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BOSNIA & HERZEGOVINA

The political situation in Bosnia and Herzegovina (B&H) in 2009 was characterized by the political parties' failed attempts to agree on the constitutional reorganization of the state. At the same time, the Office of the High Representative's authority has additionally weakened in this year.¹ As a consequence, political passions in the state have flared up and the future of B&H as a federation has become even more questionable.

Marko Prelec, in Transitions Online, summed up the situation this way: "The real danger facing Bosnia, ironically, comes from the international community's indecision. Some interested states want to keep the High Representative in office and reinforce him enough to impose his authority on Republika Srpska; other states want to end his mandate and move to a different, reinforced European engagement. The temptation will be to split the difference, either by keeping the envoy's office in its present, weakened form, or in a reduced, perhaps nonresident mandate. Either of these decisions could keep Bosnia's political process in a stalemate that would endanger the viability of the state."

The increasing ethnic fragmentation of the media is a reflection of the political situation. With advertising revenues down as a result of the global financial crisis, the media are increasingly sliding towards reliance upon state and political financing. As a consequence, national and political polarization in the media is increasingly repressing professional standards of impartiality and balance.

No significant progress has been made in the reform of the federation's public broadcaster, a problem that has carried over from last year. Moreover, hostilities between the three public broadcasting entities are growing by the day. After some initial progress, digitalization of terrestrial television was stopped again, and the sluggishness of the government and the public broadcasters guarantees that this process will neither be carried out smoothly nor resolved soon.

Compared to last year's study, the overall MSI score fell moderately from 2.81 to 2.60. Last year's report expressed concern that the trend toward politicization of the media could have a more dramatic impact on other objectives in 2009, and it appears that has occurred. Apart from Objective 1 (Freedom of Speech) that scored the same as last year, all other objectives scored moderately lower. The biggest decrease in score came in Objective 4 (Business Management) as a consequence of the down economy: this objective fell by 0.39 point, to 2.43.

¹ Prelec, Marko. "Facing Our Fears," in Transitions Online. Available at: <http://www.crisisgroup.org/home/index.cfm?id=6412&rss=1>.

BOSNIA & HERZEGOVINA AT A GLANCE

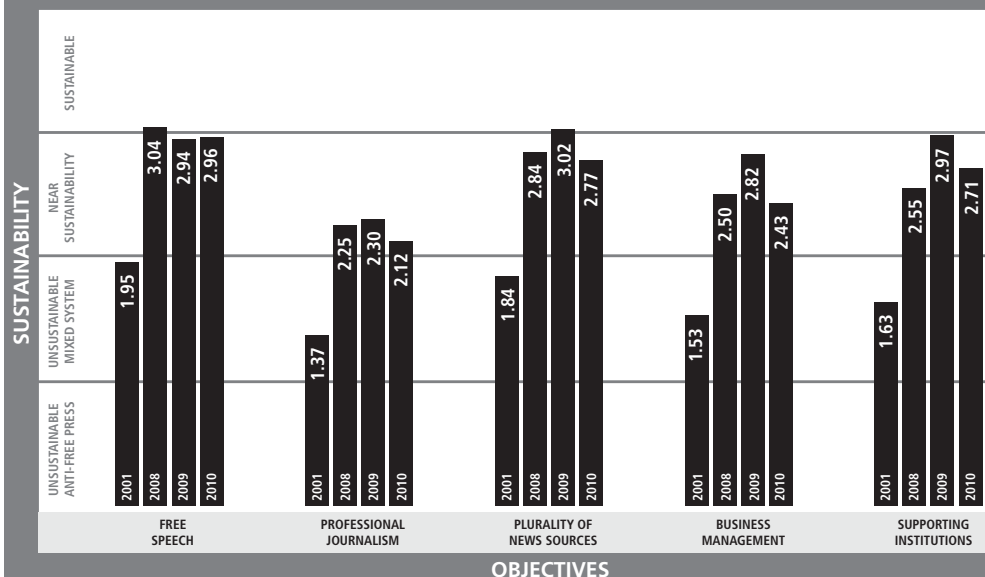
GENERAL

- > **Population:** 4,613,414 (July 2009 est., *CIA World Factbook*)
- > **Capital city:** Sarajevo
- > **Ethnic groups (% of population):** Bosniak 48%, Serb 37.1%, Croat 14.3%, other 0.6% (2000 est., *CIA World Factbook*)
- > **Religions (% of population):** Muslim 40%, Orthodox 31%, Roman Catholic 15%, other 14% (*CIA World Factbook*)
- > **Languages:** Bosnian, Croatian, Serbian
- > **GNI (2008-Atlas):** \$17.00 billion (World Bank Development Indicators, 2009)
- > **GNI per capita (2008-PPP):** \$8,620 (World Bank Development Indicators, 2009)
- > **Literacy rate:** 96.7% (male 99%, female: 94.4% (2000 est. *CIA World Factbook*))
- > **President or top authority:** Presidents Nebojsa Radmanovic, Željko Komsic, Haris Silajdzic (since October 1, 2006) (presidents rotate every eight months)

MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:**
Print: 12 daily newspapers, 100 weekly and monthly newspapers; Radio stations: 144; Television stations: 45 (BH Press Council <http://www.vzs.ba/ba/> and Communications Regulatory Agency <http://www.cra.ba/index.aspx>)
- > **Newspaper circulation statistics:** N/A
- > **Broadcast ratings:** Top three television stations: Pink BiH (15.0%), Mreza Plus (14.2%), Federal TV (11.8%) (Mareco Index Bosnia, 2009)
- > **News agencies:** FENA (state-owned), SRNA (state-owned), ONASA (private), NINA (private), MINA (Islamic Community in B&H), KTA BK B&H (Conference of Bishops of B&H)
- > **Annual advertising revenue in media sector:** Television: \$37.4 million; Radio: \$11.8 million (CARDS 2006); Print Media: N/A
- > **Internet usage:** 1,308,000 (2008 est., *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: BOSNIA & HERZEGOVINA



Annual scores for 2002 through 2006/2007 are available online at http://www.irex.org/programs/MSI_EUR/archive.asp

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: FREEDOM OF SPEECH

Bosnia & Herzegovina Objective Score: 2.96

This objective scored essentially the same as last year. The only noticeable movement in score came occurred in indicator 1 (legal and social protections of free speech exist and are enforced), which increased slightly due to the fact that the legislative framework is getting more stable as time passes, and there has been significant progress in its implementation.

Panelists agreed that freedom of speech in B&H is regulated by an advanced legislative framework. Radio-Television of Republika Srpska (RTRS) program director Mira Lolić-Močević, pointed out that the regulatory framework governing freedom of speech presents the brightest example of B&H media legislation.

The persistent open question, however, is the level of implementation of the law. The general feeling is that a modicum of progress was made in the past year. The participants based this belief primarily on the fact that two separate assaults on journalists generated strong public condemnation and reaction from judicial and police authorities. In the first case, suspect Enver Spahić was sentenced to six months in prison for preventing Vildana Duran, a journalist from Radio-Television of the Federation of Bosnia and Herzegovina (FTV), from helping a woman attacked by a convicted criminal in front of the Court of Bosnia and Herzegovina. The verdict was reached three months after the assault. In the second case, politician Sadik Bahtić, who had attacked FTV journalist Avdo Avdić, was ordered to pay a fine of KM 500 (\$350).

The authorities neither impose any restrictions on access to the Internet, nor do they prevent certain Internet services. The Communications Regulatory Agency (CRA), established as an independent state agency, handles licensing, regulates electronic media and telecommunications, and determines the frequency spectrum. All the panelists agreed that CRA has made a positive impact on the media in B&H, hence it received high scores.

However, open political pressures on CRA that could be felt in the last two years have presented an indirect problem in the regulation sphere. Even though the CRA board had submitted a proposal for appointing the general director of CRA to the B&H Council of Ministers, the Council has not granted the request yet, a problem that has carried over from last year. Instead, they ordered that another call for applications be open without any explanation, leaving CRA to operate in a legal vacuum. In that sense, panelists expressed their worries

for the CRA's independence and, consequently, for the process of future electronic media regulation.

There are no unnecessary limitations on entering the media market, and the taxes for independent media do not differ from the taxes paid by other private companies. Further, this year the panelists agreed that the introduction of VAT in 2006 made the system of taxation simpler.

Assaults on journalists and harassment of media professionals in the course of their work decreased in 2009 compared to 2008, but instances of these are still elevated compared to previous years. According to Free Media Help Line data, 33 cases were reported in the first 11 months of 2009 (in contrast to 48 for the first 11 months of 2008). Especially noteworthy is the fact that almost a third of these cases are alarming violations—including six death threats to journalists and four physical assaults.

Director of Mediacentar, Boro Kontić, emphasized that the problem is greater than the available data shows, pointing out that the threats directed at journalists are more than serious. "We are talking about publicly known assaults, but what about the secret assaults...? The *60 minutes* television show's host has been under the police protection for years," he said.

