



Report on ANEM round table

“Drafting the Media Strategy – What kind of Media Strategy We Actually Need”

The round table titled “Drafting the Media Strategy – What kind of Media Strategy We Actually Need” was held on October 14, 2010 in Belgrade Media Centre, organized by ANEM. The aim of this event was to get the public and all interested parties acquainted with joint stands and conclusions of the media and journalists’ associations, *ANEM*, *NUNS (IJAS)*, *UNS (JAS)*, *NDNV (IJAV)* and *Local Press*, on the basic principles of the Media Strategy as well as with their proposals for solving the most important media issues to be included in the Strategy. At the same time, the event was a public call to all participants to give their opinions on the associations’ stands and proposals as well as to contribute, with their suggestions, to better development of this strategically important document. The event was attended by more than 60 participants, among whom were numerous representatives of competent authorities: ministries (Ministry of Culture, Ministry of Finance, Ministry of Telecommunications and Information Society, Ministry of Justice, Ministry of Human and Minority Rights, Ministry of Public Administration and Local Self-Government, Ministry of Trade and Services) and other state bodies (Intellectual Property Office, Provincial Secretary for Information, Ombudsman, Parliament’s Culture and Information Committee, Commissioner for Information of Public Importance and the Protection of Personal Data); representatives of regulatory bodies (RATEL, RBA), media associations (ANEM, NUNS, UNS, NDNV and Local Press), news agencies (BETA, TANJUG, FoNet), NGOs, the academic community, international organizations, donor community (IREX, British Embassy, Norwegian People’s Aid, Civil Rights Defenders, Delegation of the European Union to the Republic of Serbia, OSCE, Medienhilfe, UNICEF) and the media.

In the first part of the round table, representatives of ANEM, NUNS, UNS, NDNV and Local Press briefly presented their stands and conclusions they had advocated for at the series of thematic round tables dedicated to the drafting of the Media Strategy, held during September 2010 in Belgrade, in the organization of the Ministry of Culture and the OSCE Mission to Serbia with the support of the British Embassy and the Delegation of the European Union to the Republic of Serbia. The participants of the event were provided with the full text of all joint stands and conclusions of these media and journalists’ associations.

Presentation of the associations’ stands and conclusions

1) Basic principles of the Media Strategy

ANEM, NUNS (IJAS), UNS (JAS), NDNV (IJAV) and Local Press

Sasa Mirkovic, ANEM: Prior to the start of the round tables, the five associations had agreed on several basic principles which should be respected when drafting the Strategy. This is primarily related to the request to secure transparency of ownership of the media, prevent the creation of

monopolies on the media market, enable the complete withdrawal of the state from ownership in the media by a set deadline and establish equal treatment of all media on the market, through the amending of legal regulations.

2) Regulatory agencies and digitalization

ANEM, NUNS (IJAS), UNS (JAS), NDNV (IJAV) and Local Press

Sasa Mirkovic, ANEM: The currently operating Working Group for the monitoring of the implementation of digitalization should be enhanced by new independent members and given a greater authority. It is necessary to ensure the presence of the candidates, nominated exclusively by the media sector, in the RBA Council, and reduce the number of the Council members proposed by the state nominators. It is necessary to enable the transparency of the RBA work, including issuing broadcasting licenses, as well as strengthening its regulatory capacities. The Agency should adopt a new Strategy of broadcasting sector development, which would be applicable to the digital era. Fees that are paid to regulatory bodies must be determined in line with the costs of regulation, while any surplus must be directed to the Media Fund. As for digitalization, a position in multiplexes should be available to all broadcasters with valid broadcasting licenses. It is also necessary to consider the issue of convergence of the two regulatory bodies and to conduct a detailed analysis and consultations with all interested parties before making a decision on it. The Serbian Government should bring the decision on the allocation of the digital dividend through a transparent process and with the widest public participation, taking into account the public interest, namely, both in terms of leaving a sufficient frequency bandwidth for broadcasting and the use of part of revenues to be realized from the digital dividend for media funds and projects.

