

MEDIA SUSTAINABILITY INDEX

2008

**The Development
of Sustainable
Independent Media
in Europe and Eurasia**



MEDIA SUSTAINABILITY INDEX 2008

The Development of Sustainable Independent Media in Europe and Eurasia

www.irex.org/msi

Copyright © 2008 by IREX

IREX

2121 K Street, NW, Suite 700

Washington, DC 20037

E-mail: msi@irex.org

Phone: (202) 628-8188

Fax: (202) 628-8189

www.irex.org

Project manager: Leon Morse

IREX Project and Editorial Support: Blake Saville, Drusilla Menaker, Mark Whitehouse

Copyeditors: Carolyn Feola de Rugamas, Carolyn.Ink; Kelly Kramer, WORDtoWORD Editorial Services

Design and layout: OmniStudio

Printer: Kirby Lithographic Company, Inc.

Notice of Rights: Permission is granted to display, copy, and distribute the MSI in whole or in part, provided that: (a) the materials are used with the acknowledgement "The Media Sustainability Index (MSI) is a product of IREX with funding from USAID."; (b) the MSI is used solely for personal, noncommercial, or informational use; and (c) no modifications of the MSI are made.

Acknowledgement: This publication was made possible through support provided by the United States Agency for International Development (USAID) under Cooperative Agreement No. DGS-A-00-99-00015-00.

Disclaimer: The opinions expressed herein are those of the panelists and other project researchers and do not necessarily reflect the views of USAID or IREX.

ISSN 1546-0878

USAID

The United States Agency for International Development (USAID) is an independent agency that provides economic, development, and humanitarian assistance around the world in support of the foreign policy goals of the United States. The agency works to support long-term and sustainable economic growth and advances US foreign policy objectives by supporting:

- Economic growth, agriculture, and trade
- Global health
- Democracy, conflict prevention, and humanitarian assistance

USAID provides assistance in four regions of the world:

- Sub-Saharan Africa
- Asia and the Near East
- Latin America and the Caribbean
- Europe and Eurasia

With headquarters in Washington, DC, USAID's strength is its field offices around the world. They work in close partnership with private voluntary organizations, indigenous organizations, universities, American businesses, international agencies, other governments, and other US government agencies. USAID has working relationships with more than 3,500 American companies and over 300 US-based private voluntary organizations.

IREX

IREX is an international nonprofit organization specializing in education, independent media, Internet development, and civil society programs. Through training, partnerships, education, research, and grant programs, IREX develops the capacity of individuals and institutions to contribute to their societies.

Since its founding in 1968, IREX has supported over 20,000 students, scholars, policymakers, business leaders, journalists, and other professionals. Currently, IREX is implementing 40 programs in more than 50 countries with offices in 17 countries across Europe, Eurasia, the Middle East and North Africa, and the United States. IREX serves as a major resource for universities, governments, and the corporate sector in understanding international political, social, economic, and business developments.

The Montenegrin media focused on a variety of issues besides the new Constitution, including institutional reforms, problems related to rule of law, economic development, social inequality, and various political and criminal scandals. Unlike the electronic media, which rarely practiced investigative journalism, print media were more engaged in unraveling some “unpleasant” issues.



MONTENEGRO

The key political issue for Montenegro in 2007 was the adoption of the new constitution in October. Besides the ruling coalition (DPS/SDP), the biggest opposition party (Movement for Change) and the minority parties favored its ratification, and it received the necessary two-thirds majority. According to the new constitution, Montenegro is defined as a democratic, social, and ecological state with a republican form of government. The constitution guarantees freedom of speech and freedom of press (articles 47 and 49).

Significant foreign investment continued to flow into Montenegro. According to the most recent indicators, direct foreign investment will exceed €600 million, putting Montenegro at the top of transitional countries in Europe regarding direct foreign investments per capita. In addition, the economy is recording steady growth (seven percent). Inflation grew at a rate of four percent but salaries grew approximately 30 percent (with an average salary of €350 per month). The privatization process of state-owned companies is nearing completion, the real estate market is rapidly growing, the unemployment rate is falling (around 12 percent), and the state budget recorded a record surplus of approximately €100 million.