According to Borka Rudić, secretary general of the B&H Journalists Association, protection for journalists is not uniform in all parts of the country. She emphasized the positive role of the state and judicial authorities in Sarajevo Canton, whereas, according to her, the situation in certain parts of the country is still troublesome. "There [have been in past years] cases of assaults on journalists which are usually processed by the authorities, such as the case in Sarajevo. There are other areas in B&H where the police beat journalists up. So, that is the problem we are constantly facing," she said.

The panelists believe that the general security situation in Bosnia has deteriorated, which has reflected on the overall journalists' safety. "Observing everything as a whole, things are not getting better for the society, when it comes to safety, when it comes to anything that is related to any kind of human freedom. We can feel a slightly greater tension. There is a growing fear, as well as the anxiety about the crew in the field and about all those doing this job. And this does not refer only to our profession. The society in general, in many segments, heads more towards the negative than towards the positive," said Milenko Vočkić, editor with Radio Free Europe. Unfortunately, the B&H Journalists Association's initiative to change the B&H Criminal Law and the Law on Criminal Proceedings so that journalists are placed in the same category with other officials on duty, like policemen, firefighters, and doctors, was not accepted by the Federal Parliament.

The independence of the management of B&H Television (BHT), the nation-wide broadcaster, still presents a significant issue. The crisis that ensued after the general director of BHT was released from his duties by BHT's Supervisory Board is still ongoing. After several judgments issued by the Court of B&H stating that Mehmed Agović must be reinstated as BHT general director, the Supervisory Board finally complied and Agović returned to his position in November 2009. However, it is more than evident that bad relations between the Supervisory Board and BHT management persist.

The B&H legal framework gives preference for public over private television outlets when it comes to covering events of national interest. Article 10 of The Law on the Public Service Broadcasting System in B&H states that Radio-Television of Bosnia-Herzegovina must cover the most important cultural, sports, entertainment, and other events which take place in the country and world, while media outlets that do not broadcast their program nationwide are deprived of the right to get an exclusive right to broadcast big sporting events, such as the Olympic games, sporting world championships, etc.

The legal framework that regulates libel was evaluated as very good by the panelists. Libel is a matter of civil and not criminal law. Moreover, some progress was made in the implementation of the law. "I have analyzed hundreds of verdicts. Not only do judges quote the European Convention and standards of the European Court, but our press code of conduct as well. They refer to the journalism code more often than our journalists do. Whether a journalist does something in a professional

manner or not is estimated through the code," said Mehmed Halilović, deputy ombudsman on media for the Federation.

Progress is also evident by the significant decrease in compensation demands. Compared to the initial years of the implementation of the law, when compensation demands reached as high as KM 1 million (\$700,000), these demands have decreased to between KM 20,000 and KM 50,000 (\$14,000 and \$35,000). According to Halilović, courts usually award damages of between KM 2,000 and KM 7,000 (\$1,400 and \$5,000), and in rare cases up to KM 10,000 (\$7,000). This change occurred primarily because court fees are related to the amount of compensation demanded. Private attorneys who sought high amounts for compensation, but failed to prove that libel took place, were forced to pay high court fees.

However, the fact that both sides pay their legal expenses, regardless of who wins the case, is somewhat controversial because it can discourage the claimants from submitting their lawsuits to the court, as awards are usually spent on court fees. Halilović pointed out that judges are generally not fond of libel cases because opposing sides are primarily journalists and politicians, and the reason for reluctance to preside over such cases is obvious.

Rudić did note that in underdeveloped areas there are still cases where journalists, and not plaintiffs, have to prove their innocence to the court.

With regard to content published on the Internet, court proceedings are not developed enough to have established a clear precedent. Panelists named only one libel case dating from 2005 when a verdict was handed down in a case of content on the Internet. This case, involving the web site www.visoko.co.ba, initially resulted in a fine of KM 2 million (\$1.4 million), but further appeals showed that the "offensive" material did not specifically libel anyone, and the judgment was overturned.

Access to information is largely regulated by the Freedom of Access to Information Act. This law was not written exclusively for journalists, but for all the citizens. Journalists call on it to support their investigative stories. Journalists still occasionally use this law in their everyday work, which often makes their work harder due to the fact that the deadline for submitting official answers is 15 days. Lolić-Močević said, "This is most probably the best regulated part...thanks to well regulated laws that encourage freedom of speech and access to information. The problem of different attempts to slow down the process of accessing information and making it unnecessarily difficult persists, as well as finding ways to retain the information...if that is in the interest of the institution that should otherwise provide that information." There are no data that suggest access to information is

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.

regularly denied, though there have been some individual cases in specific situations.