3) Press Council and the work of news agencies

ANEM, NUNS (IJAS), UNS (JAS), NDNV (IJAV) and Local Press

Vukasin Obradovic, NUNS: The Press Council is of great importance for monitoring of the compliance with the Code of Journalists of Serbia in the print media and because of that it is necessary to create optimal prerequisites so that the Press Council could start its operations at full capacity. The founders of this self-regulatory body should develop ways of self-financing so that each founder participates in its financing in accordance with objective possibilities. Only two acceptable models for the Tanjug transformation, which have a democratic foundation and economic justification, are its privatization or transformation into the government's press bureau, while the further funding of Tanjug by the present model would constitute the government's aid prohibited by the Law on State Aid Control.

4) Regulation of the state co-financing and support to the development of media

ANEM, NUNS (IJAV), UNS (JAS) and NDNV (IJAV)

Zuzana Serences, NDNV: The key and basic requirement in this field is that financing of the media must be transparent and based on the principles that are to prevent the state impact on media editorial policy. The proposal is to establish two Media Funds, at the state and provincial levels, which would allocate funds through three separate lines: for the media, for media content in

languages of national minorities and for the diversity of media content. The managing of the funds must be transparent and based on the principles of public interests, and independent commissions should decide on the allocation of these funds, under the principles of project financing. As for the **media in languages of national minorities**, the basis is advocating for de-etatism of media including those founded by the National Minorities' Councils. If the legislator decides to keep the present founders rights of the National Minorities' Council in the media in languages of national minorities, it should enable the mechanisms which would prevent the representatives of National Councils to influence the managing and jeopardize independent editorial policy of these media. It is necessary to precise more clearly legal obligations of the Republic and the Province related to financing minority media. It is also important that electronic national minorities' media have reserved frequencies. The issue of the position of the media in languages of national minorities should be more in-dept defined by the AP Vojvodina Strategy for the media development.

Separate, different opinion of Local Press:

Dejan Miladinovic, Local Press: It is necessary to secure legal-administrative measures for the state aid to local media. Local media with low circulation (below 2500) should be supported in this way. The small media that are not in a position to adapt to the challenges of technological development should be supported, which includes employing young people, too.

5) Institutions of public service broadcasting (RTS and RTV), commercial broadcasters and institutions of regional public service broadcasting

ANEM, NUNS (IJAV), NDNV (IJAV) and Local Press

Slobodan Kremenjak, ANEM: It is necessary to precisely define obligations of **institutions of public service broadcasting (RTS and RTV)** and determine clear indicators that would serve as a basis for assessment of such obligations, to introduce a set of measures for improving transparency of their operations as well as to create control mechanisms. It is necessary to separate (in accounting terms) the commercial revenue from the TV fee revenue and to submit transparent reports on using these funds. Concurrently with the increase in the collection of the TV fee, additional limitations of the quotas of advertising on the public service broadcaster shall be introduced, as well as their reducing. As for **commercial broadcasters**, the problem of too many existing broadcasters shall be solved by measures that would stimulate consolidation of the market, mergers and fusions in the media market, taking care of the prevention of illegal media concentration. The number of licenses should not be limited in advance. If the need for public service program is not satisfied, the licenses issued to commercial broadcasters would oblige them (in a form of regulatory obligation) to produce and air such program with stimulatory measures obtained. Establishment of new **institutions of regional public service broadcasting** is unacceptable: in the situation when the performance of the existing institutions of public service broadcasting is unsatisfactory; because it envisages financing by the TV fee, which is unstable financing source due to the low rate of collection; it envisages that the carriers of these services are non-privatized stations, which sends a wrong message on enforcement of laws in Serbia; it is problematic from the viewpoint of constitutional guarantee of maintenance of the achieved level of human rights.

Separate, different opinion of UNS (JAS):

Ljiljana Smajlovic, UNS: The idea on introducing the institutions of regional public service broadcasting should not be rejected in advance. Privatization is not the guarantee for the media independence from the influence of politicians and tycoons. Since our aim is to create conditions for the decent informing of citizens and the stable media financing, we owe it both to journalists and citizens to consider the possibility of introducing the institutions of regional public service broadcasting, if the Government proposes the concept that could convince us it would be possible that these could be independent from politics and the state.

