

MOLDOVA

INTRODUCTION

There have been some positive developments in Moldovan media during the past few years. However, most members of the discussion panel and other media observers criticized the lack of sustainable and well-managed independent media. With the Communists' advent to power, the media sector has been subjected to growing administrative and legal pressures aimed at establishing control over it. Despite the fact that the country is starting to harmonize its legislation with international standards, and despite some positive decisions of the Moldovan Supreme Court regarding defamation and libel, the implementation of these good intentions so far remains an issue. "Journalists are liable to become victims of abuses, as the new, recently passed criminal code includes jail sentences of up to five years for libel and defamation," believes Justice Minister Ion Morei.

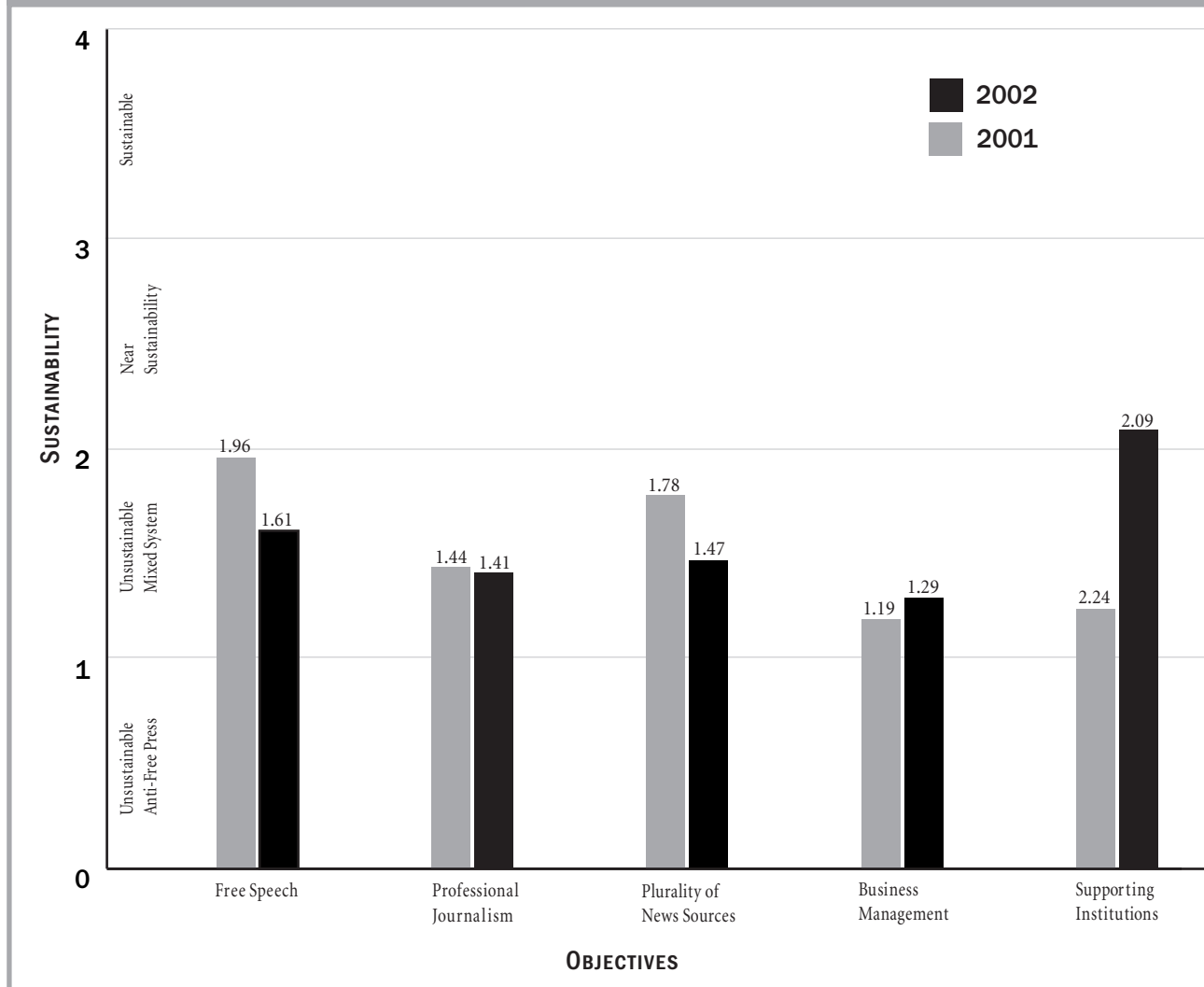
Panel members criticized the absence of editorial independence in the media, particularly in the state-funded media. The media sector is comprised of state-owned, party-owned, and commercial outlets. Many of them depend on outside funding and allow editorial interference from government, political parties, or businesses.

