for the most part still are not well-managed businesses that allow editorial independence, the MSI panel concluded. Private media outlets survive mainly on funding from the publisher or on grants from international organizations. One reason for this is the limited advertising market.

On the whole, in Kyrgyzstan today the media are not profitable. "Only a few media outlets—the newspapers *Vecherniy Bishkek* and *Delo No.,* Piramida television, and *Piramida-programma,* which have occupied their own niches in the media market for a long time now and have regular readers, viewers, and advertisers—can be considered successful and profitable," said Marina Sivasheva. The newspapers *Moya Stolitsa-Novosti* and *Agym* are examples of independent media outlets as well-managed businesses. For print media outlets, the main sources of revenue are advertising and subscriptions. In the opinion of Aleksandr Kulinskiy, "From the economic standpoint, 2005 has been a great trial for the media, since one of the media's chief sources of profit, advertising, declined substantially after the revolution. In

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

outlying regions, the advertising market continues to be weak by virtue of those regions' weak economies."

Because there is a limited number of commercial enterprises that are potential advertisers, the media advertising market is also limited and has long been divided up among the largest-circulation print media and the most highly rated and popular television networks, such as the newspaper *Vecherniy Bishkek* and the Piramida television network. Private outlets for the most part survive through financial infusions from publishers and on grants from international organizations. "Many editors, especially of print publications, do not regard their work as a form of business. They believe that the mass media do not fall under the definition of a business as such," said Artem Petrov, editor-in-chief of the newspaper *Novyy Kyrgyzstan.*

Local news agencies are not well-developed businesses yet. The Kabar News Agency works thanks to government subsidies, and the Aki-Press News Agency survives through financial support from international organizations.

Market research is still not widespread, and what exists is not well used to develop strategic plans and increase advertising revenues. As Kuban Mambetaliyev put it: "The results of research are hardly used at all but merely taken note of." Antonina Blindina said, "Market research is not carried out because media staffs cannot afford to have marketing departments. The results of market research carried out by marketing services are usually limited to the city of Bishkek, and therefore do not reflect the real rating of publications." The determination of broadcast ratings is also a great rarity, and it is not clear how they are determined.

Some panelists said that many newspapers suppress or distort circulation data. Bakytbek Orunbekov, editor-in-chief of the newspaper *Kyrgyz Tuusu,* said, "The only place you can find out actual circulation numbers is at the print shop." A different opinion was expressed by Marina Sivasheva: "Circulation numbers are determined with a high degree of accuracy, since they are indicated in the documents of a printer's production department, which determines a publication's bill for the actual product produced on the basis of those numbers."

Companies that support media outlets include the Uchkun government press, Erkin-Too, several private regional printers in Kara-Kol, Osh, and Jalalabat, and the US-supported printing facility associated with the Freedom House Media Support Center. On the whole, most enterprises operate effectively, although some panel members questioned the quality of the work at the government presses.

Poor management of the Kyrgyzpochtasy organization, which handles the sale and distribution of newspapers, has proved impossible to solve. As Kuban Mambetaliyev noted, "The government postal agencies that are branches of Kyrgyzpochtasy do not pay their debts to the newspapers for copies sold." The same situation can be seen in the private distribution system of the Kyrgyzsbasmasoz Joint-Stock Company, which also has debts to media outlets that go unpaid for years at a time. According to Oleg Ryabov, "This year alone the Kyrgyzpochtasy owes *Slovo Kyrgyzstana* (a government newspaper) 1,200,000 SOM (more than $29,000), *Narodnaya gazeta* (the newspaper of the Union of Trade Unions) about 1 million SOM (more than $24,000), and *Kyrgyz Tuusu* (a government newspaper) more than 2 million SOM ($49,000), etc. Kyrgyzpochtasy also has debts to international publications that have offices in Kyrgyzstan—the newspaper *Moskovskiy Komsomolets* and others."

In this regard, Igor Shestakov notes: "The government does not regulate the process entailed in the repayment of funds to the newspapers for the sale of copies and subscriptions by the government monopolistic enterprise Kyrgyzpochtasy." Therefore, in recent years the print media outlets have increasingly given preference to private distributors. As Viktor Shloyev observed: "More and more, print media outlets are giving up their services related to the distribution of their publications and preferring—following the example set by the newspapers *Vercherniy Bishkek*, *Delo No., Agym,* and others—to work with private distributors."

"Only a few media outlets—the newspapers* Vecherniy Bishkek *and* Delo No., Piramida television, *and* Piramida-programma, *which have occupied their own niches in the media market for a long time now and have regular readers, viewers, and advertisers—can be considered successful and profitable," said Marina Sivasheva.

The distribution of print media in remote regions of the republic is a big problem. Newspapers are received in some of the republic's provinces (Osh, Batken, and Jalalabat, for example) two to three days late due to reliance on ground transportation. In the past several years, rates for shipment by air have increased fivefold and now exceed international standards by nearly

60 percent, leaving virtually no media outlets able to afford this price. Another problem that province and regional media outlets experience with the distribution to remote regions is the acute shortage of vehicles in the Kyrgyzpochtasy government distribution system.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kyrgyzstan Objective Score: 1.85 / 4.00

Lately the role of the supporting institutions for the media sector has increased somewhat. For example, the Journalists' NGO established in 1998 operates effectively, defending the interests of journalists and media outlets in cases of persecution by governmental entities. Moreover, staffers of the NGO annually monitor violations of the rights of the media with the support of the US Agency for International Development (USAID). There is also the Media Agency, which lobbies for bills pertaining to the media and provides legal aid to journalists in court. A number of human-rights NGOs (the Coalition for Democracy and Civil Society, the Interbilim Center, and others) cooperate with media outlets and provide support in cases of conflict and on free-speech issues. Lately, however, as Aleksandr Kulinskiy, observed, "Some of these NGOs are more concerned right now with politics, and the basis for their work in the area of freedom of speech has disappeared." The most active NGOs in defending the interests of the media are the TsPGO (Center for the Support of Civil Society) and the Osh Regional Media Center. According to Viktor Shloyev, "By and large, the NGOs pursue the objectives of consolidating local media outlets and, especially, improving journalists' professional skills. But the NGOs exist mainly in the big cities and not in the outlying regions."

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

There is no association of publishers, but there is an association of television and radio broadcasters, although it is relatively ineffective.

Virtually all the higher-education institutions, including the Technical University and the Agrarian Academy, have journalism departments. However, the training of media specialists is weak at most schools, with the Slavic University and the American University of Central Asia among the exceptions. According to Kuban Mambetaliyev, "Theoretical knowledge is provided in journalism departments, but they do not offer practical seminars of the proper quality. Nor are prominent journalists and editors enlisted to teach special courses for students." Consequently, after graduation from higher schools, young specialists are not capable of professional work. At Kyrgyz State National University, a UNESCO grant has been used to establish the university's own television and radio centers where students follow the international model of mastering the latest technologies and learning journalism in a practical setting. This same method is widely used in the journalism department at Kyrgyz-Russian Slavic University.

In the opinion of panelists, there is another side to the problem with young personnel: A great many people land in journalism departments who have no interest in journalism but merely need a higher-education degree and have no desire to be journalists. Moreover, the earnings in this niche are not attracting young people. Students in journalism departments make no secret of the fact that the profession of translator or work in an international organization looks far more attractive. Oleg Ryabov relates: "Every year approximately 40 people come to our staff to carry out required internships. If two of them manifest the desire to actually work and gain experience, we're doing well. For the most part, the students say that they don't need that, that they have other plans for their future, and ask to be given credit without doing the work."

For this reason, the journalism profession has encountered great problems in acquiring new blood. Bakytbek Orunbekov recalled that when he joined his

newspaper, it "employed journalists whose average age was 60 or greater. Everyone was working in the same old way, and none of them even knew how to use a computer." Trainings conducted by various international organizations such as Internews Kyrgyzstan, the Soros Foundation-Kyrgyzstan, the United Nations Development Program, the Eurasia Foundation, and others are helping. Workshops devoted to the legal aspects of journalists' work are highly popular.

Panelists agreed that the sources of newsprint are private and in no way restricted. The work of private printers is not restricted either, but for the most part they handle various printing commissions and not the printing of newspapers. In Bishkek, newspapers are printed at three places—the Uchkun and the Erkin-Too government printers, and the Freedom House press. Antonina Blindina said, "The Uchkun government print shop is selective in its approach to clients. Our newspaper, for example, may get printed on paper that is not of a very high quality." Many print media outlets have limited technical capabilities. Most newspapers today are printed in black and white. However, the Freedom House Media Support Center has set high printing rates that most newspapers cannot afford. In the outlying regions, newspapers have extremely limited capabilities.

"Some of these NGOs are more concerned right now with politics, and the basis for their work in the area of freedom of speech has disappeared," said Aleksandr Kulinskiy.

The channels for the dissemination of information (newsstands, transmitters, the Internet) are private, apolitical, and in no way restricted. For example, the government neither regulates nor controls access to the Internet. Television transmitters are state-owned and provide for the broadcast of the national television network, which covers 90 percent of the country. Private television and radio stations have transmitters that cover narrow territories (a city or part of a province). And the channels for the distribution of print media are limited by the capabilities of the Kyrgyzpochtasy government company and the KyrgyzBasmasoz private distribution company. These two companies cannot provide for distribution of print media in the country's remote regions, which exist in an information vacuum.