6) Transparency of ownership, illegal concentration and the role of the state in print media

ANEM, NUNS (IJAS), UNS (JAS), NDNV (IJAV) and Local Press

Dejan Miladinovic, Local Press: Transparency of ownership is a required condition for prevention of monopolies, regardless of whether the direct or indirect influence is exerted by the state, the media industry or the advertising lobby. The public's inability to find out the true structure of ownership threatens the development of the media who are not part of the concentration and are victims of unfair competition and concentrated media industry.

Dragan Janjic, NUNS: The realization of the dominant influence on the public opinion should be prevented by the anti-monopoly legislation. As for the state's relation toward the media, the key stand should be that the state must not finance the media but the public interest.

Who should take part in the drafting of the Media Strategy?

At the end of the first part of the round table, regarding the statements to the press made by the President of the Media Association, saying that only media publishers should be consulted in the process of drafting the Media Strategy and not journalists' and media associations, the representatives of UNS and NUNS voiced their disagreement with such a position, stressing that everyone should participate in that process and that the debate must be public, without making any concessions to media owners.

The second part of the round table saw a constructive discussion during which useful suggestions for formulating the future Media Strategy have been heard.

In the introductory speech, **Sasa Mirkovic (ANEM)** explained the reasons for holding the round table and briefly informed the participants about the hitherto activities on drafting the Media Strategy. Mr. Mirkovic said that five of the six planned thematic round tables were held in September; that they were closed to the public pursuant to the organizers' decision; that the Ministry of Culture did not formulate conclusions after each round table or developed the Draft by October 4, as agreed. At the present time, it remains unknown who shall be writing the Draft, when it will be completed or how the public debate about it will look like. The bases for the discussion on the round tables were the recommendations from the Media Study. Finding that these recommendations had failed to properly respond to many questions, ANEM, NUNS, UNS, NDNV and Local Press tabled specific proposals for the strategic regulation of the media system, in relation to topics discussed at the round tables. Believing that the public ought to be included in the entire process and that the suggestions of all stakeholders could significantly contribute to the Strategy's quality, ANEM organized the round tables as a first step towards that.

The introductory part was followed by the **discussion**, with the particular focus on the following:

Branka Djukic, Director of Tanjug: The proposal for Tanjug to be transformed in a press bureau is contrary to the principles of parliamentary democracy and an attempt to scrap the news agency altogether as a competitor on the market. The state is a greater guarantor of independence and impartiality than the market and commercial and public interests are never the same. The practice in Europe is that all news agencies, except for DPA and France Press, are funded from the state budget. The Media Study proposed a model for transforming Tanjug into a non-profit public agency akin to the Croatian Hina, which is the best solution. However, Tanjug has the capacity to retain the leading position on the market in any model of transformation.

Zoran Sekulic, FoNet: The position of the Beta and Fonet news agencies is that the state should not be a media owner. As for Tanjug, the state must decide if it will continue to fund it from the budget and transform it into a press bureau or start to regard the agency as a media, which means that it ought to be privatized. By retaining a stake in media, the state continues to be a player in the media sphere, opening thereby the door for political influence and misuse and creating unequal conditions on the media market. Hina is the only agency in Croatia and is therefore justifiably funded from the budget. Press bureaus do exist in parliamentary democracies (such as, for example, in Germany).

Dragan Janjic, NUNS: The equality of market participants is a principle that must not be violated, which is occurring in the case of Tanjug. We need to be referring to the financing of the public interest and not to funding specific media institutions.

Slobodan Kremenjak, ANEM: Serbia has a Law on the State Aid Control, which says that any state aid harming the existing market shall be forbidden.

Slavisa Popovic (Niska TV), Kragujevac Initiative: The Kragujevac Initiative is satisfied with the manner in which the problem of regional and local public service broadcasters was addressed by the Media Study. The European practice confirms that the public interest is properly affirmed by maintaining local, namely regional public service broadcasters. The problem of the TV fee remains, but needs to be addressed by finding a solution for a more efficient collection thereof.