The reasons for the lack of independence are many: lack of revenues and the difficulties in securing capital; self-censorship; lack of good management; and the absence of a dynamic advertising market that could lead to profits through honest competition. Nonetheless, panel members commented that there are a few examples of truly independent papers and broadcasters in the country. Despite the fact that good, professional broadcast programming and writing exist in Moldova, panel members gave a very low rating to the journalism practiced in Moldova—even though trust in the media is growing.

While access to information is not legally obstructed, it is a financial burden both for media outlets and consumers, especially in the regions outside the capital. Papers are delivered with a few days' delay, and the state distribution network remains a monopoly; however, private distributors are emerging. State-run television and radio provide the most accessible nationwide sources of information, although a few other radio stations cover the entire, or two-thirds of, the territory.

Panelists felt that "media people are more comfortable when they are under somebody's wing. This mentality needs to be changed quickly; otherwise we will have no independent media."

MOLDOVA—MEDIA SUSTAINABILITY INDEX



OBJECTIVE SCORING

The averages of all the indicators are 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:

3 and above: Sustainable and free independent media

2-3: Independent media approaching sustainability

1-2: Significant progress remains to be made; society or government is not fully supportive

0-1: Country meets few indicators; government and society actively oppose change

INDICATOR SCORING

Each indicator is scored using the following system:

0 = Country does not meet 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

International radio stations are accessible everywhere, and local papers exist in all the regions. Internet access in the regions is simply unaffordable. Printing services providers are diversifying, but there are still state-owned printing houses.

Participants in the discussion mentioned that media coverage is quite distorted and biased during elections. Basically, many media outlets turn into mouthpieces for political parties, and there are attempts on the part of officials to pay for favorable articles in the most popular papers. Another negative tendency that the panel participants mentioned is the fact that journalists are unwilling to work together to defend their interests; on the contrary, they tend to disagree on many issues, making it more difficult to mobilize and form trade-media associations.

OBJECTIVE 1: FREE SPEECH

Moldova Objective Score: 1.61/4.0—The Constitution of Moldova guarantees freedom of expression and the right to information. According to the Constitution, “mass media are not subject to censorship.” However, since the adoption of the Constitution in

1994, the democratic principles proclaimed by the basic document have, to a large degree, remained unimplemented. Enacting free-speech principles was discouraged by state authorities, who enacted a set of laws obstructing the freedom of expression.

Although hesitantly, some efforts are being made to ensure compatibility of domestic law (and the way it is being enforced) with European standards on freedom of speech. The last ruling by the Supreme Court of Justice (June 19, 2000) on how courts should apply legislation in cases of freedom of speech violations was considered an important step toward enforcing constitutional provisions. Accordingly, the Supreme Court reiterated the constitutional provision, which says that “if there is a discrepancy between the international human rights pacts and treaties (to which Moldova is a party) and domestic legislation, international regulations will take precedence.” This ruling explains how to enforce the legislation on the protection of people’s honor, dignity, and professional reputation. This mainly concerns provisions in the Civil Code (Articles 7 and 7.1). The Supreme Court of Justice ruled that the lower courts should apply international legislation directly (e.g., Article 10 of the European Convention on Human Rights) rather than continue applying domestic laws, which often contradict the Constitution and are incompatible with international laws. In legal terms, Supreme Court rulings are not binding for the lower-instance courts, but, as a tradition, they are usually applied.

The new Civil Code of the Republic of Moldova was passed on June 6, 2002. Article 16, which refers to the “protection of honor, dignity, and professional reputation,” largely kept the provisions of the old civil code; however, several articles are in a position to be much more damaging to the press than those in the old code, thus aggravating its situation (e.g., the cancellation of the cap on monetary compensations for moral damages). Furthermore, the new criminal code of the Republic of Moldova contains several provisions questionable in terms of potential impact on the freedom of expression.

Employees of the state-owned company Teleradio-Moldova staged several protest actions, including a large-scale strike, at the beginning of 2002 against censorship at the company. The Parliamentary Assembly of the Council of Europe reacted by passing Resolution 1280 (2002) in April 2002 regarding the functioning of democratic institutions in Moldova. The Moldovan parliament then found itself constrained to pass a law ensuring the transformation of Teleradio-Moldova into

| Legal and social norms protect and promote free speech and access to public information. | |
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| 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 public institution. However, the new law (passed on July 26, 2002), through its stipulations on the appointment of the company's principal deliberating body, fails to ensure its independence and actually leaves it at the mercy of the authorities. The Council of Europe gave a negative assessment of that law, and through its Resolution 1303 (dated Sept. 26, 2002) has called on the Moldovan authorities to amend it during the fall 2002 session. The experts have qualified the measures taken by the authorities concerning the status of the state broadcaster as "pretended transformation" of the institution into a truly public one.