Panel Participants

Maksuda Aytiyeva, Editor-in-Chief, Salam radio station, Batken, Batken Province

Antonina Blindina, Editor-in-Chief, *Chuyskiye izvestiya* newspaper, Chuy Province

Aleksandr Kulinskiy, Editor-in-Chief, *Komsomolskaya Pravda v Kyrgyzstane* newspaper, Bishkek

Kuban Mambetaliyev, Chairman of the Board, Journalists' NGO, Bishkek

Bakytbek Orunbekov, Editor-in-Chief, *Kyrgyz Tuusu* newspaper, Bishkek

Zholdoshbay Osmonov, Journalist, Jalalabat Television and Radio Company, Jalalabat

Oleg Ryabov, Deputy Editor-in-Chief for Management, *Slovo Kyrgyzstana* newspaper; Editor-in-Chief, *Narodnaya gazeta* newspaper

Igor Shestakov, Director, Interfax News Agency, Bishkek

Viktor Shloyev, Commercial Director, Polonya LLC, Bishkek

Bektash Shamshiyev, Journalist, Azattyk radio station, Bishkek

Artem Petrov, Editor-in-Chief, *Novyy Kyrgyzstan* newspaper, Bishkek

Marina Sivasheva, Editor, Open Kyrgyzstan website; Journalism Instructor, American University of Central Asia, Bishkek

Moderator

Yelena Buldakova, Kyrgyzstan

Observers

Chinara Omurkulova, Country Director, IREX/Kyrgyz Republic

Maria Stefurak, Media Development Specialist, USAID

Jennifer Croft, Democracy Development Specialist, USAID

KYRGYZSTAN AT A GLANCE

SOURCE:
(*CIA World Factbook***)**

GENERAL

■ **Population:** 5,146,281 (July 2005 est.)

■ **Capital city:** Bishkek

■ **Ethnic groups (% of population):** Kyrgyz 64.9%, Uzbek 13.8%, Russian 12.5%, Dungan 1.1%, Ukrainian 1%, Uygur 1%, other 5.7% (*1999 census*)

■ **Religions (% of population):** Muslim 75%, Russian Orthodox 20%, other 5%

■ **Languages:** Kyrgyz (official), Russian (official)

■ **GDP:** $2.1 billion (Based on the National Statistics Committee's figures for the past 10 months of 2005)

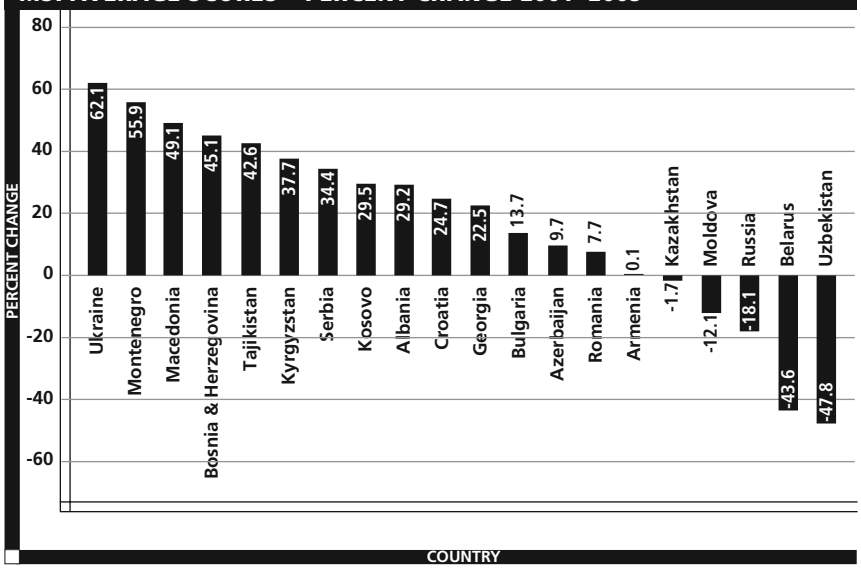
■ **GDP per capita:** $1,700 (purchasing power parity) (2004 est.)

■ **Literacy rate (% of population):** 98.7% (older than 15 years); 10% of the population above age 15 has a higher education

■ **President or top authority:** President Kurmanbek Bakiyev (elected for a five-year term on July 10, 2005)

■ **Next scheduled elections:** 2010

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA-SPECIFIC

A total of 938 media outlets (newspapers, magazines, bulletins, television stations, and radio stations) are registered with Kyrgyzstan's Ministry of Justice.

■ **Newspaper circulation statistics (total circulation and largest paper):** 64 government newspapers, 60 nongovernmental newspapers, 12 agency newspapers; the daily independent newspaper *Vecherniy Bishkek* circulates 20,000 copies on weekdays and 60,000 on Fridays (which includes television listings); the independent newspaper *Moya Stolitsa Novosti* circulates 5,000 copies on weekdays and 60,000 on Saturdays (which includes television listings); and A2bIM (in Kyrgyz) circulates around 7,000 to 8,000 copies on weekdays and around 15,000 on Fridays (which includes television listings).

■ **Number of radio stations and television stations:** 36 radio stations, 47 television stations

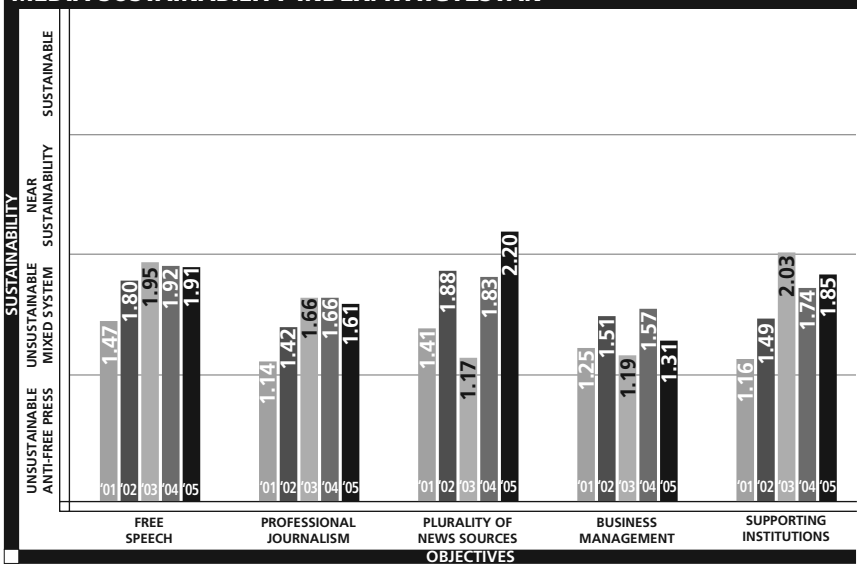
■ **Broadcast stations and networks:**

- **Television:** ORT, RTR (Russia), NTS (New Television Network), KOORT, Piramida, NTRK (Kyrgyz Republic National Television and Radio Company), NBT (Bishkek National Television)
- **Radio:** Russian Radio, Europa Plus, Radio Chanson, Love Radio, Kyrgyz National Radio, Piramida

■ **Number of Internet users:** NA

■ **News agencies:** Kabar (government), Aki Press (independent), Bely Parokhod (independent)

MEDIA SUSTAINABILITY INDEX: KYRGYZSTAN



AND OVERALL, THE MEDIA INDUSTRY REMAINS IN THE DEVELOPMENTAL STAGE IN TAJIKISTAN, HELD BACK BY THE PROTRACTED ECONOMIC AND SOCIAL CRISIS THAT HAS LED TO AN EXTREMELY WEAK ADVERTISING MARKET.

Introduction

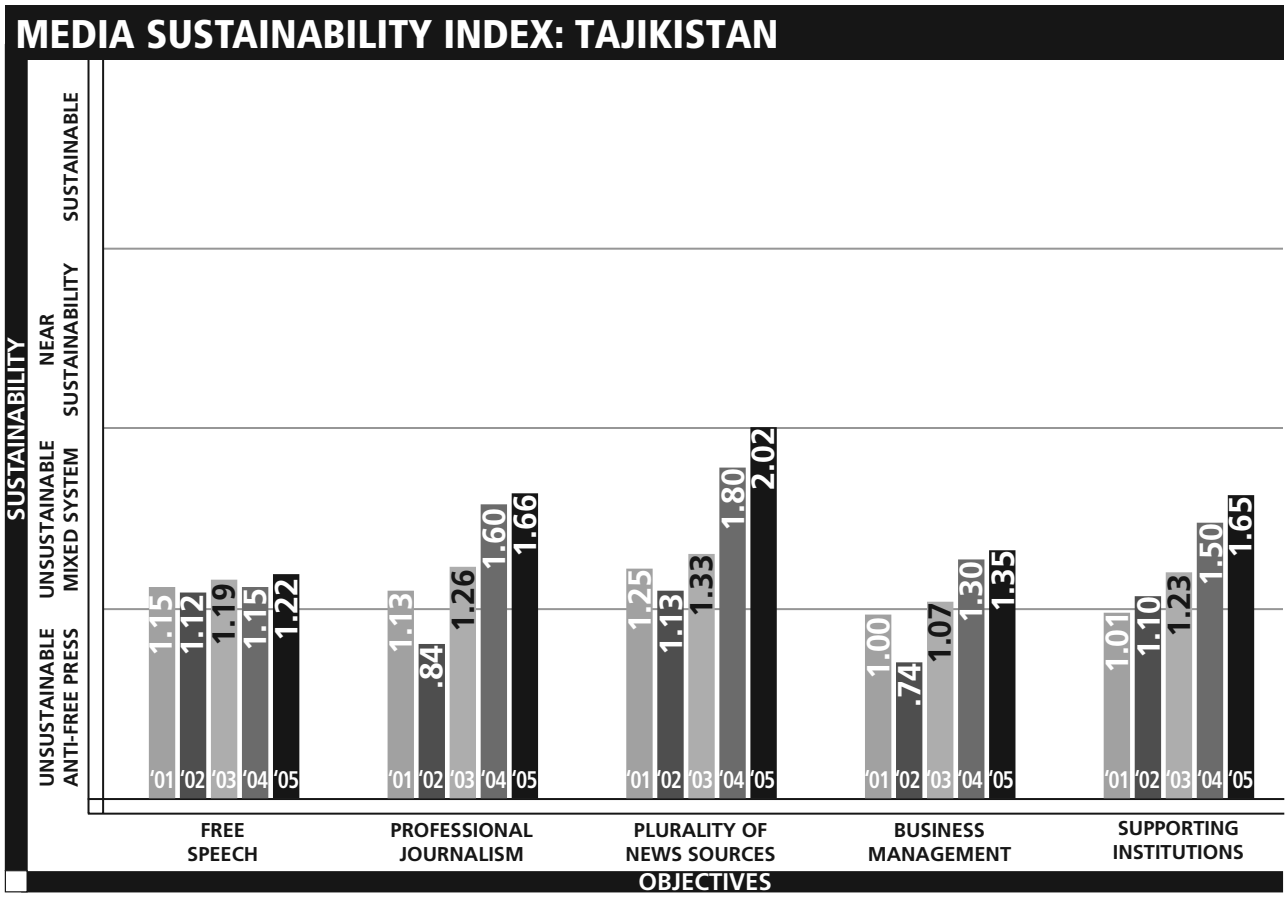
As Tajikistan's February 2005 parliamentary elections approached, national and international observers noted a serious deterioration in media freedom. The National Association of Independent Media of Tajikistan (NANSMIT) and its partner organization Adil Soz issued repeated alerts about the hundreds of recorded violations against journalists and media outlets.