With this promising economic backdrop, the Montenegrin media focused on a variety of issues besides the new Constitution, including institutional reforms, problems related to rule of law, economic development, social inequality, and various political and criminal scandals. Unlike the electronic media, which rarely practiced investigative journalism, print media were more engaged in unraveling some “unpleasant” issues. The appointments to the governing council of Radio Television Montenegro (RTCG) showed political parties trying to eliminate candidates from their rival parties. There were attacks on journalists (Ivanović and Softić), which showed that journalists cannot feel safe if they publish challenging news.

The media community also prepared for the arrival of foreign media (FOX and ProTV), which will lead to a regrouping of electronic media. In addition, the announced privatization of the oldest daily *Pobjeda* will affect the nature of the print media market. The panelists noted that globalization has arrived for the media scene, and this will unavoidably have consequences on future professional standards, journalists’ working relations, and business operations of media companies.

Despite the improved economic environment and other positive developments, the Montenegro score dropped slightly compared to last year, with most objectives sharing in this decline. Panelists blamed this on a lack of implementation of laws, little progress in professionalism, stagnation in business management, and inability to improve and solidify supporting institutions. Montenegrin media remained “near sustainability,” with a score of 2.35, but this is down 0.17. The objective with the largest loss was Objective 4, business management, down 0.35. Objective 3, plurality of news, the only one to increase, showed a gain of 0.21. As with last year, Objective 1, free speech, received the highest score, 2.62, however this fell from 2.83 last year.

MONTENEGRO AT A GLANCE

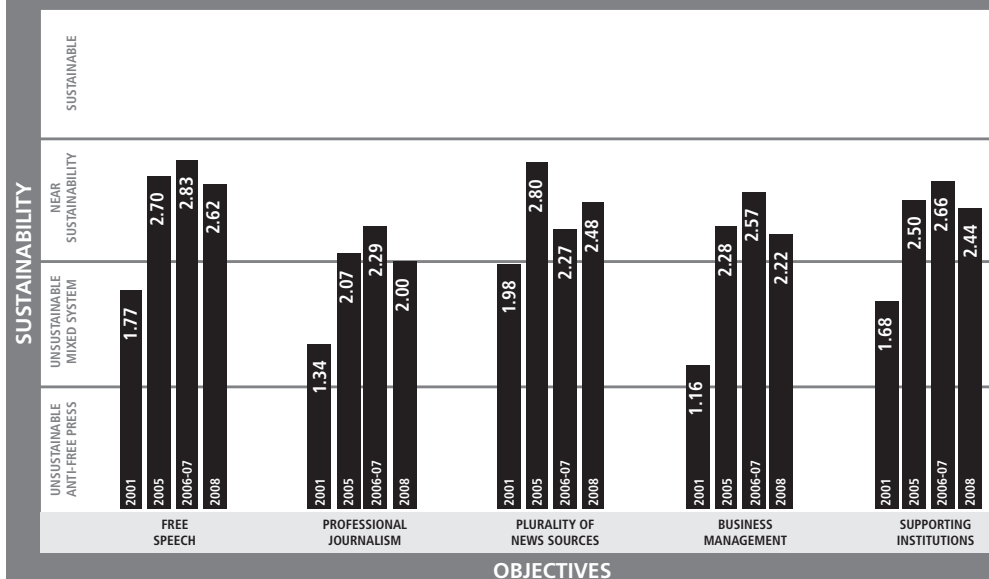
GENERAL

- > **Population:** 684,736 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Podgorica
- > **Ethnic groups (% of population):** Montenegrin 43%, Serbian 32%, Bosniak 8%, Albanian 5%, other (Muslims, Croats, Roma) 12% (*CIA World Factbook*)
- > **Religions (% of population):** Orthodox, Muslim, Roman Catholic (*CIA World Factbook*)
- > **Languages (% of population):** Serbian (official; Ijekavian dialect), Bosnian, Albanian, Croatian (*CIA World Factbook*)
- > **GNI (2006-Atlas):** \$2.481 billion (World Bank Development Indicators, 2008)
- > **GNI per capita (2006-PPP):** \$8,930 (World Bank Development Indicators, 2008)
- > **Literacy rate:** 97% (Media d.o.o.)
- > **President or top authority:** President Filip Vujanovic (since May 11, 2003)

MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 46 (daily: 4; weekly: 2; monthly: 40); Radio: 38; Television stations: 35 (Media Ltd., Podgorica)
- > **Newspaper circulation statistics:** top 4: *Vijesti*: 20,000 (private), *Dan*: 15,000 (private), *Pobjeda*: 8,000 (state), *Republika*: 3,000 (private) (Media d.o.o.)
- > **Broadcast ratings:** N/A
- > **News agencies:** Mina News Agency (private)
- > **Annual advertising revenue in media sector:** \$8-10 million (Media d.o.o. estimate)
- > **Internet usage:** 266,000 (2006 est., *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: MONTENEGRO



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

Montenegro Objective Score: 2.62

The score for free speech dropped slightly from last year, but also achieved the highest score of the five objectives. Only one indicator was scored noticeably distant from the average: Indicator 4, crimes against journalists, lagged well behind other indicators. Leading indicators, though not substantially ahead, included Indicators 2, broadcast licensing, 8, media access to international news sources, and 9, free entry into the journalism profession.

Reform of media regulations has occurred in Montenegro and current laws comply with international standards. The key laws in this respect were adopted five years ago (Media Law, Broadcasting Law, and Law on Public Broadcasting Services Radio Montenegro and Montenegrin TV) and together with the newly adopted constitution they provide solid bases for the development of the media community and the protection of free speech. However, the panelists noted that since the adoption of these new laws, the crucial problem in Montenegro has been the inconsistent implementation of regulations and the need for some regulations to be reformed.

As an example of poor implementation, the panelists pointed to the politicization of the appointment process to the RTCG Council, transforming it from one supposedly based on merit and non-partisan criteria to one based on political loyalty. However, some pointed not only to poor implementation, but to the profession itself. Slavko Mandić, the director of Radio Skala in Kotor, said, "...what we have here is an acceptable legal solution but a problematic practice. I would especially stress this court practice, which is not in favor of free media and the necessary protection of journalism. However, we should be critical even of ourselves; generally, media in Montenegro are bad, there is no professional solidarity, the influence of public debate is being discredited."

Panelists also noted that the Freedom of Information Act is not properly implemented due to government obstruction, although some put the blame on journalists and the public as well. Boris Darmanović, president of the Young Journalists' Association noted, "Journalists are not trained enough to implement the Freedom of Information Act. Even the government bodies cannot be seen, in general, as an obstacle to collecting the information, although there are some of them that do not comply with the law."

Pursuant to the law, media are registered at the Ministry of Culture, Media, and Sports. This is a simple procedure taking not longer than 15 days and the process can be considered apolitical. Media do not have special tax exemptions, except

the printed media, which benefit from a seven percent reduction in VAT.

There are no laws that favor private or public media. However, there is a problem related to RTCG. The National Parliament appoints the members of the RTCG Council and it is obvious that since the beginning of the transformation of state radio and television into public service broadcaster, leading political parties have rejected independent candidates from civil society and instead have insisted on candidates that are their supporters. This has led to a council unable to function, since appointments are blocked. Panelists noted that, again, it is not the laws and regulations, but rather their implementation.

The panelists also noted the inefficiency and incompetence of police and judicial bodies in cases where journalists are either attacked or threatened. The most serious cases of threatening media freedoms in Montenegro are still unsolved. The murder case of Duško Jovanović, director and editor in chief of the daily *Dan* has not been solved yet by the authorities, nor have police managed to discover the persons who seriously injured the famous author Jevrem Brković and murdered his bodyguard. During 2007, two extreme attacks on journalists took place: physical attacks on Željko Ivanović, the program director of the leading daily *Vijesti*, and Tufik Softić a journalist of a local radio station in Berane. Both cases are still unresolved and it is not clear whether they will be.

Furthermore, the general assessment of the panelists was that Montenegrin judicial bodies (prosecutors and the judiciary) interpret laws in a restrictive manner when

LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

FREE-SPEECH INDICATORS:

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

journalists are involved. One case of note involved a fine of €5000 for a journalist of the magazine *Monitor* for slander in a case initiated by movie director Emir Kusturica. Draško Đuranovi, a media analyst, stated, "Besides the criminal proceedings, even lawsuits are filed against the journalists in order to get compensation for damaged public image. There is no equalized and reasonable court practice with the intent to protecting freedom of the media and the democratic need not to suppress journalists' profession by the means of court rulings."