Hidden censorship occurs in a number of ways, depending on the creativity of officials. For instance, if the editorial policies of certain media are inconvenient to some officials, such media are subjected to frequent inspections by tax authorities. Authorities also use pressure on businesses supporting inconvenient media; the pressure forces such businesses to stop their sponsorship or to condition their support on political considerations.

The panelists believe that cases of abusive application of the media law have included: the closure in late 2001 by the Attorney General's Office of the *Kommer-sant Moldova* newspaper due to that periodical's "publishing of articles in a position to endanger the security of the state"; the withdrawal of the broadcasting license of the national television channel Stil-TV; the wrongful suspension by the police of the *Accente* newspaper through the seizure of the October 10 issue, and of the entire database, which was being stored on the premises of the newspaper. The *Accente* newspaper had become one of the most annoying publications for the authorities and certain political circles through its scandalous revelations and investigations into cases of corruption among senior state officials.

Radio and television broadcast licenses are issued by the Broadcast Coordinating Council (BCC), as stipulated by the Law on Broadcasting. The BCC is composed of nine members, with the government, the president, and the parliament each electing three of the nine members. According to the broadcast law, licenses are issued on the basis of several criteria that must support "the plurality of opinions, equality in the treatment of participants, the quality and diversity of programming, free competition, domestic broadcast productions, and the independence and impartiality of broadcast programs." According to Article 34 of the BCC bylaws, "the council will take into account the following: a) the interests of listeners and viewers; b) the need to protect national

interests, promote cultural values, provide programming related to different social groups..." These legal criteria are considered vague and provide fertile ground for arbitrary distribution of licenses.

Panelists mentioned that "the new draft civil and penal codes seem to be tougher on media than the previous codes. They allow some corrupt judicial bodies to use the articles protecting the honor and dignity of officials to revenge against journalists; when defamation cannot be proven, the legal procedures turn into harassment."

The BCC has yet to develop a clear concept for the development of Moldovan broadcasting. Panel members criticized the BCC for unfair and random license distribution and especially for its lack of reaction to the failures of some outlets to meet requirements on the basis for how licenses were granted. They agreed that "the criteria were good; problems appeared after the licenses were issued." Many radio stations obtained licenses but later limited their activity almost entirely to rebroadcasting foreign stations, mostly from Russia. Licenses are being issued in the absence of a broadcasting development strategy. Other panelists mentioned that the BCC decisions favored the ruling party, as BCC members were selected based on their loyalty to the Communist Party.

Although there have not generally been many crimes against journalists, the authorities did not express any desire to deal with cases of violence against journalists. Members of the group expressed their concern with the growing number of cases in which journalists are charged with "accepting bribes." These cases are not unique. On Dec. 7, 2001, two journalists were detained on accusations of "demanding bribes"—Grigore Teslaru, head of public relations at the Tighina County Council, and Tudor Rusu, editor in chief at the *Faclia* weekly. The sentences have yet to be handed, and the journalists are being investigated while free (after having spent 30 and 15 days, respectively, under arrest). TVM presenters Larisa Manole and Dinu Rusnac, who

were part of the strike committee against censorship, were dismissed under the pretext of “staff rotation.”

Journalists continue to be held responsible for libel and defamation, albeit the number of cases is falling. Panelists mentioned that “the new draft civil and penal codes seem to be tougher on media than the previous codes....They allow some corrupt judicial bodies to use the articles protecting the honor and dignity of officials in revenge against journalists; when defamation cannot be proven, the legal procedures turn into harassment.” Libel remains a criminal offense, punishable by prison terms of up to five years.

A general note made by most observers is that Moldova still practices excessive state control over public information. In May 2000, the parliament passed the Access to Information Law, which stipulates that any individual legally residing on the territory of Moldova may request any kind of information or document from public authorities or institutions without giving a reason. Article 7 specifies that “no restrictions will be imposed on freedom of information unless the provider can prove that the restriction is warranted by law and is needed to protect legitimate rights and interests and for reasons of national security, and that the damage done to such interests will be larger than the public interest in learning such information.” The law prescribes that the individual whose legitimate right or interest is damaged by the information supplier may challenge the supplier’s actions either in or outside the courts.

Although this law was adopted two years ago, officials continue to turn down journalists’ requests. Sometimes they satisfy information requests officially, presenting information that cannot be used or charging a fee for the service. It also happens that journalists use unverified information that they obtain from confusing sources.