Media outlets have unrestricted access to international news and there are no legal or political obstacles to using such sources in their reports. However, wider access to international news is somewhat limited due to the economic crisis, but that does not affect the access to main agency services or other important international news producers.

Entering the journalism profession is free and open; the authorities do not impose any limits in that respect.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Bosnia & Herzegovina Objective Score: 2.12

Objective 2 suffered a slight decline in score compared to last year, falling from 2.30 to 2.12. The loss in score came primarily from somewhat lower assessments by the panelists of indicator 1 (objective and fair reporting), indicator 2 (journalism ethics), 3 (self-censorship), and 5 (pay levels for journalists). Indicator 4 (coverage of key events) increased modestly. Most indicators scored close to the overall objective score, although indicators 4 and 6 (news and entertainment balance) beat the overall score by more than half a point, while indicator 5 fell short by about half a point.

Panelists generally agreed that the level of professional standards in B&H deserves a low score. Though there are significant differences between individual media outlets, releasing certain information without a thorough investigation on their validity, as well as avoiding inclusion of various relevant sources, seems to be a dominant practice.

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).

Mirza Čubro, a journalist from *Nezavisne novine* newspaper, does not hide his disappointment with the decline in professional standards: "This received the lowest score from me. I believe that professional standards are horrible in our country. Journalists hardly ever follow them. When it comes to their attempts to avoid subjectivity in reporting, I believe that that is not the case. Do they check their information? Do they use multiple sources? I am disappointed with the current situation. And the worst part is the increase in the number of made-up professional qualifications without any basis in fact."

The Press Code in B&H has existed for 10 years, but its implementation faces various obstacles, primarily the non-acceptance of standards by journalists. This is why the director of the Press Council claims that in 2009 there was no political pressure on the Press Council's work, but rather that the pressures came from the media outlets. She believes that these reactions occur inevitably because the entire process of self-regulation of newspapers is a novelty and as such it has still not been recognized as one of the benefits for the profession.

The Press Council received 81 complaints during the course of the first nine months in 2009, while there were 73 in 2008. As in 2008, many of these complaints are directed by media companies at their rivals: the owner of *Oslobođenje*, Mujo Selimović, filed 45 complaints over the articles about him in *Dnevni Avaz*.

According to the panelists, self-censorship is present more often, primarily due to economic realities and secondarily because of political pressures. Dunja Mijatović, the director of the broadcasting division of CRA, believes that the situation has worsened compared to the previous year because journalists do not have good contracts that adequately protect their rights in these times of increasing economic crisis. "The situation is much worse than it seems. Self-censorship pressure is significant, which is a direct consequence of workplace harassment," she said.

According to Amir Zukić, editor-in-chief of the municipal public broadcaster RTVSA, self-censorship as a consequence of political pressures is more prominent in the Republika Srpska since the government is more dominant in that part of the country and it is much easier to exercise political power than in the Federation.

Journalists cover key events and topics, and the habit of releasing editors of their duty due to possibly publishing controversial content has not emerged. Even though some elements of civil society show resistance when the media report on certain topics, journalists have enough freedom to cover these issues. One of the particularly sensitive issues is covering events related to the work of the Islamic community. Protests coming from here abound, typically in the form of

accusations that certain media reporting is “islamophobic.” The B&H Journalists Association labeled such accusations as assaults on editorial independence.

Since the end of the war, journalists’ salaries have not reached satisfying levels to be able to prevent journalists from leaving the profession. Panel discussants agree that salaries are extremely low and they point out that only those without an alternative remain in media. The monthly salaries of journalists at public television channels are about KM 900 (\$630) and at some of the more successful private stations about KM 1100 (\$770). On the other hand, the salaries of the members of parliament are significantly higher, at more than KM 4000 (\$2800) per month. They also agreed that the consequences of the economic crisis are severely visible in B&H and that professional journalists are faced with even greater economic challenges.

Particularly problematic is the plight of rookie journalists. A study by Sanela Hodžić, found that, “young professionals on their first jobs seem to be particularly vulnerable and are often exploited by their employers. They report frequently prolonged working hours, underpayment for their work and constant prolonging of their temporary status due to delays in signing labor contracts despite their expectations in this regard.” Labor laws allow temporary contracts and occasional assignments of 60 days per year, but in reality, this is abused. As Hodžić notices, “This practice of pressuring journalists to freelance while performing full-time jobs represents a commonly used strategy of employers to avoid welfare and social insurance payments. A task or purpose contract is often used with this same intention. Young journalists are seen as a qualified but cheap workforce.”²

Both public and commercial television outlets broadcast a significant number of news and information programming. Adnan Osmanagić, the director of Stari Grad radio, pointed out that informative shows are still central, especially when it comes to public television broadcasters. “We could discuss the percentage of yellow sheets and this and that, but I believe that information programs are not endangered. Furthermore, I believe that there are too many informative shows, which affects their [overall] quality,” he said.