Nevertheless, other panelists pointed to positive judicial examples, in which judges invoked freedom of the press and the European Convention on Human Rights to support acquittal on defamation charges. However, the common assessment of the panelists was that the major problem for the Montenegrin judiciary is the lack of judicial practice, both regarding differentiating media freedom from an obvious intention to slander and regarding acceptable fines within criminal proceedings (according to the Montenegrin Criminal Code, fines for the offense of slander may range from €5,000 to €14,000 or a prison sentence if the convicted does not pay the fine).

Criminal verdicts do not eliminate the possibility of a civil lawsuit for material compensation. Civil courts base their awards primarily on previous criminal verdicts. In practice, this means that convicted journalist pays at least €10,000 in two separate charges (250 times the average journalist's salary). In a case where a convicted journalist does not pay the fine, s/he is obliged to serve a sentence as compensation equal to one day for each €40.

The conclusion of the panelists was that Montenegrin laws are good but that more efforts must be made to perfect them, and society should insist on their proper implementation. As Vojo Raonic of the Media Institute noted, "Montenegrin legislation is correct, in the meantime, we have identified what parts of the law should be changed, so the key issue is elimination of problems in implementation. Political intentions directed at worsening the current regulations should be opposed and in parallel to that promote legislative policy aimed at strengthening media standards and freedom of media." The panelists concluded that freedom of speech in Montenegro is threatened and that the circumstances are worse in comparison to the past several years. Duško Vuković, editor in chief of the private internet newspaper PCNEN noted in this regard, "The problem is that Montenegrin society, in terms of social awareness, is still authoritarian; citizens are not encouraged to speak freely and express their opinions. Political and social forces ignore freedom of press and disable the development of an open society."

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Montenegro Objective Score: 2.00

Montenegrin media have not yet reached a satisfactory level of professionalism according to the panelists, who gave Objective 2 the lowest score of the five objectives, with a slight drop from the previous year. Most of the indicators scored near the overall average. The only one noticeably different was Indicator 8, niche and investigative reporting, which scored more than half a point less than the average.

Although the media community has adopted an ethics code, it is evident that professional standards as well as media solidarity in committing to the rules of the profession do not represent the strong point of Montenegrin journalism. All the panelists agreed that professional standards have been introduced rather slowly and that journalism in Montenegro is often vulgarized. They felt the increased commercialization of both printed and electronic media present an obstacle for independent and professional editorial policies at media outlets.

Mistakes are often made in checking the authenticity of information sources, and the majority of journalists practice self-censorship. Journalists who feel legally and economically unprotected keep their positions by engaging in self-censorship. It is not so much the editors imposing this as it is journalists realizing what they have to do to protect themselves and their livelihood. In addition, media are often used as political weapons. As noted by Đuro Vučinić, editor in chief of the private television station Montena, "...the drastic case of the violation of ethical standards made by the [pro-government] daily *Pobjeda* when it published the article by Mr. Četković directed against the founder and editor in chief of daily *Vijesti*," was a politically ordered article whose aim was to discredit *Vijesti*.

In addition, below average salaries present a problem to the profession. There is a trend of journalists leaving journalism and changing professions. Average journalists' salaries are approximately €400 per month and are a bit over average salaries in Montenegro (€350). There is no precisely accepted boundary of poverty in Montenegro, but a Montenegrin trade union has stated that the average family of four cannot survive well if its income is lower than €680.

The panelists also agreed that the absence of specialized and investigative journalism is particularly worrisome, and this is the result of a couple of factors: passive editorial policies and lack of money. In order to survive economically, media are becoming more commercialized and making various concessions to the detriment of professional standards and

principles of the free press. These trends have a negative effect on the confidence of the public in local media. In addition, editors are not actively pursuing such specialized reporting in most cases. Key issues are covered in some senses, as political and economic events receive coverage. But there is not an investigative element in that coverage. Issues beyond politics and the economy often receive little coverage. As noted by Vladan Mićunović, deputy editor in chief of *Vijesti*, "Journalists often avoid so-called sensitive issues (corruption, crime, sloppy institutional reforms, etc.), and this is directly discrediting journalists' profession." It was agreed by the panelists that print media does a better job in this regard than the electronic media.