Media access to international news and sources of information is not restricted. The only real barrier is the limited financial capacity of citizens and media outlets alike. That being said, it is worth mentioning that the Communist authorities have ordered, under various pretexts, the suspension of the broadcasting of the public television channel TV Romania 1 and Radio Ekho Moskvu, the latter being famous for its programs critical of the Russian government. Recently, a Communist MP, chief of the parliamentary commission for national security, accused Romanian channel PRO TV and its branch in Chisinau of “advertising violence and sex.” “Don’t be surprised if one day we shall demand PRO TV to close,” he warned. Asked by BASA-press,

the BCCs chairman said that PRO TV met all international broadcasting standards; however, the next day he changed his mind and issued a declaration “against the culture of violence in TV programs.”

Authorities in Moldova have not imposed restrictions on media professionals entering the profession beyond accreditation. Foreign journalists are required to receive accreditation from the Ministry of External Affairs, which is not difficult to do. Accreditation does preclude freelancing, as both Moldovan and foreign journalists must be affiliated with a certain media outlet.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Moldova Objective Score: 1.41/4.0—Good professional reporting in Moldova exists, but so does biased, unprofessional journalism. A few journalists produce objective, analytical articles and programs, checking facts and using multiple sources. While the state-run press engages in propaganda campaigns, the independent media are currently witnessing an increased leaning toward social reporting. In a recent opinion poll by the Centre for Sociological, Political, and Psychological Analysis and Research (CIVIS), commissioned by the Institute for Public Policy, media were

| Journalism meets professional standards of quality. | |
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| 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). |

ranked second after the church on the credibility scale (with 79 percent and 58 percent, respectively). Nevertheless, the newspapers, radio, and television do not always distinguish between information and opinion. Improved education would help: more than two-thirds of the broadcast managers in Moldova, for example, do not have a suitable education. Improved access to information is also needed: about 60 percent of journalists see the access situation as unsatisfactory, according to a December 2002 opinion poll by IMAS.

Opposition parties have practically no access to Teleradio-Moldova (TVM). In contrast, journalists from independent media cover major events and issues more thoughtfully. Panelists noted that “commercial newspapers and stations are sometimes more accurate in their coverage and closer to the interests of a lot more people.”

There has been much debate among journalists on ethical standards and the need to enforce them. The debates culminated in the adoption of a Code of Professional Ethics in May 2000. Among other things, the Code requires a clear distinction between information and opinion; journalists should use only information that they think is reliable, and which is based on sources they know. The presentation of such information should be impartial; journalists should not receive, either directly or indirectly, any kind of compensation or fees from third parties for the publication of any kind of information or opinion; they should respect the privacy of individuals. The provisions of the Code of Ethics are not observed in full. Moreover, the November 2002 IMAS poll showed that 26 percent of the journalists polled were not sufficiently familiar with journalistic codes of practice, while 76 percent insufficiently followed the provisions of the Code adopted in 2000. Thirty-four percent of the respondents admitted that they occasionally accepted tasks incompatible with professional principles.

Journalists tend to stray from ethical standards, especially during elections, when most media outlets

fall into political camps. According to the IMAS opinion poll, 85 percent of the respondents believe that journalists in Moldova give in to “considerable political partisanship to the detriment of free journalism principles”; the main reasons cited are the precarious economic situation of media outlets and journalists (48 percent) and the lack of conditions for an independent press (29 percent). The same poll shows that 35 percent of the journalists responding do not feel safe from threats or pressure related to their professional activities, and 60 percent feel they are only “partially” protected.

Self-censorship is practiced both among state-run and private media employees. Self-censorship is high among private media because the owners expect their employees to abide by taboos or, alternatively, to take an exaggeratedly critical stance toward targeted figures, organizations, or political parties.

In their reporting, many journalists simply announce major domestic and international events without a follow-up or an in-depth analysis; they very rarely follow up on issues of major importance, such as privatization and economic reforms, the activities of nonparliamentary parties, or social problems. The state-owned company Teleradio-Moldova (TVM) covers events from the viewpoint of the governing party; newscasts start with reports on the country’s top political figures. Opposition parties have practically no access to TVM. In contrast, journalists from independent media cover major events and issues more thoughtfully. Panelists noted that “commercial newspapers and stations are sometimes more accurate in their coverage and closer to the interests of a lot more people.”

Competition has brought the salaries of journalists employed by both state-owned and private media closer together, at about \$50 to \$100 per month. However, salaries are not a function of merit; rather, they depend on media owners and their connections to businesses or political parties. Journalists are often forced to look for extra income and thus disregard some of their professional principles. Extra pay comes mainly from political advertising sold by outlets, but also from paid services offered to political parties during elections. Some private owners hire journalists for a trial period of one to three months, only to refuse to employ them afterward and without paying them for the time worked.