As in the previous year, technical equipment differs in private and public television outlets. While big commercial television outlets have already completed the digitalization process for their production capacities, public television outlets have not gone far in this respect; they only partially introduced

² Hodžić, Sanela. Bosnia and Herzegovina chapter of *Labor Relations and Media: Analyzing Patterns of Labor Relations in the Media in SEENPM Member Countries* (The Independent Journalism Center-Moldova, 2008), pp.114-117. Available at: http://www.media.ba/mcsonline/files/shared/Labor_Relations_and_Media.pdf

the new equipment. Participants also estimated that the work of the authorities on introduction of digitalization is slow and inefficient. “Public media should be the leaders in the digitalization process, just like in most of the European countries. And we have done nothing in that regard, except establishing the DTT Forum³ that developed the strategy adopted by the B&H Council of Ministers. It will take tens of millions of KM for us to digitalize. Until then, we will remain an analogue European island,” said Zukić.

In addition, the situation has not changed compared to previous years when it comes to local radio and television stations that still use outdated equipment.

The number of specialized journalists in B&H is judged as low by the panelists. Editorial boards work at the minimum capacity and they cannot afford to hire journalists specialized in particular fields. Instead, it is common for journalists to report on various kinds of events. Furthermore, journalists do not stay long in certain media outlets and it is hard to work on their professional development. Instead, according to Voćkić, political preference is increasingly present and the manner in which certain journalists report mainly depends on preferred political parties. Therefore, few quality, specialized newspapers such as business magazines, magazines about health, etc., exist. Several weekly magazines preserve the tradition of investigative reporting but even in those cases journalists are forced to cover more topics and areas since the editorial offices of these magazines do not have many journalists at their disposal.

OBJECTIVE 3: PLURALITY OF NEWS

Bosnia & Herzegovina Objective Score: 2.77

This objective suffered a moderate decline of 0.25 as indicator 3 (public media are non-partisan), indicator 5 (private broadcasters produce their own news), and indicator 7 (media reflect minority interests) all received lower evaluations by panelists. Most of the indicators scored close to the overall objective score, although indicators 3 and 7 both scored about three-quarters of a point lower while indicator 2 (citizen access to media) scored a bit more than half a point higher.

³ The DTT Forum of B&H was formally established in May 2006, but became operational in the summer of 2007 as an ad hoc body working under the auspices of the CRA. It was given the task to analyze the current broadcasting environment and to elaborate a comprehensive plan for the transition from analogue to digital, considering different strategic options, including in particular the coexistence of analogue and digital broadcasting, the gradual turn-off of analogue networks, and a switch-off strategy. More about DTT Forum at: <http://www.dtt.ba/eng/>

Even though there exists a relatively high number of sources of information, panelists expressed their worry over the increasing subjectivity of media, especially print media. Nationwide television broadcasting is reserved for the national public television channels and several commercial outlets. Radio broadcasters are in a similar situation. On a national level, newspapers are distributed mainly along ethnic lines and entity borders, although lately these barriers are less discrete. Overall, citizens are able to access a variety of viewpoints in the media, on many different platforms.

Community media are largely absent from B&H, with only Radio Vesta in Tuzla fitting that description. A possible explanation for this is that they are not allowed to obtain revenue from commercial or government sources, and there are no domestic donors willing to support their work.

Progress is noticeable with the increased popularity of social networks on the Internet. According to the GfK BH's research,⁴ 52 percent of B&H citizens over 15 years of age have heard of social networks; 30 percent of those who have not heard of social networks are not online, which speaks to the significance of these networks. According to this research, 46 percent of Internet users have a Facebook account, while 5 percent use Twitter, and 1 percent use Myspace.

The latest data from CRA shows that Internet penetration is constantly increasing. It is estimated that there were 1,307,585 Internet users in 2008,⁵ representing 34 percent growth. Especially positive is the fact that the numbers of subscribers to cable Internet has increased to 56 percent of the total number of Internet users, while dial-up users have decreased from 69 percent in 2007 to 44 percent in 2008. According to GfK BH's research⁶ from 2009, students and pupils use the Internet most often (84 percent), then employed persons (about 50 percent), and then retired persons (4 percent); almost half of the Internet users use the Internet on a daily basis.