Overall, the elections, in which the ruling party of President Emomali Rakhmonov secured 49 of the 63 seats, were viewed as flawed as measured by key Organization for Security and Cooperation in Europe (OSCE) standards, although some improvements over previous elections also were noted.

According to the 2005 Media Sustainability Index (MSI) panel, the authorities in Tajikistan continue to employ diverse means to prevent journalists from gaining access to information that might be of interest to the public, despite the Constitution and other laws on the media that guarantee the right to obtain and disseminate such information. For example, cases were recorded in which journalists for certain media outlets, mainly independent ones, were refused accreditation to cover specific events, or only media outlets under government control were authorized to gain access to official information. In another example, the offices of one private newspaper, *Nerui Sukhan,* were sealed in January 2005, with authorities claiming it was because the newspapers had failed to pay taxes and engaged in publishing without the required permit.

In the opinion of Human Rights Watch, freedom of speech remains under threat in Tajikistan, and that is despite the growing popularity of the independent newspapers. Although the existence of non-state newspapers and magazines is legal, the printing presses under government control often refuse to print them, either complicating publication or making it impossible altogether.

Both the print and the electronic media encounter a number of additional obstacles, in the view of the 2005 MSI panel. These include obtaining



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

licenses, developing professionalism, improving available technology and equipment, and interference by the authorities in editorial policy. The media distribution system continues to be poorly organized, and the lack of specialized organizations for conducting market research makes it impossible to determine media ratings and demand with readership or audiences. Most media outlets are short of professional journalists due to factors including the weak training programs at universities and the low salaries offered in the media sector. And overall, the media industry remains in the developmental stage in Tajikistan, held back by the protracted economic and social crisis that has led to an extremely weak advertising market. The MSI panel saw essentially a stagnant situation in Tajikistan's media sector during 2005, barely advancing its MSI ranking to 1.58 from 1.47 in 2004. Slight improvements were noted in the availability of news sources and support organizations' work on behalf of the media industry.

OBJECTIVE 1: FREE SPEECH

Tajikistan Objective Score: 1.22 / 4.00

The basic legal foundations for the media in Tajikistan appear to guarantee freedom of speech, access to information, and entry of new media outlets into the market. In practice, however, the laws often do not function, the MSI panelists concluded. One shortcoming in the area of legislation is the procedure for licensing television and radio stations, whereby the right to issue licenses to private outlets belongs to state television and radio. Independent and government media continue to be divided into "ours" and "outsiders," and cases in which journalists are taken to court have become more frequent.

Freedom of speech is guaranteed by the Constitution, the Law on the Mass Media, and a number of specialized acts. According to the MSI panel, most of these laws were adopted in 1994, when a civil war was in progress and certain restrictions seemed necessary. As Lidiya Isamova, director of the Institute for War and Peace Reporting (IWPR) in Dushanbe, noted: "The law on freedom of speech does not meet international standards fully, which is something that has been talked about for more than four years now by both local and foreign organizations concerned with the issue of freedom of speech." A draft for a revised law exists, incorporating amendments submitted by local and international lawyers and legal experts, but Tajikistan's parliament has still not considered it. Panelists also noted that the laws guaranteeing freedom of speech are violated, especially by officials of government agencies, but it is often only the journalists themselves who get angry about this.

Broadcast media licensing is subject to a long-awaited statute adopted in September 2005. The law has fundamentally new elements, requiring any electronic media outlet to obtain a license not just to broadcast but also to produce its programming. The MSI panel saw this two-tier system as creating further obstacles for entering the market, as well as additional pressure on producers to control content so that it is acceptable. Furthermore, the process is virtually at a halt, inaction that panelists linked to the approach of the scheduled November 2006 presidential elections. Lidiya Isamova said the special licensing commission of the Tajik government's Committee for Television and Radio Broadcasting has not functioned since December 2003, and about 15 television networks and radio stations have applications for licenses waiting. In Sughd Province, Rano Bobodzhanova, an independent journalist with the Tajik Association of Independent Media (TadzhANESMI), said: "The cost of obtaining a

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

license has dropped to the equivalent of 10 minimum monthly wages (approximately US$30), but that does not mean that the situation has improved. From October 2004 through May 2005, not a single media outlet obtained a license to operate."

In theory, independent media outlets have the same conditions for entering the market as companies in other sectors. However, panelists said newspapers are subject to value-added taxes (VAT), leading some to conceal their circulations. In addition, the panelists said, for 2004 and 2005, not a single new independent media outlet has been able to obtain registration, without which it is impossible to print a newspaper. Free entry into the market is also made more difficult by the fact that the main printing press, Sharki Ozod, belongs to the government and, therefore, can regulate the conditions under which newspapers are produced.

"The law on freedom of speech does not meet international standards fully, which is something that has been talked about for more than four years now by both local and foreign organizations concerned with the issue of freedom of speech," said Lidiya Isamova.

Journalists feel themselves to be unprotected, panelists said. Moreover, crimes against journalists rarely arouse much public response beyond criticism from international organizations. "Lately journalists have frequently been subjected to persecution by the authorities—that means trials, arrests, detentions. There have been cases of physical reprisals, open threats, and threats over the telephone," said Lidiya Isamova. "In all cases, the lawbreakers have escaped without punishment." In one case, a correspondent for the BBC's Persian service was attacked by a local official from the ruling People's Democratic Party of Tajikistan while attempting to cover a campaign event. According to witnesses, the correspondent was waiting for colleagues at the entrance to the building when the man approached screaming, "Why are you recording me?" slapped him, wrenched away his microphone and tape recorder, and threw the equipment to the ground. Later, the man told the correspondent he was not concerned if a complaint was filed about the attack, which took place in front of dozens of politicians, voters, and journalists. In another case from 2005, an editor at the weekly *Krim-Info* complained to police that she had received threats from a local attorney at a notary bureau after reporting on bureaucratic abuses of pensioners.

Contrary to the Law on the Mass Media, which guarantees all media outlets equal access to information, the authorities sometimes deliberately put the government media in privileged positions, refuse to respond to private outlets altogether, or treat electronic and print media unequally. Rano Bobodzhanova said the government regularly declines to provide information to the independent television program "Open Asia." Kurbon Alamshoyev in Gorno-Badakhshan Autonomous Province said that only television journalists are invited to many official activities. And Rustam Buriyev, with Mavdzhi Ozod TV, related that "there have been cases in which journalists were chased right out of the meeting room during conferences conducted by local authorities."

There also are cases when officials provide information but deny they have done so once it is published. "On the basis of information provided by the personnel of a disease-control station, I wrote an article about an outbreak of typhoid fever," Lidiya Isamova said. "But when the article was published, I was immediately asked to retract it. My colleagues stood up for me. The truthfulness of my article was also confirmed by the fact that 500 doses of a French typhoid vaccine were delivered to a government clinic, which became public knowledge."

Government officials are required as part of their official duties to provide information, but journalists themselves do not know where they can appeal when they are refused. Lidiya Alamshoyev recalled trying to write about demarcation of the Tajik-Chinese border: "I asked 10 different government offices to provide me with information, but to no avail," he said. In these cases, panelists said, independent journalists do not fight through administrative or legal channels but get access to what information they can through personal acquaintance with individual employees of government agencies.

A March 2005 presidential decree on the holding of monthly press conferences by agencies and ministries was intended to facilitate access to information. Journalists initially were encouraged by this development but soon encountered a flaw: In response to requests for timely information, officials would procrastinate, saying answers to all questions would be provided at an upcoming press conference. Sometimes material is unnecessarily elevated to the level of state secrets to keep it off-limits, panelists said.

The difficulty of obtaining information and the fear of retaliation result in very limited investigative reporting

in the Tajik media. The panel said that some outlets, such as *Asia Plus,* undertake investigations of past events because they cannot investigate current ones.

The criminal code includes an article on defamation of character, and sometimes journalists are prosecuted under this article. The panelists said cases of corruption among judges and prosecutors are common enough to add to the vulnerability of the media.

Some political parties have their own publications. For example, the Islamic Renaissance Party has three publications—the magazines *Raskhat* and *Ikbol* and the newspaper *Nadzhot.* The ruling People's Democratic Party also has its own publication, *Varikhab,* as does the Communist Party. However, the panel said that political viewpoints that do not have their own media may find it difficult to be granted air time or space in publications.