Most private radio and television stations have their own broadcast equipment, including transmitters. The state-owned company TVM and several private radio stations, including a number of foreign (Russian)

ones, use the services of the state-owned Radiocomunicatii Company. TVM faces serious technical problems. More than 70 percent of its equipment is physically old and technologically outdated. Private broadcasters do a better job at balancing their revenues and expenses, but only a few foreign radio stations can afford to invest in equipment upgrades (HitFM, Russkoe Radio, Serebrenanyi Dojd', ProFM, Radio Contact, and so on).

Investigative journalism “does not quite exist,” as panel participants put it. Nevertheless, there have been a number of successful attempts in this area in the Association of Independent Press (API). Investigative stories subject journalists to many risks that are considered unjustified relative to the expectations of consequences from the publishing of investigative reports: authorities take no action in response to the revelations in the press. Also, media outlets cannot afford the higher costs of producing investigative pieces.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Moldova Objective Score: 1.47/4.0—In 2002, 180 newspapers and magazines were published in Moldova, of which about 100 had national circulation and 80 had local circulation. About 20 percent of the national ones were partly funded by the state, political

parties published around 15 percent, and the rest were under private or corporate ownership. There are about 115 private local radio and television stations. Several radio stations cover about 70 percent of the country (Chisinau municipality’s Antena C; the private stations HitFM, Russkoe Radio). Apart from public television Moldova 1, Russia’s public television ORT and Romania’s TVR 1 have national coverage. Political parties do not own radio or television stations.

People can freely access domestic or international media outlets with no political, legislative, or technical barriers, but financial resources limit their access. In August, however, the authorities suspended the broadcasting of TVR 1 under the pretext of technical problems, only to quote financial reasons later. Also under the pretext of financial issues, the rebroadcasting of the Moscow radio station Ekho Moskvyy was suspended. A family can afford—in the best of cases—to subscribe to or buy just one publication. According to a recent poll commissioned by the Independent Journalism Centre, about 44 percent do not read the papers at all, and 20 percent read “less than once a week.”

Moldovan citizens have access to global radio stations, such as the BBC, Voice of America, Radio Free Europe/Radio Liberty, and Radio France Internationale, which broadcast on FM or UHF frequencies. Moldovans also have access to a number of international television stations: the French TV5 is rebroadcast by a local station, while other stations such as CNN can be accessed via cable operators. Radio and television stations from neighboring countries are also accessible. TVR 1 and ProTV originate in Romania; Channel 1 is rebroadcast from Ukraine; local stations rebroadcast Russian radio stations; Moscow-based television stations are rebroadcast entirely or partially (ORT, RTR, RenTV, NTV, TV6, and so on); and local editions of Russian newspapers are also available. Western newspapers disappeared shortly after their introduction on the market due to their high prices, although they can still be found in some places with limited availability, i.e., embassies.

In contrast with Chisinau municipality, where at least theoretically there are a great number of sources of information, in most rural areas the situation is completely different. Many villages have no kiosks, radio programs are not regularly transmitted, and only one or two television channels are accessible. Power cuts are frequent, further contributing to the dire situation. Many people are deprived of basic information, even from local sources. The press arrives in villages after delays of up to one week, when the information

| Multiple news sources provide citizens with reliable and objective news. | |
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| 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. |

is already outdated. In kiosks, vendors can go as far as displaying newspapers depending on preferences, including linguistic and political ones, rather than on sales. Many owners complain that their newspapers are being hidden or stored in hard-to-see places.

A growing variety of news agencies can be found in Moldova. The monopoly of the government-owned agency Moldpresa has been undermined in recent years by about 10 new private agencies, of which BASA-Press, Infotag, Infoprim, Flux, Interlic, and Deca-press have established themselves on the market.

Independent radio and television stations in Moldova contribute only partially to the diversification of information. A large proportion of independent radio and television stations (40 percent, according to BCC’s division for licensing) is concentrated in two districts—Chisinau and Balti. Most of these stations rebroadcast foreign programs mainly from Russia and, to some extent, Romania. The amount of original programming is insignificant and consists mainly of entertainment. The share of newscasts (three to five minutes every hour or half-hour) is minimal, and the news items seem to be selected randomly. There are exceptions, such as ProTV Chisinau, TVC 21, Radio Antena C, Radio Nova, Radio Contact, Radio ProFM, ORT Moldova, NIT, BBC, and Free Europe (which launched a one-hour information program called “The Hour of Moldova” a year ago), as well as some radio stations outside Chisinau. These stations usually have special newscasts and analytical shows, as well as their own news-gathering staff. The news they broadcast concerns national events.