Montenegro has a journalists' self-regulatory body but its influence is limited and very often even ignored by the very media who are members. Journalists do not trust its decisions because they feel it makes them selectively (and treats nonprofessionals in the media the same as professionals). As Draško Đuranović, an independent media analyst noted, "Media are rejecting self-regulation and reacting negatively on decisions of the self-regulatory body." Branko Vojičić, program director at RTCG seconded this point, "The problem is that the media are running away from self-regulation. The self-regulatory body is seen as some foreign body."

Debating the profile of programs available on electronic media, the panelists said that media are favoring commercial and entertainment programs to the detriment of news and educational programming. Political, economic, social, and cultural problems are pushed aside, while the entertainment programs spread, favoring entertainment shows that do not evoke any conflict or partisanship. The absence of

investigative journalism and issues of public interest are particularly visible in electronic media.

Most equipment in print media is suitable. Some electronic media face problems such as the absence of digital technology, e.g. RTCG, which will cause serious problems in the coming years, but the situation is better than in previous years due to investment in equipment and technology. Minority media are considered in somewhat worse shape in terms of technology.

The opinion of all panelists was that Montenegrin journalism must be revitalized and should concentrate on so-called life-issues, and this requires an "investigative and professional spirit" and an understanding of real social problems. The panelists concluded that it will take much more time for Montenegrin journalism to reach the level that would represent professional sustainability.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Montenegro Objective Score: 2.48

This objective received a small increase over last year, going from 2.27 to 2.48. Nonetheless, the panelists felt that the Montenegrin media space is oversaturated with electronic and printed media with over 150 different media outlets active in Montenegro. However, panelists noted this quantity does not correspond to quality, nor does it imply democratic potential and pluralism of viewpoints within the media sector. Most of the indicators scored near the overall average. Indicator 2, citizen access to news, scored nearly a point higher than the average. On the other hand, Indicators 3 and 6, public media reflect the views of the political spectrum and transparency of ownership, scored more than a half point below the average.

Panelists noted that it is quite obvious that the most influential media are polarized as in years past. On one side, you have those close to the Government (*Pobjeda*, and the public broadcaster RTCG), while on the other side those recognized as critics of the government (e.g., *Vijesti*, *Dan*, *Monitor*). The majority of other media, both at the national and local level, try to remain open to different political opinions or they simply distance themselves from debatable political issues. Unfortunately, the panelists found that the political class demonstrated an intolerance regarding critical press and uncontrolled public opinion; various parties tried to impose their interests on the media sector.

All news media primarily use the same news agencies' sources and have undeveloped networks of correspondents. In Montenegro there is still just one local news agency

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).

(MINA) and several agencies with headquarters in Serbia. Most often the same news is used by all news media. Since all but a few leading dailies have poor networks of their own reporters, the quality of reporting and pluralism in the media scene suffers.

The number of citizens with Internet access has increased and stands at around 20 percent of the population. In principle, the media are more readily available to citizens than in previous years due to new services such as the Internet and cable. A crucial limitation is cost for many citizens who may want to read newspapers more frequently or use cable or satellite television. Foreign media also remain quite expensive.

Public broadcasting is generally under the influence of the ruling parties, according to the panelists. The opposition and independent views often have less space in public media. This means that private media in many situations provide the function of public service media. This is visible during all elections, as well as in cases of treating almost every issue that is unpleasant for the authorities. However, panelists all stressed the need for a viable public service broadcaster. Duško Vuković, editor in chief of the private Internet newspaper PCNEN argued, "I would particularly point to necessity to have media even when they are not economically justifiable, because that is in the interest of democratic and open society. This is why public services are important."

Speaking of ownership in the media sector, the panelists pointed out that the transparency of ownership of media companies is better than it used to be, but there are still suspicions regarding the true ownership structures of some media.

MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

PLURALITY OF NEWS SOURCES INDICATORS:

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

It is quite clear that Montenegrin media scene will change significantly after arrival of new media players, such as FOX and the Romanian regional network PROTV. Local media companies will face fierce competition from global networks. The investment trend into Montenegrin media sector is continuing (last year a Slovenian media group took over the leading private station, TV IN). In this sense, the departure of the German media company WAZ from ownership of *Vijesti* in 2007 is not indicative of overall foreign investment interest in the media. The panelists also pointed out the importance of the upcoming privatization of the oldest daily in Montenegro, *Pobjeda*. Expectations are that this will stimulate competition in the print media market.