Admission to journalism departments and entry to the profession are not controlled by the state.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Tajikistan Objective Score: 1.66 / 4.00

Tajik journalism is still far from being sufficiently professional. There is generalized public distrust of the media, and a gulf between the content of government and independent media. Kurbon Alamshoyev observed: "In the nongovernmental media, journalists usually cite several sources of information, while in the government media all journalists, as a rule, present material through the prism of their own opinions. And that material is emotional and tendentious."

The MSI panel said there are cases of lack of professionalism in private media as well, and this failure to verify information too frequently becomes the reason for court trials. "Tajikistan's media have a lot of enthusiasts who lack sufficient experience, and there are not enough journalism schools to provide advanced training to journalists," Rano Bobodzhanova said.

There are no commonly accepted ethical standards among the media Tajikistan. An attempt was made by National Association of Independent Media of Tajikistan (NANSMIT) to adopt a code of ethics building on examples from other countries, but it was not completed. A few organizations, such as the Asia Plus company, have their own ethics codes, and there are also donor-based media organizations, such as the Institute for War and Peace Reporting (IWPR), that apply international ethical standards.

Part of the reason for the frequency of ethical lapses is the poor salaries at media outlets, the panelists said. Journalists' pay levels are uneven but very low on the whole, especially at regional outlets. Private media offer higher salaries, ranging from $50 to $300 monthly, than the government organs, where pay may be as low as $15 to $20 monthly. Government media lose staff as a result of this, and many journalists work for several publications at once and earn extra money by contributing to Internet publications. Among the media, the lowest pay is in radio. Journalists may augment their income by taking fees from the subjects of their coverage, and some articles clearly betray that they were written to order. Tukhva Akhmadova, a newspaper journalist and staff member of the Press Center nongovernmental organization (NGO), said there are cases in which journalists accept gifts for covering events or doing PR for certain individuals. Rano Bobodzhanova said, "Many journalists with those (government) media outlets have farms paid for by enterprises."

Self-censorship remains common among editors and reporters. The journalists' internal censors gets turned on when writing, the MSI panelists said, and then the editor or publisher may pull a piece that might, at the given moment, damage the newspaper's standing or financial status. The panelists said everyone has gotten so used to this that no one even notes that they are regulating themselves. There is also the influence

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

of the information and analysis department in the Tajikistan government, which carefully follows, every day, all information that comes out in the media. "Although officially there is no government censorship in Tajikistan, all publications are watched closely in the republic Ministry of Security, the Ministry of Foreign Affairs, and the Prosecutor General's Office," Lidiya Isamova said.

The self-censorship results first and foremost from the fear of incurring the authorities' anger, the panelists agreed. This can have economic implications, such as being refused printing services, or becoming the target of tax inspections. At the same time, there have been more frequent court cases targeting media outlets, the panelists said. Self-censorship also is to a degree a legacy of the 1990s civil war, seen as fomented in part by media partisanship and still resonant as a reason not to accent dissenting views.

"In the nongovernmental media, journalists usually cite several sources of information, while in the government media all journalists, as a rule, present material through the prism of their own opinions," said Kurbon Alamshoyev.

There are a number of topics that media outlets are particularly wary of covering, including poverty, terrorist acts, corruption, court trials of political opponents of the government, public health, and cases of soldiers deserting from the army. As examples, Lidiya Isamova said: "Coverage of the problem of people being resettled in regions that were unfit for human habitation, and of the subject of the burial of radioactive waste in Sughd Province aroused great anger on the part of the authorities." Criticism of President Emomali Rahmonov and his activities is also off-limits, the panelists agreed.

Although the government media have greater access to information, their audiences don't benefit. Masrur Abdulloyev, program director with the Internews Network in Dushanbe, observed: "Even such serious matters as our citizens getting blown up on mines, they either do not speak about at all, or report on it only after a delay and then cite independent media as their sources." Rano Bobodzhanova said readers put greater trust in the Russian-language press, such as the newspapers *Asia Plus* and *Vecherniy Dushanbe.*

In the opinion of most of the panelists, entertainment predominates over news programs on television. A great deal of space in the print media also is devoted to advertising and entertaining material, which publishers believe is preferred by their readers.

Many journalists use the Internet, although not all outlets provide it to their employees. Access is available not only in the capital but also increasingly in provincial cities. The situation is more difficult in remote areas, such as Khorog, where Kurbon Alamshoyev said journalists had access to the Internet so long as an international project was in place, but once it was completed, Internet access was also ended.

The availability of equipment in the Tajik media made modest gains in 2005, panelists said. Almost all journalists have voice recorders and camera, but by no means can all media outlets boast of having computers, scanners, printers, and Internet access. With respect to the production and distribution of news, many media outlets need more sophisticated digital cameras, DVCAM and mini-DV-format video cameras, editing stations, and monitors. With the exception of Sughd Province, the situation is especially grave at regional media outlets, where there are acute shortages of equipment for the collection, production, and dissemination of news. In some regions, there are no technical facilities for the production of news at all. Rano Bobodzhanova noted: "In the Rashtskaya Valley, there is neither a district newspaper, nor local television and radio." During the winter, when electricity shortages get worse in all regions, electronic media are affected, as is the Internet. Poor telephone connections and the lack of full coverage by cellular and satellite telephone services create even more problems for journalists.

The many challenges faced by journalists lead to a lack of quality coverage of economics, health, sciences, and other specialized subjects. Lidiya Isamova said "the problem lies in many journalists lacking professional training. At present, economists, teachers, and former military personnel are working in the media."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Tajikistan Objective Score: 2.02 / 4.00

Mountainous Tajikistan has many outlying regions that have great problems with the accessibility of news sources. "Because of the electric power shortage in Gorno-Badakhshan Autonomous Province, local newspapers do not come out on time, there are big interruptions in television and radio transmission, and the print media published in the capital arrive extremely late," said Kurbon Alamshoyev. "The Internet is also inaccessible to ordinary citizens because of its expense.

In the regions, one hour of time online costs about $2."

Newspapers posted on boards set up on village streets through the efforts of the OSCE are partly filling the information vacuum in outlying regions. But as Rano Bobodzhanova noted: "Such information displays get more attention from men. It is extremely rare to find women reading these displays." Overall, according to the MSI panelists, no more than 50 percent of the population purchase print media regularly.

Access to international media is not restricted by law, but by economics, with the most accessible format being the Russian networks RTR and ORT. Cable television, which has operated in the big cities since the mid 1990s, is gaining popularity. According to Lidiya Isamova, "More than 70 percent of urban residents have installed cable television and antennas that pick up European and Russian TV channels."

At the same time, observes Rano Bobodzhanova, "In Tajikistan Internet providers do not offer opposition Internet publications." The site www.tajikistantimes.ru, founded by exiled journalist Dododzhon Atovulloev to include presentation of opposition views, was blocked by the authorities, panelists noted.

The government media do not reflect the entire political spectrum, and the activities of the government dominate coverage in both private and state media, according to most MSI panelists. "In contrast to the ruling party, the other political parties are represented in the government media in very limited fashion, and even that is only during an election campaign," according to Masrur Abdulloyev. However, Tukhva Akhmadova disagreed, saying that "government and nongovernmental media reflect opinions across the entire political spectrum … Most editors and journalists see their role as serving the public interest."

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Tajikistan has six news agencies. In the panelists' view, the most successful is the independent Avesta News Agency, whose services are used by many print media outlets. The independent Asia Plus News Agency also is popular. However, Kurbon Alamshoyev said the news agencies cannot be full-service, covering all news nationwide, due to shortages of staff and capacity. Not all media outlets use news agencies due to the cost, about $30 monthly. The Asia Plus News Agency provides television with news tapes for free under a grant provided by an international organization. When news agency information is used, attribution is not always evident, a practice that leads to conflicts between the news agencies and media outlets.

According to Lidiya Isamova, "More than 70 percent of urban residents have installed cable television and antennas that pick up European and Russian TV channels."

About a half-dozen non-state outlets in Tajikistan produce their own news broadcasts including both national and local news, but with preference given to local news. "The programs of independent broadcast media outlets differ from analogous government media programs in content. They are more timely and objective," said Tukhva Akhmadova. Overall, however, panelists felt the quality of news programs was lacking.

Information concerning the owners of media outlets in Tajikistan is not hidden, although the people and political forces behind the owners may stay in the shadows.

Publications come out in the Uzbek, Kyrgyz, and Turkmen languages, in addition to Tajik. Russian is not considered the language of an ethnic minority but in practice is a second language, and Russian-language media are popular. There is no obvious resistance to the coverage of diverse social subjects, although some editors may be reluctant to raise topics they view as potentially controversial or likely to displease authorities.

OBJECTIVE 4: BUSINESS MANAGEMENT

Tajikistan Objective Score: 1.35 / 4.00

Tajikistan's economy experienced a lengthy crisis—the president has acknowledged that 64 percent of the population lives below the poverty line, but unofficial data put the number substantially higher—and is only now beginning to recover. The revenue earned by the media cannot yet provide for the dynamic development of the media as a business, the MSI panelists said. There are examples of relatively successful media holding companies, such as Asia Plus, which includes a news agency, newspaper, and radio outlets, and an advertising agency. But as Umed Babakhanov, director of Asia Plus in Dushanbe, noted: "Even it experiences such problems as the lack of a capable manager, the lack of development of a local advertising market, and low personal incomes among the public."

Distribution networks for the print media are not well-developed, and the government subsidizes the presses it owns. "So far, there is a sufficient number of them, but because of government control they operate selectively, refusing their services to overly bold media outlets," said Lidiya Isamova. "The speed and quality of their work also leaves something to be desired." Ordinary private printers do not always accept orders from newspapers for fear of political retribution through economic pressure on the part of the tax authorities and others, the panelists said. That gives the government leverage through ownership of the dominant printing press company, Sharki Ozod.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

The cost of newsprint rose nearly 80 percent with the September 2005 closing of the factory with which the main supplier of paper had a contract, panelists said. Newsprint delivered from Russia was priced much higher, a severe blow to the newspaper companies' budgets.