Rade Veljanovski, FPN: Although the Kragujevac Initiative supports the recommendation from the Media Study to establish regional public service broadcasters, everything else from that Initiative is diametrically opposite to the concepts proposed by the Study. The latter namely provides that these broadcasters will not have their own frequency or air their program 24/7, but merely one hour or two on the air in the „windows“ on the national public service broadcaster, etc. Furthermore, the setting up of such public service broadcasters must not be represented as the sole way for achieving the legitimate interests of the citizens at the local and regional level to receive information. Regarding the existing public service broadcasters in Serbia are currently so poor that the reduction of the quotas for advertising would not, at this particular time, be a good thing to do. As for Tanjug, it needs to be placed in an equal position with other agencies, i.e. to be a fair competitor to others. Serbia has commercial news agencies that are operating in a professional manner and in line with the public interest. Everyone should take part in creating the Strategy – from the media industry and the representatives of media associations, to experts and the general public.

Kalman Kuntic, Vojvodina Information Secretariat: Along with the Ministry for Public Administration and Local Self-Government, the Secretariat has requested the privatization process to be discontinued due to the lack of interest of investors for local media, as well as due to the fact that 60% of media that have been privatized in Vojvodina are now in mixed ownership of the

employees and the Privatization Agency. Irrespective of the funding of media – state funding or funding provided by a company or NGO – there will be self-censorship in favor of financier. The public interest is more important than the ownership structure of the media. The issue of survival of privatized media is also related to the small advertising market in Vojvodina, consisting merely of small local entrepreneurs. With the disappearance of local media as a consequence of privatization, the local population will not be able to receive all the relevant local information. Concerning the privatization of national minorities' media, the current situation needs to be accepted, while at the same time protecting the public interest and preventing influence by the state. If the provincial media fund is set up, it would have to employ at least seven people, which would cost the provincial administration an additional 7.5 million dinars. Therefore the resources for the media should be allocated through the existing competitions, while at the same time mechanisms should be developed for ensuring the transparency of the selection of media projects.

Slobodan Ilic, State Secretary in the Finance Ministry: The Law on State Aid precisely defines a violation of competition and such definition should be taken into account when drafting the Strategy. The latter should also be in line with the state's strategy in the sphere of tax incentives. The above mentioned principles of self-financing lack the simplicity of financing of the public interest, which is important both for control and for meeting international standards. Part of the Media Strategy must pertain to the legislative framework – we need to itemize the relevant laws and present the existing regulations, the proposals of the Strategy and the concrete amendments or proposals of legal concepts. In order to avoid manipulation, the Strategy must clearly highlight which parts stem from the European practice and which ones arise from the specific practice of individual states. It would be useful, after the formulation of the Strategy, to produce a manual about the latter, which would be used in local and regional media. As for the proposal to set up state media funds at the republic and provincial levels, the first question is how the resources contained in these funds would be administered. Moreover, will there be any overlaps in competing for the resources from the said media funds and how these overlaps will be dealt with? Regarding the issue of allocation of funds in the scope of the three planned lines, there is no proposal as to how to do that. Furthermore, what will be the status of media, whose privatization has failed? Will that mean that the media in question will be shut down? The Standing Conference of Towns and Municipalities and other organizations that are well-acquainted with the functioning of local budgets need to be consulted, with the aim to find out if the proposal, to have at least two percent of the local budget allotted for financing the public interest at the local level, is realistic. As for the proposal to have the state subsidize media investors, one should bear in mind that state subsidies in general are increasingly shrinking. Also, the proposals are not clear about whether control and reporting mechanisms will be put in place in order to oversee the expenditure of resources from the media funds. By the way, various gatherings about the Media Strategy are called a public debate; however, the Rules of Procedure of the Government clearly state that a public debate shall last from the moment when draft law or strategy is developed until such draft law/strategy is actually adopted.

Snjezana Milivojevic, Faculty of Political Sciences: The weakest point of the Study is the absence of a vision of the media situation for the following five years. The proposals in the Study are both technologically and financially unsustainable and unfeasible in the conditions foreseen in this country for 2012 (digitalization). The round tables failed to address the matter of a development program for the media, if any, on the basis of the obligations brought about by the *Acquis Communautaire*; the proposals of the associations were mainly centered on specific solutions for problems from the past. With the launch of the digitalization process, the Strategy was developed in such a way that it would soon become obsolete. Therefore the representatives of