Public services are obliged to broadcast part of their program schedule in languages of the minority population, and they follow these regulations. There are also private media (TV Teuta and Radio MIR) that broadcast bilingual programs in Montenegrin and Albanian. The media does also cover other social issues, the print media being the better at this.

Panelists agreed that Montenegro will witness a winnowing of media outlets since the current number is not sustainable. Branko Vojičić, program director of RTCG noted, "In the future we will definitely witness the reduction of this number, and we can only hope that the process of reducing the number of news companies will result in improved professional standards and higher quality journalism."

OBJECTIVE 4: BUSINESS MANAGEMENT

Montenegro Objective Score: 2.22

This objective dropped to 2.22 this year from 2.57, reflecting continuing profitability issues in Montenegrin media.

Panelists noted that the majority of local and national media, including the public service broadcasters, are barely making ends meet. Although there are positive exceptions (*Vijesti*, *Dan*, TV IN, TV Pink), the profitability of media companies in general is questionable. Despite the concern over profitability, most media do have developed business planning. However, with the competition, a less developed advertising market, and a past dependence on donor support, concerns remain. All indicators scored relatively close to the final average.

With electronic media the situation on profitability is complex because of the relatively large number of radio and television stations (close to 100) covering Montenegro. These stations face many commercial problems, such as illiquidity, poor management, poor human resources, shortage of investment, and limited marketing possibilities. There is also an unwillingness on the part of current ownership to consider

integrating and merging media companies for the sake of making them financially viable. Some private electronic media also survives exclusively thanks to foreign donors, but currently there is a trend of reducing the amount of grants. It is realistic to expect that a number of electronic media in Montenegro soon may be bankrupt if they cannot begin to operate as profitable businesses.

Darko Šuković, editor in chief of the private radio station Antena M, noted, “I don’t think that media are viable business. Antena M, although a leading news radio station, faces daily struggles for survival. The advertising market is limited, and we are managing to cover only 30 to 40 percent of our total costs from marketing. I believe that one of the key problems regarding poor viability of media is related to poor management and weak commercial management.”

Panelists representing local media voiced many issues with sustainability. Slavko Mandić, director of Radio Skala in Kotor said, “In the case of Radio Skala, marketing brings some 30 percent of revenues, certainly not enough for economic survival of the media. Radio is surviving thanks to a policy of low salaries and thanks to grants from donors. We are facing special problems regarding unfair competition from the public services, which are subsidized and therefore able to offer low advertisement prices. Overall, media business at the local level is not profitable and hardly sustainable.”

However, Dino Ramović, editor in chief of the Albanian language TV Teuta from Ulcinj stated, “In our case, because we are specific bilingual media—Albanian/Montenegrin—we don’t have so many problems regarding advertising incomes. We are satisfied, because we manage to make 80 percent out of total revenues from advertising activities. Nevertheless, I

agree that it is very hard to keep alive a media company in Montenegro, and in that regard we should not forget the importance of international donors, because without their support many media wouldn’t be able to survive.”

While one cannot say the media is subsidized by the government, the subscription fee paid by all citizens is shared by Broadcasting Agency in accordance with the following criteria: 75 percent to RTCG, 10 percent to local public services (radio and television), 10 percent to private media (radio and television), and five percent to the Agency itself. Private media receive part of the fee in accordance with their produced programs.

This year, as in previous years, representatives of the electronic media stressed the problem of poor implementation of the Broadcasting Law. Panelists felt the criteria are not clear and overlook media producing content in the public interest. On the other hand, panelists did point out that the Broadcasting Agency has a transparent and liberal approach in granting frequencies, thus preventing creation of monopolies.

There is market research in Montenegro and media do use what they can get. Some NGOs publish data on perception of citizens regarding media, up to ten times per year. Media themselves do not finance such research and NGOs are doing it too rarely and only when they have the support of foreign donors.

In general, the media business in Montenegro is still hardly sustainable and this directly affects the quality of editorial policies, especially investigative journalism, as well as professional standards, according to the panelists. It is becoming clear that current media companies will have to reform their business policies if they want to survive on the market, or else they will face increased competition that will consequently threaten their survival.