The main source of revenue for the independent media is advertising, but as Umed Babakhanov noted, "Most advertising revenue comes from announcements of international organizations." Mamadat Bakhtiyerov, deputy editor of the newspaper *Paizomi Rushan* in Gorno-Badakhshan Autonomous Province, said state-owned media are supported by subscriptions and funding by local governments but independent media also cooperate with local governments to produce specific editions and programs. Lidiya Isamova said that virtually all private medias outlets have become commercially viable, while Kurbon Alamshoyev said "the operations of media agencies are not sufficiently transparent that one can know about their revenues."

The principal revenue sources for private television companies in provincial centers are advertising and special congratulatory programs. Advertising agencies are just starting to develop in Tajikistan, and examples include Total Advertising Group and the agency of the Asia Plus holding. According to Rano Bobodzhanova, "For the most part, these are advertising departments of independent electronic media outlets. But they have not yet formed an advertising market that could compete with foreign advertisers." Kurbon Alamshoyev said regional outlets have great problems attracting advertising because there are no regular advertisers and those that might become potential advertisers are afraid of drawing the attention of the tax authorities.

Management skills among media company owners are lacking. Many do not know how to put together a business plan, instead running companies "by trial and error," as one panelist described it.

Marketing and ratings research is very limited, although sometimes attempted by local media. Professional research is conducted by a single agency, Zerkalo, but its work is not regular and depends on its having a grant or a specific order. Furthermore, according to the panelists, media outlets do not always agree with the results of the research.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Tajikistan Objective Score: 1.65 / 4.00

There are six professional associations in Tajikistan, including the National Association of Independent Media of Tajikistan (NANSMIT) and the Tajik Association of Independent Media (TadzhANESMI). However, the MSI panelists said these groups are not yet able consistently to protect journalists or lobby for their interests. The Union of Journalists of Tajikistan has not adjusted to the needs of members in current media market conditions and is barely visible, panelists said.

NANSMIT, which monitors the infringement of journalists' rights nationwide and provides legal aid and consultations, was considered the strongest of the group by the panel. Its membership is open, and it takes part in the defense of journalists in court as well as providing financial and moral support to journalists who must travel from the provinces to the capital to attend court sessions. TadzhANESMI also is involved in supporting several television stations in court cases, and the panelists noted that cooperation among these organizations increased during 2005.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

There are about a dozen local and internationally affiliated NGOs focused on free expression and developing the media in Dushanbe and regional centers. To the degree that donor support is available, they conduct advocacy, provide professional development workshops, operate computer centers for journalists to use, and supply financial support for covering certain socially important topics. However, dependence on donors means these services can be interrupted when funding ends, as was the case regarding Internet availability at the Pamir Mass Media Center in Khorog, Kurbon Alamshoyev said.

Old curricula from the Soviet perspective continue to be used in journalism departments, and the panelists, for the most part, felt that the instructors themselves are not prepared to teach students to work at current international standards. Opportunities to obtain an education in journalism abroad are very few and, according to the panelists, such students rarely return to the country. The existing media are able to absorb graduates of journalism departments into jobs, but managers are generally dissatisfied with the quality of the graduates' training and experience.

Many talented young people, however, do collaborate with various media organizations while they are still students. For example, the Internews Network journalism school, which combines practice and theory and trains professional journalists, and the Institute for War and Peace Reporting serve as springboards for young journalists. Donor-sponsored professional development opportunities are free, but not all outlets allow their staff to participate due chiefly to chronic personnel shortages. Also, regional media capacity remains low because few trainings are conducted in provincial areas and not all journalists are able to travel to the capital to participate in events there.

The panelists said it is possible for the authorities to exercise political influence on the print media via control over access to the state-owned presses and the inefficient government newspaper distribution system. Government and private newspapers are sold through kiosks and street vendors because the postal service is too inefficient to make mail subscriptions feasible, according to the panel. Distribution of newspapers from the capital to regional centers, or vice versa, is very limited. The Ministry of Communications controls broadcast frequencies and transmitters. The state tries to exercise control of the Internet. There has been only one Internet service provider, but a second one, Telelcomm Technologies, began to operate during 2005.

Panel Participants

Lidiya Isamova, Director, Institute for War and Peace Reporting (IWPR), Dushanbe

Saidumron Saidov, Director of Television and Radio Programs, Sughd Province Television and Radio Company, Khudzhand

Rano Bobodzhanova, Independent Journalist, TadzhANESMI (Tajik Association of Independent Media), Sughd Province

Tukhva Akhmadova, Staff Member, Press Center NGO; Staff Correspondent *Tamkhori* newspaper, Khatlon Province

Mamadat Bakhtiyerov, Deputy Editor, *Paizomi Rushan* regional newspaper, Gorno-Badakhshan Autonomous Province

Masrur Abdulloyev, Program Director, Internews Network, Dushanbe

Rustam Buriyev, Mavdzhi Ozod TV

Umed Babakhanov, Director, Asia Plus, Dushanbe

Kurbon Alamshoyev, Chairman, Pamir Public Foundation NGO; Director, Pamir Mass Media Center, Khorog, Gorno-Badakhshan Autonomous Province

Moderator

Yelena Buldakova, Kyrgyzstan

Observers

Robert Cronin, Regional Director, IREX Civil Society Program, Tajikistan

Guzeliya Nasyrova, Information Coordinator, IREX Civil Society Center, Tajikistan

TAJIKISTAN AT A GLANCE

GENERAL
(source: *CIA World Factbook)*

■ **Population:** 7,163,506 (July 2005 est.)

■ **Capital city:** Dushanbe

■ **Ethnic groups (% of population):** Tajik 79.9%, Uzbek 15.3%, Russian 1.1%, Kyrgyz 1.1%, other 2.6% (2000 census)

■ **Religions (% of population):** Sunni Muslim 85%, Shi'a Muslim 5%, other 10% (2003 est.)

■ **Languages:** Tajik (official); Russian widely used in government and business.

■ **GDP:** $7.95 billion (2004 est., ppp)

■ **Literacy rate (% of population):** 99.4%

■ **President or top authority:** President Emomali Rakhmonov

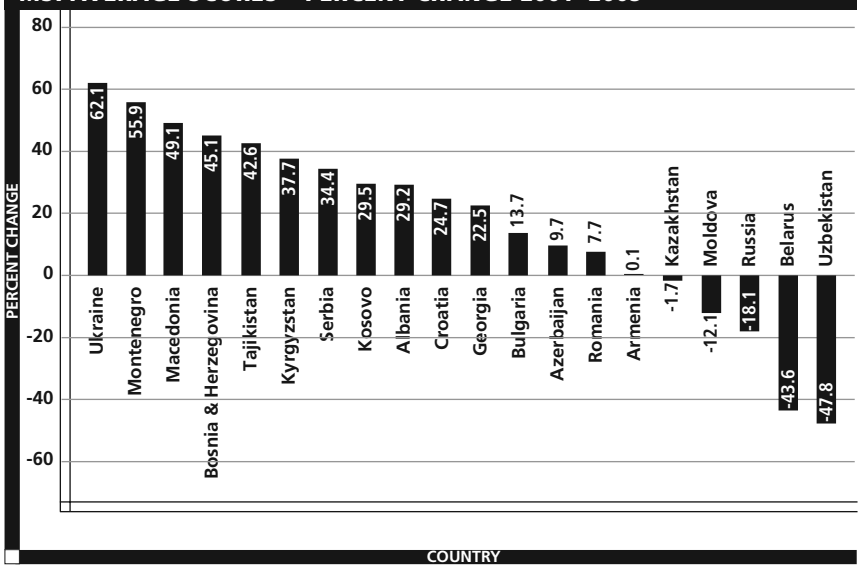
■ **Next scheduled elections:** Presidential, November 2006

MEDIA-SPECIFIC

■ **Existing newspapers:** There are approximately 265 registered print publications in Tajikistan. The largest ones are *Asia Plus, Tochikiston, Nerui Sukhan,* and *Vecherniy Dushanbe.*

■ **Broadcast ratings (top ranked stations):** Dushanbe: Radio Vatan, Asia Plus, SM-1; Khudzhande: Tiroz

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005

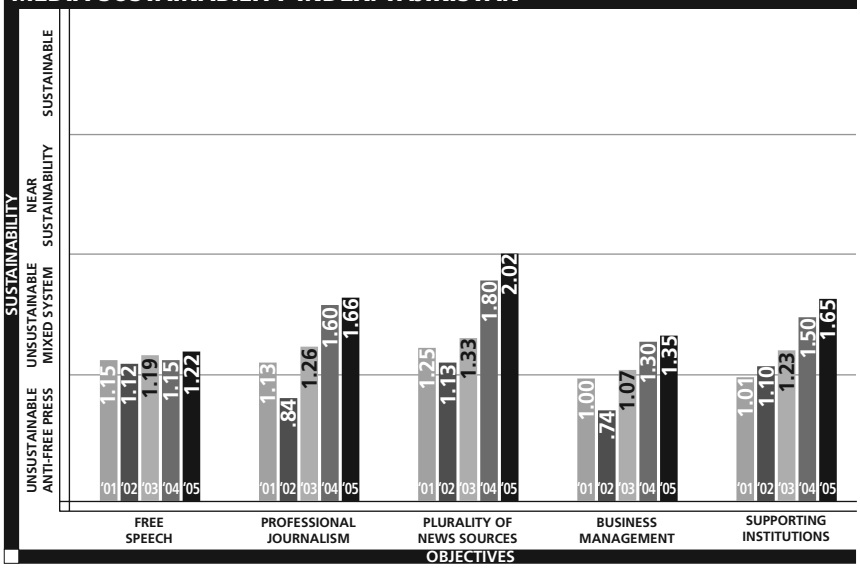


■ **Number of print outlets, radio stations, television stations:** Approximately 20 printing houses, over 20 television stations, 7 radio stations

■ **Number of Internet users:** 4,100 (2003 est.); but recent estimates put the number closer to 11,000.