Media in Moldova are not transparent about their ownership and funding sources. This is especially true of private newspapers. The public is not informed about some radio and television station ownership, especially those with some significant impact on the country’s political life (e.g., ORT Moldova and Vedomosti TV). The ownership of mass media is often the subject of sensational disclosures during elections. There is a tendency of media concentration, especially in broadcasting.

Media in Moldova are doing a poor job of covering the wide spectrum of society’s interests; they give preference to politics and allow insufficient space for the coverage of social issues. For instance, one rarely sees stories on social assistance, disabled people, abandoned children, or the trafficking of women. There are, nonetheless, some positive shifts of emphasis from the political to the social in such independent news-

papers as *Jurnal de Chisinau*, *Timpul*, *Ekonomicheskoe Obozrenie*, and *Novoje Vremea*.

Of the existing publications with national circulation, 69 are in Romanian (about 65 percent of Moldova’s population is ethnically Romanian) and 30 are in Russian. The ratio of circulation in Romanian and Russian is, however, about equal. Ethnic minorities—Ukrainians, Gagauzi, Bulgarians, and Jews—publish their own newspapers. The press in the Transdnestrian region and the Gagauz autonomy is published predominantly in Russian. There is also a linguistic disproportion in the broadcast media in favor of Russian.

OBJECTIVE 4: BUSINESS MANAGEMENT

Moldova Objective Score: 1.29/4.0—Media in Moldova are largely unprofitable. Advertising agencies and the ad market are not developed; there are not enough experienced media managers; and the Soviet-type understanding of media as a propaganda tool rather than as a business still persists. Panelists felt that “media people are more comfortable when they are under somebody’s wing, which will take care of the money, and they will work without any concerns on how to finance their own paper. This mentality needs to be changed quickly; otherwise we will have no independent media.” The absence of business traditions prevents an orientation toward profit-making. Media

| 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. |

outlets rely only partially on commercial revenues and are continually looking for subsidies.

The state continues to own the Press House (a complex conceived as the national media center), Moldpresa (a national press distribution network), the subscription system (which is operated via the state-owned Posta Moldovei), and the network of ground transmission of radio signals (which is managed by the state-owned Radiocomunicatii). The state sets the prices and collects fees for rent, printing, distribution and sales, communication services, and transmission of radio signals. The quality of printing work is very low, and the lack of money makes the graphic appearance of many papers quite poor. Because of the state monopoly, “fees for press distribution are very high and sometimes amount to 60 percent of a newspaper’s price.”

In the past five years, 115 radio and television licenses have been issued. Panelists noted, “Relations between the press and the commercial structures, the press and political parties, the press and the state are not well defined; a mentality of business relations does not exist.”

After the parliamentary elections in February 2001, there was a tendency toward stronger state control over press, including support for the new state-owned district periodicals. An amendment to the press law was passed that bans the funding of media by foreign governments, with the exception of cultural newspapers and magazines. This amendment primarily targeted the Romanian government, which was financially supporting an opposition newspaper.

There are some exceptions: these are media businesses that managed to become self-sustainable after some initial help from Western donors. They are able to do that by using young talent and adjusting their products to the real needs of the market. These businesses include BASA-Press; Infotag; *Ekonomicheskoe obozrenie*, a Russian-language business newspaper; several local newspapers; several small printing houses; and some small distribution networks.

Media operations in Moldova depend on individuals rather than on market development and trends. Market-research services, promotion, and sales develop very slowly. Advertising revenues have been an increasing share of income in the past five years; however, the increase has not been enough to propel the dynamic development of media. It is difficult to assess the real size of the advertising market due to its lack of transparency. Panelists noted, “Companies are cautious in

investing in advertising even if it is rational from a business viewpoint, and a good analysis of the advertising market is needed.”

Newspapers and magazines, especially private ones, rely mostly on subscription revenues. This is typical of national publications such as *Flux* and *Saptamana*, which lead in terms of national circulation. Newsstand sales are increasingly important to papers with small circulations. Papers owned by political parties receive additional subsidies from them. However, many sources of financial support for media outlets remain unknown. Such media are usually labelled as pseudo-independent. The government does not subsidize independent media outlets. For the past few years, parliament has exempted printing services from value-added tax (VAT). Although this was done to support the press, only the printing houses benefited.

Panel members mentioned that after the Communists came to power, opposition newspapers experienced a considerable drop in advertising volume. Some businesspeople admit that they are afraid to place advertisements in the opposition newspapers.