Panelists expressed their worry regarding the price for the Internet services, however. The average monthly Internet subscription costs KM 30 (\$21), which is relatively expensive—especially in economically underdeveloped areas—given that the average monthly salary is about KM 780 (\$550). The situation is similar for foreign print media: the price of a B&H magazine is KM 3 (\$2), whereas the price of the *Economist* from the UK is KM 13.5 (\$9.50).

Panelists generally agreed that serving the public interest is not a high priority for the public broadcasters. On one

hand, the lack of prime-time public interest (e.g., cultural or educational) programming is evident and on the other hand, political objectivity in coverage of the ruling and opposing parties is questionable.

The majority of B&H media use the services of one of six news agencies. However, these services are limited to print and perhaps photo news, while audio and video services are not available. The practice of quoting the agencies as the source for news varies in all newspapers. However, it seems that the high professional standards have not been reached in this area, yet.

On average, public broadcasters produce about 40 percent of their programming,⁷ while the level of in-house news production at the commercial broadcasters is about 30 percent. The situation has not changed significantly in that respect compared to last year. Certain commercial television stations' news and information programming is extremely low in quality, and it panelists wondered if the production of such poor programming is a result of the need to fulfill license obligations.

Panelists estimated that certain media outlets hold a growing share of the market, but there is still no monopoly. The basic problem with estimating such a situation is the lack of relevant parameters to decide whether the level of media concentration is high or not. Data from court registrations does not reveal much. The CRA communications director believes that the B&H Competition Council, as well as courts, should get involved.

⁷ Vidi npr: http://rtrs.tv/rtrs/rtrs_report_2008_lat.pdf

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.

⁴ http://www.gfk.ba/imperia/md/content/gfkbh/pr_eng/pr_2009/gfk_bh_-_09-2009_internet_drustvene_mreze.pdf

⁵ <http://rak.ba/bs/depts/observ/default.aspx?cid=5244>

⁶ http://www.gfk.ba/public_relations/press/press/004443/index.ba.html

The proof that media ownership is nontransparent is the fact that it was only recently discovered that two television stations, Radio-Television Travnik and Radio Soli in Tuzla, are owned by the political parties, despite the fact that this is contrary to the law.

Foreign capital has not entered the B&H media market to a great extent.

Panelists characterized the average Bosnian as being intolerant of social minority (e.g., homosexual) issues, and they agreed that media reports are often characterized by vulgar and inappropriate terms, and occasionally by open hatred. Such offenses are more present in print media than in electronic media. One reason for this is the different forms of regulation: CRA may impose sanctions on broadcasters, but this is not the case with the print media that are subject to a system of self-regulation. When it comes to special shows on minorities, only RTRS has invested efforts to cover these issues.

OBJECTIVE 4: BUSINESS MANAGEMENT

Bosnia & Herzegovina Objective Score: 2.43

This objective suffered a decline in score by 0.39 compared to last year; this is notable because the same objective showed strong growth the previous year. However, most of the indicators scored close to last year's scores. The exceptions are indicator 2 (media receive revenue from a multitude of sources), indicator 4 (ratio of advertising revenue to other sources), and indicator 5 (government subsidies for private media), which all received lower evaluations. All of the

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.

indicators scored close to the overall objective score, except for indicator 5, which lagged by about three-quarters of a point.

Though media outlets in B&H do not perform as well as their role models in the developed world, panelists agreed that there has been pronounced progress in the operation and management of commercial media since the inception of the MSI in 2001. "We are a part of this environment and we cannot make a drastic leap, especially not in one year's time. But there are some media that once did not prepare business plans and now they have people working on it. Various seminars contributed to the improvement of the situation," said Osmanagić.

On the other hand, there are a huge number of media in B&H, especially those that operate at the local level, which can hardly be classified as successful commercial operations because their revenues are very small.