society must define their positions on key assumptions of media development that will represent the foundation of the system, while the Ministry needs to make a development vision and not merely put forward a series of recommendations, as their formulation may not be a good development prospect. Traditional media or the planned changes are simply not mentioned anymore in European media regulations. Europe is currently developing regulations in four areas – 1. Electronic networks; 2. Media services; 3. Media content; and 4. The co-use of media. Underway is the preparation of a new recommendation of the Council of Europe, which will be binding for our country and which will define the media in a new way. In line with the European framework, media development trends and the digitalization plan, the preamble of the Strategy should define the legislative basis thereof. Absent such a strategic legislative basis, there will be no consistency and specific concepts might prove to be mutually conflicting, such as those concerning regional digitalization and regional public service broadcasters. Another weak point of the Study is the economic assessment of the functioning of the media. The Strategy should take as a starting point the fact that the advertising market for electronic media currently amounts to around 95 million euros, of which 35 million for RTS. With the money being so scarce, suddenly the door is opened for cash from the so-called grey zones or for the production of poor quality content. One of the explicit requests of media and journalists' associations should be that the Strategy must be based on clear economic parameters for the development of media in the next five years. Therefore it is necessary to carry out an economic analysis of the development of media in the period covered by the Strategy and propose strategic solutions accordingly. The cost of digitalization needs to be determined, as well as how the loans granted by the EU for digitalization will be repaid, how the money for the digital dividend will be spent, what is the percentage of the media market in the next 3-5 years, how many media on such a market may operate successfully, etc. One of the Strategy's goals should be the continuation of privatization; the latter should define how the state plans to make the media sphere more attractive for investors. The Strategy must explain what strategic measures the government intends to use to boost pluralism, preserve local media and have the "media essence" survive through the privatization process. As to the Law on Transparency and Illegal Concentration of Media Ownership, the goal thereof is clear: not only to know who the owners are and to encourage or limit concentration, but also to have a diversity of media ownership, making these media better and offering better content to citizens. As far as public service broadcasters are concerned, the mandate thereof needs to be discussed, just like the content of public broadcasters' services, the manners to insure the public interest and the development of public media in the new multichannel environment, not the individual requests of public television stations.

Dragan Kremer, Medienhilfe: Although the round tables held in order to address the development of the Draft Media Strategy have gathered the direct stakeholders, instead of representing a public debate, the representatives of the Ministry of Culture started calling them a public debate. We may therefore conclude that, under the "excuse" of the public debate, the interests of large and tabloid-related capital will be brought to the table and threaten the representativeness of the positions of media associations due to the absence of ASMEDI at these round tables. Tanjug needs to be privatized and not transformed into a press bureau, since we already have the government media office with some one hundred employees operating as a press bureau. RTS must not be financed in multiple ways – from the TV fee, the budget and from advertising – and that must be underlined in the Strategy. The transparency of ownership must encompass all players in the media market that are covered by a certain amount of turnover in the media. Certain media products of production companies must be encouraged or additionally taxed, depending on the fact if the producer of such products is an independent entertainment production

company or a news production company. If the Strategy proposes that it is better or cheaper that the media be re-registered as so-called civil society media, what may happen is that the media be formally re-registered, without changing the content they are marketing. Consequently, the Strategy must take into account the content of media products. The media gathered around the Kragujevac Initiative need to undergo privatization and then advocate their legitimate interests, on equal position with everyone else. As for information at the local level, new technologies are enabling all citizens to receive local information, without the need for the existence of a local station. We have to enact a Strategy that will be applicable in the coming digitalization period and an era when new generations of media consumers are growing up.

Vladimir Maric, Intellectual Property Office: The Media Strategy must also involve a resolute battle against piracy, adherence to regulations about copyright and related rights and the issue of cracking down on unfair competition. We must bear in mind that these issues are already regulated by the Broadcasting Law and the Law on Copyright and Related Rights, as well as the pending Law on Optical Discs, which will instill order in the sphere of legitimate use of author's works. The Strategy should also include a recommendation on how to improve the communication between collective organizations and broadcasters regarding the use of author's works, as well as define how print publishers will realize their right to a fee from the use of author's works.

ANEM will consider everything that was put forward in the discussion and take it into account when participating in the public debate about the Draft Media Strategy.