Advertisers have become disappointed in the efficiency of media as advertising carriers. Agencies have often frustrated advertisers’ expectations through inadequate media planning. Some agencies made use of pseudo-surveys that featured distorted findings and exaggerated the popularity of their preferred media partners. One example is the Comcon agency. For this reason, some companies (Voxtel, Moldcell) do not trust advertising agencies and carry out their own research.

Panel members mentioned that after the Communists came to power, opposition newspapers experienced a considerable drop in advertising volume. Some businesspeople admit that they are afraid to place advertisements in the opposition newspapers. They have received indications in the form of “recommendations” to place adverts with state-run media. A preferential regime is being created for the state media.

Panelists mentioned that advertising has other shadowy aspects and opportunities for corruption. Employees who make the sales can tap advertising revenues that come through agencies. There is an established practice of obscure, fraudulent transactions between advertisers and the media that compromises the functioning of the market. Certain rates are common: cash is often returned to the people who administer advertising budgets. Also, panel members believe that newspapers enjoy differing shares of ad revenues depending on whether the papers are in the Romanian, Russian, or Gagauz language. If tax inspectors observe that a certain company places advertisements in newspapers, they immediately check on the company. Some companies refuse to place ads in papers so as not to attract the attention of tax officials.

In Moldova it is rare to have credible market surveys that could help media adjust their products to the public interest and serve as a basis for attracting advertisers. There are no independent media-monitors. Some surveys do appear, but only sporadically; even then, they are conducted internally by wealthier papers such as the Russian-language newspaper *Komsomolskaia Pravda v Moldove*. It is suspected that the surveys these papers produce include data that are very likely to have been fabricated on request from interested media.

The consequences are grave: there is a void of information crucial to the development of strategies, marketing plans, and commercial methods. The market could be surveyed by media outlets jointly, but the atmosphere of mutual opposition precludes finding a common solution.

As there are no credible market surveys, self-generated circulation and audience ratings are often used in the dialog between media and advertisers. Circulation figures are often inflated. Consequently, advertisers enter business partnerships with media under two particular conditions: when their prospective partners are unquestionable leaders in the advertising market, or when the advertisers share political or other sympathies with certain media.

Panelists concluded that in terms of market research, “we are still at the beginning.” Information about circulation can, in theory, be obtained from printing houses or distribution companies, but they usually refuse to release this data, claiming that it is a commercial secret.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Moldova Objective Score: 2.09/4.0—The main organizations that represent the interests of private media owners are the Association of Independent Press (API), which was founded in 1997 and currently includes two news agencies and 13 independent newspapers, and the Association of Electronic Press (APEL, founded in 1999). APEL includes 22 radio and television stations, production studios, and professional studios. These associations face some problems because of the lack of solidarity among media owners: many owners have political affiliations or are funded from abroad. The political affiliation is less noticeable in broadcasting, but financial dependence on foreign founders and the tight competition in the fledgling market prevent broadcasters from joint work. There has also been recent talk of a new trade association, Pro Media, which includes a series of government-affiliated publications, radio stations, and television stations. So far, Pro Media challenged the existence of censorship at TVM. It has also presented the Council of Europe with an anti-strike declaration that supported the Communist government.

A more active involvement of media associations in the legislative process characterized 2002. In total isolation from civil society, legislative and governmental bodies draft laws and bills that appear “overnight and that nobody has heard of.” APEL has launched a

| Supporting institutions function in the professional interests of independent media. | |
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| 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. |

project for the improvement of the legal framework governing the electronic press. As part of this initiative, APEL drafted an alternative public broadcasting service law, which suggests a democratic mechanism for oversight by civil society of the work of public radio. The draft received positive comments from the Council of Europe (CoE). Having studied the CoE recommendation to use the draft developed by APEL, Communist authorities adopted the draft law developed by the office of President Vladimir Voronin.

About 30 nongovernmental organizations (NGOs) currently work in the area of mass media, but only about one-third of them actively support the independent media. Their activities focus on improving media legislation, the free circulation of information, ongoing training of journalists, and the protection of journalists' professional rights. Panelists mentioned that attempts have been made during the past year to set up media groups/organizations favorable to the government (e.g., the Association of Professional Journalists, founded by the editors in chief of governmental newspapers). Among the professional associations in Moldova are the Union of Journalists (UJM), which developed from a Soviet-type professional organization to an NGO, and some journalist associations specializing in such areas as agriculture and sports. The conditions in Moldova have led to solidarity of journalists along corporate lines, rather than the creation of efficient mechanisms and structures for the protection and legal support of journalists, for the protection of their social and civic rights, or for the protection of their professional activity. Panelists noted that Moldova currently lacks a strong trade union that would unite old and new practitioners of the profession around new principles.