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

Montenegro Objective Score: 2.44

Journalists expressed concern about the state of supporting institutions in Montenegro and returned a slightly lower score compared to last year: 2.44 compared to 2.66 last year. The panelists felt that journalists’ associations are doing their job poorly and with little influence on the media community or individual journalists. However, unlike the professional associations established to protect the professional interests of journalists, there are some positive examples related to business associations representing interests of media companies. All indicators scored within a half point of the

average, with the exception of Indicator 2, professional associations, which came in more than a point lower.

The problem with professional associations, which represent primarily print journalists, is their weak organization and ephemeral activity. Journalists show little interest in their operations, as they are not viewed to provide any services. In Montenegro there are two journalists' associations (one is the inheritor of the old socialist association and the second was established 15 years ago as an expression of professional resistance toward journalism under Milosevic). As Dino Ramović stated, "There is little solidarity within the media community. Journalists' associations are inactive and unproductive. Journalists' trade unions are still not defined and, in that respect, we are faced with serious problems in protecting labor and social rights of journalists. Obviously, we are still to see attempts to create serious professional journalists' organizations as well as establishment of independent trade unions." Neither functions in a manner providing adequate professional protection of journalists. They have neither professional officers nor adequate offices. As a result, several issues, including the lack of proper labor contracts, remain unsolved.

Business associations that represent owners operate much more efficiently and professionally. The Association of Independent Electronic Media (UNEM) and the Association of Local Broadcasters (ULES) represent electronic media owners and managers. They provide training, advocacy and representation, and information to their members. Dragan Klarić, the director of Radio Budva noted, "Associations are unavoidable if we want to protect our interests in a quality way. I would like to give as a good example, the establishment of Association of Local Broadcasters, which aims to promote the status and interests of local electronic 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 in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

In principle, all relevant NGOs in Montenegro support independence of the media and press freedom. However, there is a small number of NGOs specialized in media, with the most notable being the Association of Young Journalists and the Centre for Development of Non-governmental Organizations. Other NGOs working in the civil society field do support free and independent media through civil society and human rights projects. Organizations include Cedem, Cemi, the Center for Civil Education, Nansen Center, Anima, and others.

The Panelists said that when it comes to educational programs for journalists, the positive role of the Montenegro Media Institute (MMI) should be stressed. MMI operates a journalism school and offers short-term training for practicing journalists. In parallel to this, this year will see the first generation of graduates coming from the Department for Journalism within the School of Political Sciences in Podgorica, thus significantly improving the intellectual potential of the journalism profession in Montenegro. Panelists pointed out the importance of such programs on the development of future generations of journalists and strengthening the work of current media professionals.

Printing houses in Montenegro are mostly private, with the exception of the printing plant used by state-owned *Pobjeda*. There are no problems with printing; newspapers are printed with no obstacles and at competitive prices, although slightly higher than in surrounding countries. With reference to distribution, there are also no specific difficulties other than reaching far villages in a decent timeframe. Kiosks are owned by private companies and there is no apparent political selectivity in distribution.

For the electronic media, the government agency The Broadcast Center (RDC) has the authority to erect masts used for broadcasting. Media can rent space for their transmitters and antennas and pay in accordance with RDC's tariffs. There is no apparent politicization in this process.

List of Panel Participants

Esad Kocan, editor-in-chief, *Monitor*, Podgorica

Dusko Vuković, editor-in-chief, PCNEN, Podgorica

Vladan Micunovic, deputy editor-in-chief, *Vijesti*, Podgorica

Branko Vojičić, program director, RTCG, Podgorica

Darko Sukovic, editor-in-chief, Radio Antena M, Podgorica

Bojana Radulovic, program editor, TV MBC, Podgorica

Djuro Vucinic, editor-in-chief, TV Montena, Podgorica

Dino Ramovic, editor-in-chief, TV Teuta, Ulcinj

Drasko Djuranovic, independent media analyst, Podgorica

Boris Darmanović, president, Association of Young Journalists, Podgorica

Dragan Klaric, editor-in-chief, Radio Budva, Budva

Slavko Mandić, editor-in-chief, Radio Skala, Kotor

Vojislav Raonic, director, Media Institute of Montenegro, Podgorica

Moderator and Author:

Rade Bojovic, executive director, Media d.o.o., Podgorica

The Montenegro study was coordinated by, and conducted in partnership with, Media d.o.o., Podgorica.