■ **News agencies:** Asia Plus, Mison, State Information Agency Hobar, Varorud, Avesta

MEDIA SUSTAINABILITY INDEX: TAJIKISTAN



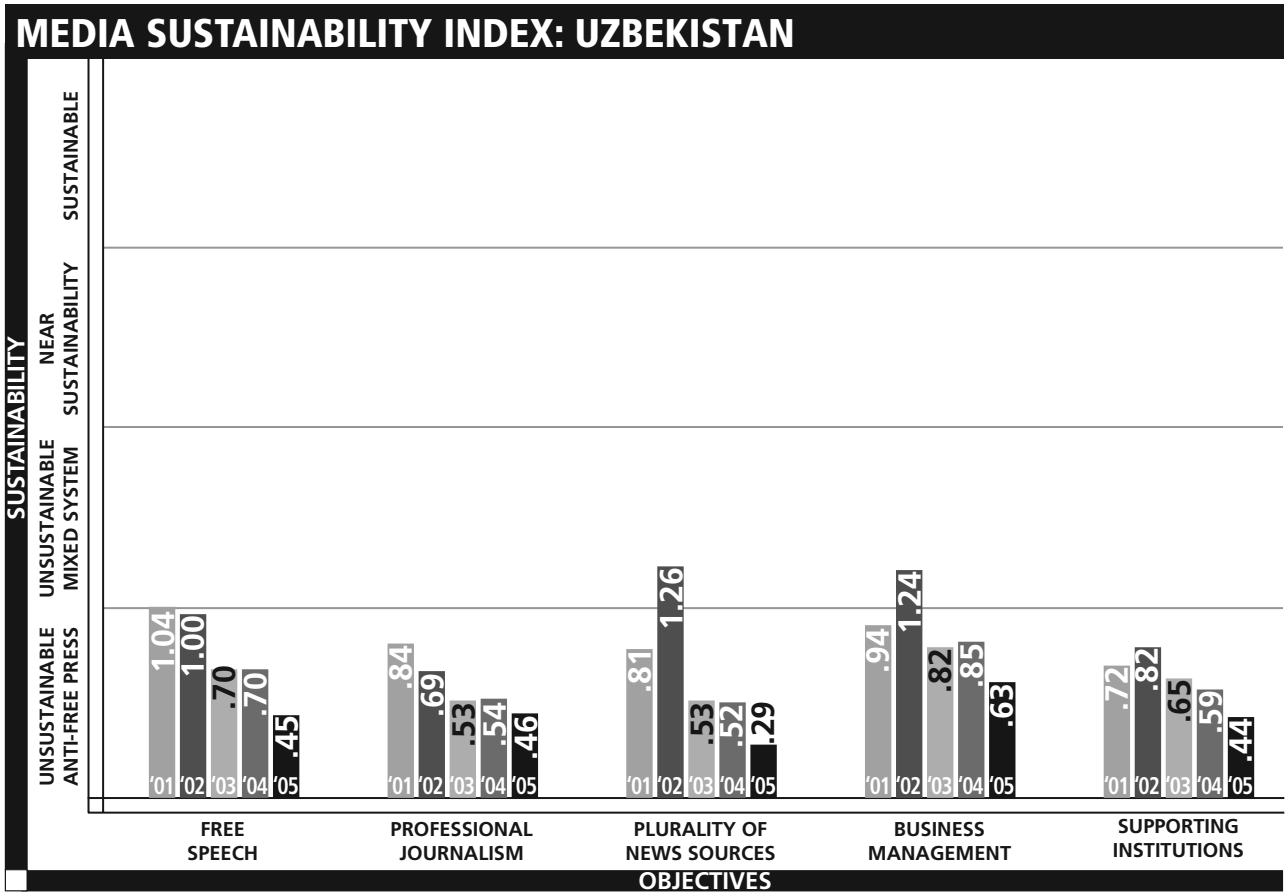
ON MULTIPLE FRONTS, THE UZBEK GOVERNMENT ATTEMPTED TO SILENCE INDEPENDENT VOICES THAT TRIED TO PROVIDE DETAILS ABOUT THE ANDIJAN EVENTS. IN THIS WAY, WHATEVER MODICUM OF HOPE THE MEDIA SECTOR IN UZBEKISTAN MIGHT HAVE HAD FOR GROWTH LARGELY DISAPPEARED WITH THE EVENTS OF MAY 13.

Introduction

The defining moment for the state of democracy in Uzbekistan during 2005 took place in the city of Andijan on May 13. On that day, Uzbek military and security forces fired on thousands of civilians who had gathered to protest poverty, unemployment, and political repression as well as the trial of 23 local businessmen who had been arrested in 2004 for "religious extremism." According to government estimates, a maximum of 175 people died. However, other reports from eyewitnesses placed the number at about 750. The incident further isolated the government of President Islam Karimov from the West and further curtailed the already limited freedoms of Uzbek citizens, businesses, and media.

The shootings in Andijan escalated the repression that has characterized Karimov's consolidation of power for more than a decade. Although Uzbekistan joined international organizations such as the United Nations and the Organization for Security and Cooperation in Europe (OSCE) following independence in 1991, the Karimov regime began cracking down on civil freedoms in 1992 after a conflict with Tajikistan. The government justified this and subsequent actions as being in the interests of national security. For example, after bombings in 1999 in Tashkent, Karimov's administration jailed thousands suspected of religious extremism. After September 11, 2001, Karimov gained the favor of the United States by pledging to join the fight against international terrorism and tried to use this relationship to justify his own repressive policies.

The Uzbek government refused an international investigation into the Andijan incident, despite widespread condemnation from Western countries and international organizations. For media, the killings meant a news blockade erected by a government that had accused the foreign media of "informational attacks" against Uzbekistan. Local journalists were threatened and attacked, and foreign correspondents were denied accreditation and forced to leave the country. International news channels were cancelled on cable television, and Internet sites were blocked. On multiple fronts, the Uzbek government attempted to silence independent



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

voices that tried to provide details about the Andijan events. In this way, whatever modicum of hope the media sector in Uzbekistan might have had for growth largely disappeared with the events of May 13.

Due to the repressive environment created by the Andijan incident, the Media Sustainability Index (MSI) panelists were unable to meet to discuss the state of media in Uzbekistan in 2005. Information for this chapter was collected from media professionals inside and outside of Uzbekistan through an e-mail survey, interviews, and extensive research. The names of those participating will not be published to protect their personal security. This chapter therefore provides a summary of the state of media in Uzbekistan.

OBJECTIVE 1: FREE SPEECH

Uzbekistan Objective Score: 0.45 / 4.00

In some respects, legal norms governing the journalism profession in Uzbekistan seem to meet international standards. For example, the constitution guarantees freedom of speech and access to information. Additionally, several articles of the Uzbek Law on Defending the Professional Work of Journalists prohibit censorship, the confiscation of equipment, and the detention of journalists. However, before and after the Andijan incident in mid-2005, these laws were openly violated by the Uzbek government. Implementation of these laws failed at all levels, and the post-Andijan era left even less room for maneuvering for journalists seeking to report independently from the country.

Before May 13, 2005, foreign media such as the BBC and Radio Free Europe/Radio Liberty were among the few sources of information not controlled by the state. Local media were almost entirely controlled or directly influenced by the government. However, following Andijan, the Karimov administration accused foreign media of "informational attacks" and otherwise inciting the violence that took place. Whereas pressure and intimidation of journalists before the May shootings often went on behind the scenes, the Andijan events brought repressive currents to the surface. The list of freedom-of-speech offenses reads like a catalog of acts against the majority of foreign media operating in Uzbekistan. The OSCE documented many of these offenses, including the cancellation of CNN, BBC, and Deutsche Welle programming on cable television, the detention of Russian television channel REN-TV and Ukraine's Fifth Channel reporters trying to enter Andijan, and an attack on a cameraman from Russia's TVT at the Uzbek-Krygyz border, among many others.

The Committee to Protect Journalists noted the assault on Moscow-based Ferghana.ru website journalist Aleksei Volosevich. Volosevich, who witnessed and reported on the Andijan shootings, said he was knocked down and kicked by five men and then doused in paint. Meanwhile, anti-Semitic slogans were written on the walls near his apartment. An Uzbek media professional interviewed for this study described the government reaction as directing blame against the journalist. "The government reacted only to the anti-Semitism and not to the beating of the journalist. They declared that Uzbekistan is an inter-ethnic community and tried to avoid the topic of the beating. They even blamed Volosevich and said nobody beat him."

Meanwhile, the court system continued to offer no respite for journalists. By law, freedom-of-speech violations can be appealed to the constitutional court, but judges are appointed by the president and corruption hinders appeals procedures. In the case of Nosir Zokirov, an RFE/RL journalist who was sentenced to six months in prison for insulting a representative of the Uzbek security service, the original proceedings

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

FREE-SPEECH INDICATORS:

> Legal/social protections of free speech exist and are enforced.

> Licensing of broadcast media is fair, competitive, and apolitical.

> Market entry and tax structure for media are fair and comparable to other industries.

> Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.

> State or public media do not receive preferential legal treatment, and law guarantees editorial independence.

> Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.

> Public information is easily accessible; right of access to information is equally enforced for all media and journalists.