The creation in 2002 of the Moldova Media Working Group (MWG) under the Stability Pact for South-Eastern Europe provided new opportunities for the funding of media reform projects. The group has developed a list of priorities in the reform of the Moldovan media sector, keeping in mind that a democratic relation between the press and the body politic has yet to be established. The public, like the authorities and the political parties, has yet to internalize the need and advantages of a free press.

In cooperation with UJM, API, the Committee for Press Freedom, APEL, and the journalism faculty of the Moldova State University, the Independent Journalism Centre (IJC) has organized since 1999 a "Press Freedom Week" to raise public awareness of the need for a truly independent press. In Chisinau, as well as in

the regions, the NGO Acces-Info is running a project for the implementation of the law on access to information.

The monopoly of the Journalism and Communication Sciences faculty of the Moldova State University was broken last fall through the inauguration of a journalism faculty at the Free International University of Moldova, a private higher-education institution. Future journalists can also study at the specialized faculties of the Universities in Comrat and Tiraspol. The insufficiency of practical courses at the State University remains an issue because of the lack of money to attract experienced journalists from Moldova and abroad to teach at the faculty.

A more active involvement of media associations in the legislative process characterized 2002. In total isolation from civil society, legislative and governmental bodies draft laws and bills that appear "overnight and that nobody has heard of."

IJC, UJM, API, and others organize short-term professional training. In 2000 alone, IJC organized more than 20 training courses and seminars for journalists on a wide variety of topics: agricultural reporting, social reporting, reporting for the ordinary citizens, reporters' investigations, journalism ethics, investigative journalism, online journalism, and so on. During such courses journalists are taught more hands-on skills. IJC also offers journalists the use of its library, which contains Western journalism-related literature. IJC also publishes textbooks for journalists (*Social Reporting, Journalism for the Ordinary Citizens, Reporters' Investigations, Dig Deeper and Aim Higher*), as well as an analytical bulletin that tackles problems of the Moldovan media. Panelists criticized the fact that despite the many courses, their impact remains small.

In Moldova, there are no restrictions other than financial ones regarding the supply of newsprint, which is provided both by state-owned Universul printing house and by several private suppliers. The problem is that there is only one private printer in Chisinau (Prag 3). A second printer could not survive economically due

to the small circulation of newspapers. Most local newspapers are printed by privatized printing houses, which were part of the Communist Party's publishing network during Soviet times. The *Cuvantul* newspaper in Rezina managed to buy its own printing house. Panelists agreed that there were no problems with paper suppliers.

The state continues to hold a virtual monopoly over the distribution system throughout Moldova. This hampers the development of the independent press. Private newspapers are in no rush to set up their own distribution networks due to the lack of funds. However, there have been initiatives to set up alternative distribution companies, such as the recently created Omnia press. It does not yet cover the whole of Moldova, just Chisinau. State company Moldpresa holds the monopoly in Chisinau, owning all (about 200) kiosks in the capital.

Internet access is offered exclusively by private providers (about 15 in all), the largest being Megadat,

Zingan, Relsoft Communications, and MoldInfoNet. They all use Moldtelecom's network of links, which is still owned by the state but is now slated for privatization. There are no legal restrictions on Internet use for journalists and the general public, and the fact that Moldova ranks among the lowest users of the Internet is due largely to the inability of people to pay for the services (an Internet connection costs an average of \$7 per month). According to data from the International Telecommunication Union, Moldova has about 60,000 Internet users (i.e., 1.37 percent out of a population of 4.3 million). Panel members criticized the fact that Moldtelecom remains the only operator that provides Internet access. It charges local providers for the use of its networks, which does not allow local providers to implement a flexible pricing policy. At the same time, Moldtelecom functions as an ordinary provider, offering lower prices for connection compared with private competitors.

PANEL PARTICIPANTS***Vasile Botnaru***

Editor in Chief
BASA-press News Agency

Val Butnaru

Director
Jurnal de Chisinau (independent weekly)

Ion Enache

Chairman
National Ethics Commission

Corina Fusu

Editor
Moldova 1 television company

Anatol Golea

Director
ORT Moldova

Dmitri Kalak

Deputy Editor in Chief
Ekonomicheskoe obozrenie (independent weekly)

Constantin Marin

Lecturer
Journalism and Communication Sciences faculty,
Moldova State University

Olivia Partac

Coordinator of the Legal Service
Independent Journalism Centre

Angela Sirbu

Director
Independent Journalism Centre

Vasile Spinei

Director
Acces-Info Centre

PANEL MODERATOR***Nicolae Negru***

Editor in Chief
Mass Media in Moldova, Independent Journalism
Centre

OBSERVER***Iuri Datii***

Country Director
IREX/Moldova