When it comes to business transparency at public media, some panelists believe that tax money is not being used the way it should be. For example, the panelists mentioned the construction of a new building for RTRS that became the subject of an investigation by the State Investigation and Protection Agency.⁸

When discussing the influence of types of revenue on editorial policies, the situation has not changed since last year. This means that local media outlets are mostly dependent on local governments, since they are mainly financed directly from the budgets of municipalities and cantons. Furthermore, the government of Republika Srpska decided to finance media outlets with KM 5 million (\$3.5 million) to help them overcome the consequences of economic crisis. The money was transferred to 68 media outlets in Republika Srpska, but the criteria and the amount given to certain media outlets raised some suspicions about the government's intentions. Criteria for obtaining the assistance did not incentivize content to benefit the public, such as the noncommercial production of educational content. Rather the criteria used included the number of employees, circulation, the scope of programming, and financial factors.⁹

Journalists from Republika Srpska mostly have a positive opinion about the subsidies, as did panelists from there, while their colleagues in the Federation deem it a way to influence editorial policies, conveniently one year before general elections in B&H. "I am afraid that this means that any kind of criticism towards government's actions, which is

⁸ "SIPA izuzela ugovore Dragana Davidovića, direktora RTRS-a," in *Slobodna Bosna*, July 23, 2009, p.10

⁹ "Vlada RS podijelila 2,5 miliona medijima," available from http://www.danas.org/content/republika_srpska_vlada_mediji/1875374.html

something that characterizes media all over the world, will disappear," said Kontić.

The opposition parties in Republika Srpska felt the same way. Vukota Govedarica, Serb Democratic Party member in the Republika Srpska parliament, said that one article in the contract between the government and recipient media outlets states that the number of employees must not change until October 2010, the date when parliamentary elections in B&H will take place. He claimed that this clearly demonstrates the government's intention to control certain media in a way that is unacceptable within the spirit of democracy.¹⁰

Osmanagić felt the subsidies will have larger consequences on the overall B&H media market. "We exist in one single market, together with colleagues from RS who instantly became privileged by gaining the initial advantage through the possibility to buy additional equipment or to pay journalists, which is a problem in itself," he said.

This year's panelists pointed out a few negative market phenomena. First of all, advertising agencies often establish media outlets that they then place advertising in. "That is the conflict of interest, which should never happen to an agency. It spends somebody else's money and inappropriately advises a certain party to spend their money most efficiently, namely, it transfers it to itself. Not to mention that agencies create television shows, radio shows, and practically finance themselves this way. This presents a huge danger for B&H media. Even for the agencies that will lose their clients. When clients realize that agencies spend the money on themselves, they will cancel their cooperation and hurt us [independent media outlets]," said Osmanagić.

Another problem is the informal influence of the largest advertising groups on editorial policies at media outlets. There are two groups of agencies that control television advertising, which accounts for two-thirds of the total advertising market. These agencies can therefore influence program schedules and control subject matter. They also demand cut-rate prices; some media outlets offer a 90 percent discount on the initial pricing, or else they risk getting nothing.

Finally, there is the unresolved issue of broadcasting television programming from neighboring countries on cable television, which negatively impacts local television station profits. Advertisers that operate in Croatia and Serbia have less need to spend their money on the B&H market, since they fulfill their B&H advertising objectives by placing advertisements on Croatian and Serbian programs that are then aired via cable.

¹⁰ Ibid

Economic pressure on media grew in 2009 and media managers resorted to any possible sources of revenue. "I make my living from this and I know very well that situation is worse than we think," said Osmanagić. According to him, the Federation government constantly contributes money to media through intermediaries in order to fund certain programming objectives.

Research on the media market, especially the television market using People Meters, generally indicates that programming is improving steadily. Thanks to this research, editors can follow the interaction between audience and program. However, this is not as widespread a practice as it could be; a large number of local broadcasters do not use research as the basis for creating their program schedule or the content in the programs. "I believe that this research, despite the problem with the size of sample used, enables me to keep in touch with what exactly the audience wishes to watch. My goal is to sell something and I use all data available to achieve my goal. It is possible to get feedback on whether your strategy works after one month," said Kenan Ćerimagić, news director at Hayat TV.

Though panelists agree on the improvement of television audience research quality, they also emphasized the need to conduct even more in-depth research to get a more complete picture of audience demographics.

Mareco Index Bosnia is the leading ratings agency, and results are available to members of Joint Media Industry of B&H; these members financially support the research. The results are mostly accepted by both the advertising industry and media outlets. Additionally, GfK BH, founded by FESSEL-GfK, Austria, occasionally conducts ratings research for television, radio, and newspapers in B&H. These results are available to the public on their web portal. However, no progress was made with the implementation of independent auditing of newspaper circulation figures.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bosnia & Herzegovina Objective Score: 2.71

This objective suffered the decline of 0.26. Small declines across the board contributed to this, although a somewhat larger decline occurred in indicator 1 (trade associations). All indicators scored within half a point of the overall objective score.