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

> Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

"The government reacted only to the anti-Semitism and not to the beating of the journalist. They declared that Uzbekistan is an inter-ethnic community and tried to avoid the topic of the beating. They even blamed Volosevich and said nobody beat him," said an Uzbek media professional.

in August and the subsequent unsuccessful appeal were condemned by the international community as unfair show trials. According to RFE/RL, Zokirov was sentenced under Article 140 of the criminal code that criminalizes the slander of security forces. During the Zokirov trial, prosecutors also threatened to charge the journalist with "insulting the president," an offense also punishable under the criminal code in Uzbekistan.

Following the Andijan shootings, the judicial system became a forum for government attempts to brand the incident as an event engineered by the West with the direct assistance of the international media. During the trial of 15 people arrested for allegedly inciting the events that led to the shootings, the prosecutor's office accused RFE/RL and other foreign media of "continuing (an) information war against Uzbekistan which was launched in connection with the Andijan events." This announcement was accompanied by many articles in national and local papers that demonized the foreign press.

The media licensing process in Uzbekistan is completely controlled by the state. Beginning in 2004, the government required all media outlets to register or re-register each year to obtain a license. Many failed to gain or renew a license, as the authorities were able to weed out any station or publication that had opposed the state for any reason. Also in 2004, the National Association of Electronic Media (NAESMI) was founded by the government to regulate broadcast media. Membership in the association was required, or the local station risked political pressure and possible closure. The authorities were able to exploit these tactics in controlling the media largely because of the lack of democratic traditions and impulses among the Uzbekistani citizens. There was simply no established civil society that could advocate for free speech and no local nongovernmental organizations (NGOs) to lobby for such causes, according to those surveyed. In many respects, the leftover Soviet-era ethos of prioritizing the group over the individual continued to hinder effective public mobilization for freedom of speech.

Media continue to have difficulty obtaining information from government sources. According to another Uzbek media professional, "It is very difficult to get information from the authorities. Forget about it. They never respond to your calls. They say it is not their responsibility to talk to media. They don't know how to work with media." This interviewee also pointed to a government initiative in which state journalists are presented to the public as "experts" on issues such as US-Uzbekistan relations. In this way, longtime state reporters can represent the interests of the government when other journalists are prevented from obtaining even the most basic information.

For those with access to the Internet, which is not many in Uzbekistan (about 492,000 out of nearly 27 million people), websites such as Arena (www.freeuz.org) and Ferghana.ru are some of the very few nongovernment sources of information. Uzbekistanis are generally aware of their choices regarding these sources. For example, the OSCE noted that Ferghana.ru received about 45,000 hits on its website on May 13 alone. However, this site and other websites were blocked or experienced other technical difficulties following the Andijan incident.

Journalists are not restricted in studying journalism at universities or in applying for media jobs. Whereas accreditation was used as a tool to keep local journalists in line prior to Andijan, the government is currently using the visa accreditation process to prohibit foreign journalists from entering the country. The OSCE noted in its Report of Events in Andijan on June 15, 2005, that more than 30 journalists were waiting for accreditation from the Uzbekistani government.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Uzbekistan Objective Score: 0.46 / 4.00

Even before the events of May 13, 2005, professional journalism in Uzbekistan suffered from the government control of information and the lack of skilled local reporters and managers. As a result, reporting produced by local media outlets regularly lacked balance and proper attributions. Alternative viewpoints were rare, mostly attempted by foreign-based media. Following Andijan, professional reporting practices slid even further as those attempting more professional and probing reporting were harassed, had to engage in self-censorship, or found their reporting hindered by their media outlets. State and local media became increasingly active as mouthpieces for government rhetoric. For example, these media were tools in the Karimov administration's campaign to blame Western

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

> Reporting is fair, objective, and well sourced.

> Journalists follow recognized and accepted ethical standards.

> Journalists and editors do not practice self-censorship.

> Journalists cover key events and issues.

> Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.

> Entertainment programming does not eclipse news and information programming.

> Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.

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

media for inciting violence and threatening the national security of the country. RFE/RL documents several examples, including UT-1, the main television channel, broadcasting a program blaming foreign media for biased and incomplete coverage of Andijan. Tashkent-based *Hurriyat* newspaper published an article reiterating the "informational attacks" by the international media following the "terrorist acts in Andijan." Meanwhile, the Uzbek-language *Namangan Haqiqati* paper in Namangan printed articles directly questioning the validity of reporting by the BBC and RFE/RL. Journalists and media outlets were at risk if they did not toe the government line. For example, the OSCE noted that local journalist Dzhamil Karimov was fired for his coverage of Andijan, and local radio station Didor was shut down on the day of the violence.

Ethical codes devised by organizations such as NAESMI and the Samarkand Press Center were largely ignored before and after Andijan. In recent years, many journalists accepted bribes and gifts in exchange for favorable coverage or made-to-order reporting. After the Andijan killings, however, the government exploited such practices to support their campaign. For example, reports indicate that local journalists were offered money to gather information about foreign media correspondents.

Despite the legal prohibition of censorship, it still pervades the media sector in Uzbekistan. In addition to an unofficial ban on specific topics and words (for example, those relating to corruption and poverty in Uzbekistan), any account of Andijan is closely scrutinized, particularly since no official account of the incident has been published or broadcast. Self-censorship, previously a way of life and means of self-preservation for journalists and editors, manifested itself differently following Andijan. While local media simply avoided all alternative coverage of political issues, even correspondents of international outlets have been cowed by relentless threats, intimidation, and attacks. An Uzbek media professional working for an international media outlet indicated in an interview that she has instructed her correspondents in Uzbekistan to avoid coverage of issues they feel might put them in danger, such as those related to Andijan.

Working under these pressures, journalists frequently do not properly cover key events and issues. In fact, political news that is not entirely flattering or at least nonthreatening to President Karimov is omitted. An interviewee noted that news coverage amounts to "10 minutes every hour that covers social issues, never politics or corruption. News starts with agricultural information or if Karimov is going somewhere. Potatoes are more important than Andijan or actual events." Similarly, another respondent said that "there is no reporting on poverty because state-controlled media think that it has no news value to Uzbekistanis. They think it's not important. They find no news value in unemployment, for example. And there has been very little coverage of the Asian bird flu, which is strange for an agrarian republic."

Entertainment programming largely dominates news and information reporting. For this reason, Russian channels are popular. Other broadcasters focus entirely on sports or on selling airtime for advertising. Print media find it much more comfortable to print gossip about celebrities gathered from the Internet, along with fictional stories and parables. People are not accustomed to getting important information through the mainstream media. This creates a negative cycle that allows increasingly more entertainment programming on the airwaves.

Niche journalism is largely impossible in Uzbekistan, as it would strain already limited resources at outlets, require far more training than the media sector can provide, and risk treading on topics that the regime would oppose. Similarly, the technical facilities at most outlets are sadly outdated and in various stages of disrepair. Even at state media, equipment generally is of poor quality and seemingly ignored when government subsidies are distributed.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Uzbekistan Objective Score: 0.29 / 4.00

Although the number of "news" sources has increased significantly since independence in 1991, that does not mean that Uzbekistani citizens have access to more and better-quality information. In fact, the combination of government control of information and the overall poverty of the people limit access to even the filtered news offered on state television and radio. Furthermore, with more than 60 percent of the population concentrated in rural areas, distribution does not reach many of those outside of city centers. Most rural Uzbekistanis collect their only information via the radio, and any connection with the international media is attained via shortwave radio.

Even relatively credible news sources such as the Internet and cable television have their limitations. Reputable websites such as Arena and Ferghana.ru are popular among the estimated 2 percent of the population that use the Internet. Yet such sites can be blocked by the telecommunications carriers, as was the case following the Andijan crisis. Meanwhile, cable television is relatively inexpensive for some urban residents and provided by private companies such as Kamalak. Through cable, people have access to 25 channels, including many Russian channels. Nevertheless, following Andijan, the government was able to pull foreign media such as the BBC off the cable network. In October 2005, after continued harassment by the authorities, the BBC announced the closure of its office in Tashkent and withdrew its staff from the country. This is one example of how citizens' access to both domestic and international news is clearly more limited than in previous years.

State media are completely partisan and offer no alternative viewpoints. Exiled opposition parties such as Erk do produce their own newspapers abroad but can only smuggle small quantities into the country. Although these papers are not banned by law, people reading them could face punitive measures. One account provided by an Uzbek media professional interviewed for this study reveals how a man who was caught with banned local music and Erk newspapers was thrown in prison by the authorities. Since Andijan, private media outlets have been increasingly co-opted by the government, and if the outlets resist, they risk license suspension or closure.

The four news agencies in Uzbekistan remain under the direct control of the state.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

> A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.

> Citizens' access to domestic or international media is not restricted.

> State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.

> Independent news agencies gather and distribute news for print and broadcast media.

> Independent broadcast media produce their own news programs.

> Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.

> A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

OBJECTIVE 4: BUSINESS MANAGEMENT

Uzbekistan Objective Score: 0.63 / 4.00

The business environment in Uzbekistan cannot support a private-sector news media, even if the government would allow independent private media. In fact, without government subsidies, most news media in the country would not survive. Even the tabloids, previously the only profitable media, are now falling on hard times. *Darakchi,* for example, was a sensationalist paper that had relatively high circulation numbers in 2004. In 2005, however, the owner was forced to flee to the United States due to government pressure and threats from organized crime groups. Chirchik TV, the leading non-Uzbek-language television station, had its license revoked because the owner refused to join the government-sponsored industry association, NAEMSI.

Some media outlets derive income from international organizations and corporate sponsors as well as advertising. However, the pool of available funds from international donors continued to shrink rapidly as organizations such as Internews were forced to close their Uzbekistan offices. The Institute for War and Peace Reporting also had to withdraw its local representatives.

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

BUSINESS MANAGEMENT INDICATORS:

> Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.