There are numerous trade associations in B&H, such as the Publishers Association, Electronic Media Association, Private Electronic Media Association, Media Industry Association, etc. Furthermore, there are six journalist associations, a number that panelists find excessive. However, some of

these associations exist only on paper, as their activities are imperceptible in the society.

As in previous years, the B&H Journalists Association is most active, including defending journalists' rights and not shying away from arguing with powerful officials. According to the statute, the main activities of the B&H Journalists Association are: campaigning for the development of freedom of expression and freedom of opinion; improving technical, material, and other working conditions for the media; supporting and helping the foundation of new media; informing the public of media-related issues; organizing seminars, debates, and public gatherings, and; educating members.

This association has achieved some notable programmatic successes. It has been active in the development of the professionalism and independence of journalists, including educating students of journalism about ethical standards and freedom of speech in B&H. It monitored print media coverage during the pre-election period.

However, panelists did have some criticisms for associations in general. They said that they fail to effectively promote professional solidarity. They also felt that in some instances, associations decide capriciously and in a nontransparent manner which journalists to defend. However, several panelists concluded that, despite evident problems in the work of these associations, the overall media landscape will be changed for the better only with the help of these associations.

The work of NGOs to protect and promote freedom of speech and media independence received mixed reviews from the panelists. They pointed out that many developments that require reaction from NGOs are simply ignored by them. "Society is numbed to the extent that almost everything is normal here. None of these organizations ever reacts, which

means that only the B&H Journalists Association does. Always the same people react," said Kontić.

Osmanagić believes that this situation is a consequence of the reliance by the general civil society NGOs on international donors. "NGOs do not operate continuously. They exist when a certain international organization comes along and uses their services for the purpose of elections. They cease to exist after the elections, or it depends on the results," he said.

However, two NGOs that focus on media issues, Media Plan and Mediacentar Sarajevo, have a lot of experience supporting the development of the media sector by researching media issues, offering training, and promoting the protection of media rights.

In considering higher education programs for journalists, panelists felt there was no significant progress in 2009. Journalists still receive their education at four public and one private faculty, and panelists, just like in the previous year, consider this education poor and inefficient.

Short-term programs for the training of practicing journalists received a better evaluation from the panelists, but it is evident that no progress has been made in that respect as well. A majority of these programs are financed by foreign donors and media outlets do not have enough money to pay for these services. Moreover, due to limited personnel, they cannot afford to send their journalists to take part in these programs. According to a Mediacentar poll conducted in 2009 regarding subjects that should be addressed by trainings, the most desirable topics are those related to everyday journalism such as "techniques of research journalism," and "the use of the Internet in the creation of research stories." Topics such as "media legislation" and "computer assisted reporting" received the lowest expression of interest from participants in the poll.¹¹

Sources of newsprint and printing houses are in private hands and panelists expressed no concerns that either of these are a pressure point on media. Likewise, channels of media distribution are mainly private, especially kiosks used for the print media distribution. Television transmitters are owned by entity governments; mobile telephone transmitters are owned by telecommunications companies, but two of these (out of three) are majority state owned companies. Panelists believe that despite the ownership by various levels of government, no political pressure is exerted over their use. However, panelists complained that the usage fees for these transmitters is extremely high, a consequence of these companies' market oligopoly.

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.

¹¹ Mediacentar Sarajevo. "The Analysis of the Policies of Advanced Trainings of Regional Media Outlets," 2009. Report not publicly available.

List of Panel Participants

Adnan Osmanagić, director, Radio Stari Grad, Sarajevo

Amir Zukić, editor-in-chief, RTVSA, Sarajevo

Dunja Mijatović, director, broadcasting division,
Communications Regulatory Agency, Sarajevo

Kenan Ćerimagić, news director, Hayat TV, Sarajevo

Mehmed Halilović, deputy ombudsman on media for the
Federation of Bosnia and Herzegovina, Sarajevo

Milenko Vočkić, editor, Radio Free Europe, Sarajevo

Mira Lolić-Močević, program director, Radio-Television of
Republika Srpska TV, Banjaluka

Boro Kontić, director, Mediacentar Sarajevo, Sarajevo

Borka Rudić, secretary general, B&H Journalists Association,
Sarajevo

Mirza Čubro, journalist, *Nezavisne Novine*, Banja Luka

Nevenko Erić, editor, Srpska Republika News Agency, Bijeljina

Zoran Pejičić, director, Radio-Television of Republika Srpska,
Banja Luka

Moderator

Tarik Jusić, program director, Mediacentar Sarajevo, Sarajevo

Author

Amer Džihana, research coordinator, Mediacentar Sarajevo,
Sarajevo

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