> Media receive revenue from a multitude of sources.

> Advertising agencies and related industries support an advertising market.

> Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.

> Independent media do not receive government subsidies.

> Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.

> Broadcast ratings and circulation figures are reliably and independently produced.

Meanwhile, the advertising market is extremely weak, as most ads appear as personal announcements rather than company campaigns. In fact, some broadcasters do not provide news at all, simply filling their airtime with nonstop announcements. According to an interviewee, FM stations gain ad revenue, but they are forced to agree to only use this money for entertainment and not informational purposes. If they do not agree, they are not awarded a new license. Ad agencies are present, but they are mostly owned by established media companies and represent their own interests rather than the media market as a whole.

The printing and distribution industry in Uzbekistan is fairly well developed but totally under government control. As with the ad agencies, printing and distribution companies are driven by self-interest and fear of angering authorities and they are not always partners with the media outlets they serve.

Market research remains sorely underdeveloped. Internews conducted market research in 2004 and generally offered the only business-management training in the country until a civil court ruled in September 2005 that the organization's Tashkent office should be closed. This ruling follows a previous criminal proceeding in which two Internews employees were charged with broadcasting without a license and using an unregistered logo. Overall, market research is expensive when it is conducted at all, and there is no current means for collecting newspaper circulation figures.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Uzbekistan Objective Score: 0.44 / 4.00

While professional organizations that support media in Uzbekistan exist, they have been increasingly representing government interests. Both the National Association of Electronic Media (NAESMI) and the Creative Union of Journalists were founded in 2004 by government initiatives. The stated goal of NAESMI was to provide equal market conditions for all broadcasters in Uzbekistan. However, NAESMI essentially required media outlets to join or risk losing their licenses and going out of business. For example, in late 2004 and early 2005, four local television stations, including TV Chirchik, had their licenses suspended because they refused to join the association. Further clouding the operations of NAESMI is the fact that the head of the association is a former advisor to Karimov and the co-owner of Samarkand TV. According to an Uzbek media professional, "Most stations lost the ability to function because all had to join the association. The association was doing its own filtering—either you cooperate or you don't exist." This respondent also stated that

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

> Trade associations represent the interests of private media owners and provide member services.

> Professional associations work to protect journalists' rights.

> NGOs support free speech and independent media.

> Quality journalism degree programs that provide substantial practical experience exist.

> Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.

> Sources of newsprint and printing facilities are private, apolitical, and unrestricted.

> Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

NAESMI attempted to control all the broadcast content of its members as well as all relations among local stations and international broadcasters.

NGOs that support media, primarily human-rights groups, have been active since the Human Rights Society of Uzbekistan (HRSU) was founded in 1992. However, HRSU and other groups such as Mazlum (Oppressed) and the Democracy and Law Group have been consistently pressured and threatened by the government, primarily through the process of official registration. This constitutional requirement has been used extensively by the government to deny many organizations' legal status.

The activity of human-rights groups and other NGOs became even more limited following the Andijan shootings. The government campaign to link Western media to the Andijan shootings also labeled human-rights organizations as complicit in the "terrorist" actions that led to the killings. The Human Rights First organization documented numerous cases in which activists in Uzbekistan were intimidated, harassed, and beaten in the days and months after Andijan. Nevertheless, NGO representatives still demonstrated positive results. For example, an interviewee described an instance in which human-rights groups appealed to a visiting delegation of US representatives on behalf of a detained RFE/RL correspondent. The journalist was later released. Nevertheless, this case is more an exception than the rule in the post-Andijan era.

Journalism education in Uzbekistan is very poor, despite attempts to improve it. Journalism faculties operate at the Uzbekistan National University and at the State University of World Languages. However, the journalism department at the National University is a holdover from Soviet times, and its curriculum is badly outdated. One Uzbek media professional mentioned that journalism graduates from this program need five to six years of practical training before they can operate as professional journalists. Meanwhile, the State University of World Languages program was created to train journalists to represent Uzbekistan's interests abroad. An interviewee who taught at this university suspects that the graduates from this program are basically PR specialists for the administration. "The mission behind it is troubling. It is stripping away the independence of the student years. These students are not taught to become real journalists." Furthermore, there is not a comprehensive textbook that teaches journalism in the Uzbek language. Russian and English texts have been used, but the English books are being phased out.

Short-term training for media professionals largely disappeared in Uzbekistan when Internews was forced to close its operations in the country. IWPR, which had done some training, also had to limit its operations. Some journalism training programs are available in neighboring countries, but only those journalists not involved in politics can leave the country for this type of opportunity.

UZBEKISTAN AT A GLANCE

GENERAL
(source: *CIA World Factbook)*

■ **Population:** 26,851,195 (July 2005 est.)

■ **Capital city:** Tashkent

■ **Ethnic groups (% of population):** Uzbek 85%, Russian 5%, Tajik 5%, Kazakh 3%, Karakalpak 2.5%, Tatar 1.5%, Karakalpak <1%

■ **Religions (% of population):** Muslim 88% (mostly Sunnis), Eastern Orthodox 9%, other 3%

■ **Languages (% of population):** Uzbek 74.3%, Russian 14.2%, Tajik 4.4%, other 7.1%

■ **GDP:** $47.59 billion (2004 est., ppp)

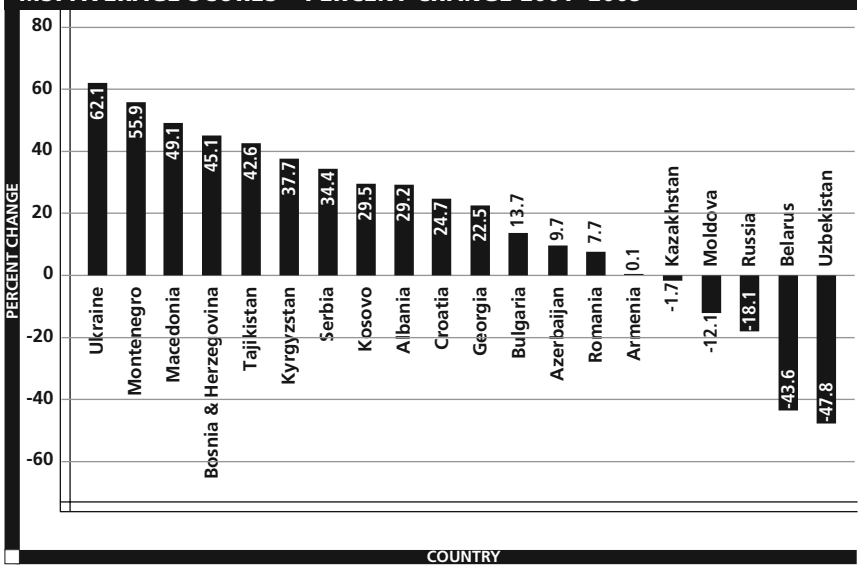
■ **GDP per capita:** $1,800 (purchasing power parity) (2004 est.)

■ **Literacy rate (% of population):** 98% (However, according to unofficial data, it is much lower.)

■ **President or top authority:** President Islam Karimov

■ **Next scheduled elections:** President elected by popular vote for a seven-year term (previously was a five-year term, extended by constitutional amendment in 2002); election last held January 9, 2000 (next to be held: December 2007); prime minister and deputy ministers appointed by the president.

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA-SPECIFIC

■ **Newspaper circulation statistics (total circulation and largest paper):** *Darakchi* (250,000 copies), *Prestige, Tasvir* (around 10,000 copies), *Molodej Uzbekistana, Narodnoe Slovo* (government paper), *Pravda Vostoka*

■ **Broadcast ratings (top ranked stations):**

- **Television:** Eshlar telekanali, UzTV-1 (covers all regions)
- **Radio:** Uzbegim, Eho doliny, Grand, Oriat FM, Poitaht

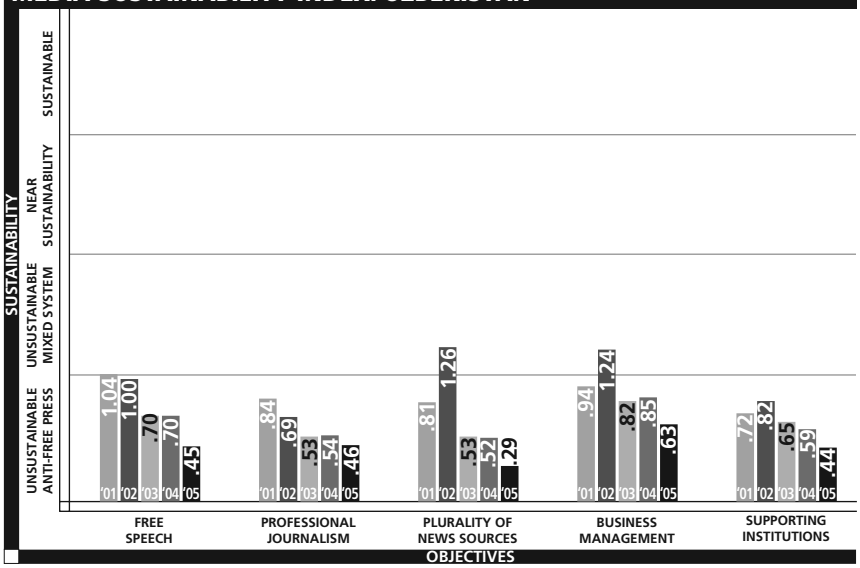
■ **Number of print outlets, radio stations, television stations:** 968 registered media outlets, including 96 Internet providers *www.freeuz.org*

700 print media outlets, around 20 television and FM radio stations

■ **Number of Internet users:** 492,000 (2003 est.)

■ **News agencies:** Uzbek, Turkiston Press, Djahon, Karakalpak

MEDIA SUSTAINABILITY INDEX: UZBEKISTAN



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