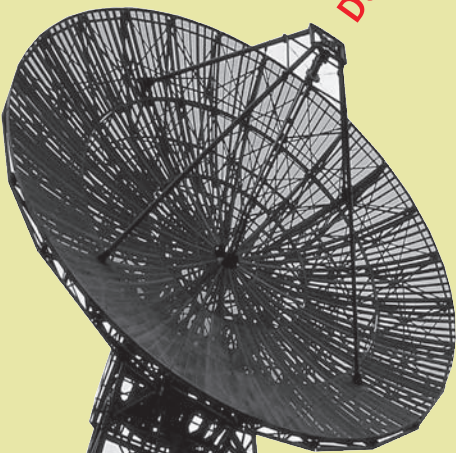


MEDIA SUSTAINABILITY INDEX

2003

Development of Sustainable Independent Media in Europe and Eurasia





“The National Council for Radio and Television (NCRT) declared in late 2003 that no unlicensed programming could be aired on television stations. In a broadcast market well known for flagrant piracy, this was a groundbreaking step.”



Introduction

In the past year, the media sector in Albania has moved forward in fits and starts.

If market consolidation is an indication of success, there are now fewer television stations than there were last year: Nine outlets have closed, bringing the current total to 56. There are signs that this attrition is not over, as one of the two private national television stations continues to struggle. But there are still too many television stations to serve a country of about 3.5 million people.

In the print sector, there are still 19 dailies in distribution, but their circulation numbers remain a mystery to advertisers. The farther one gets from Tirana, the fewer papers are available due to the lack of a proper distribution system. Nevertheless, newspapers still have an advantage over broadcasters because print media have more investment from business interests and more political support from rival governing and opposition parties. This support gives many publications the financial ability to survive in an oversaturated market.

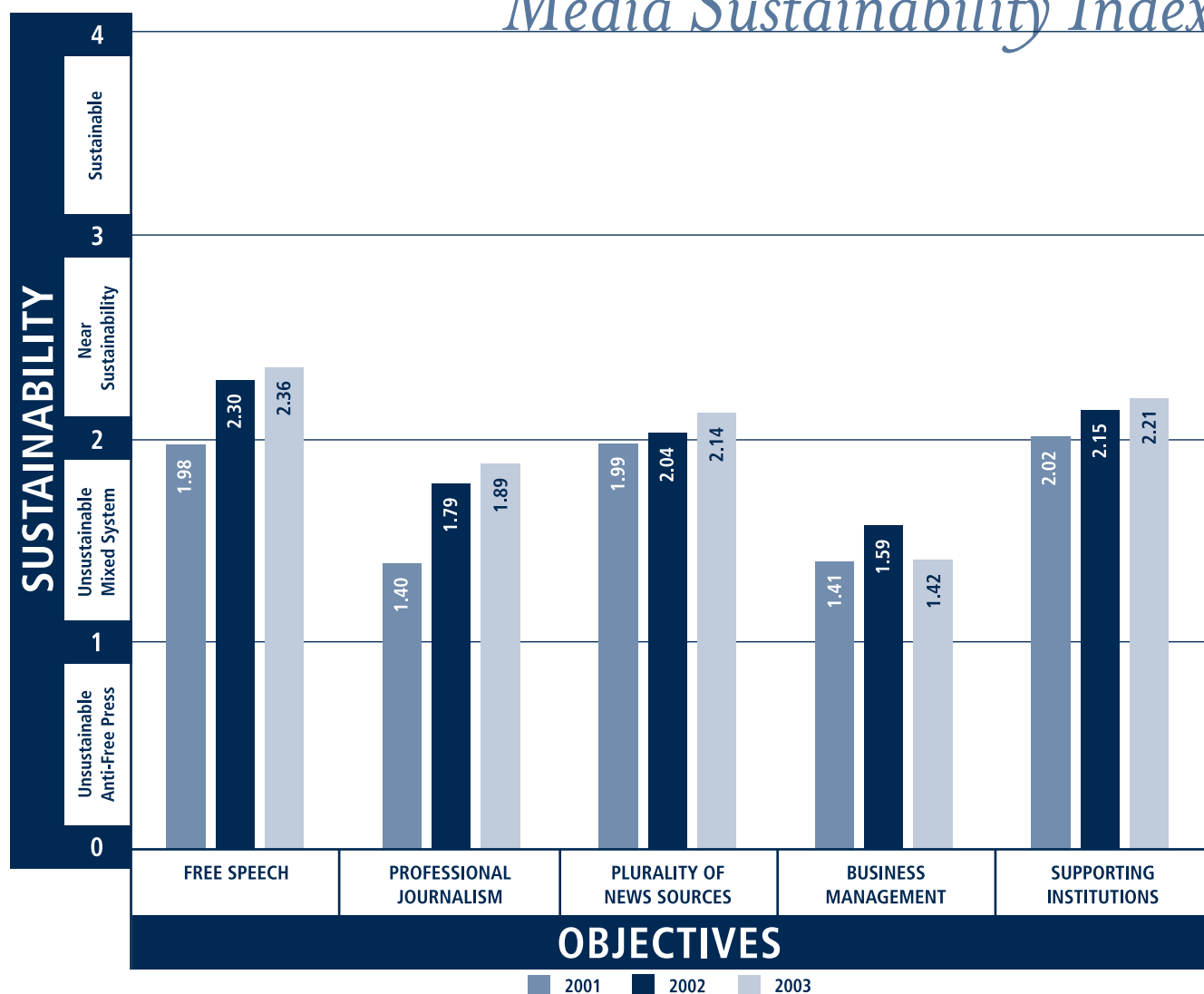
Meanwhile, the number of radio stations continues to hold steady at 35. Aside from Radio Tirana, the government-controlled station, the common radio format is loud music, which takes precedence over news. There are few commercials to generate revenue for the stations. But because the radio broadcasters pay no music license fees and little salary to their staffs, they are able to limp along on shoestring budgets.

There were some media successes in the past year. In August, Prime Minister Nano issued an edict restricting his ministers from speaking to the press, despite a constitutional provision that guarantees all citizens open access to the government. Journalists supported by the Organization for Security and Cooperation in Europe (OSCE) and IREX brought suit against the prime minister, but before the Constitutional Court could rule, Nano publicly rescinded his order.

In another arena, one of the major stations, Top Channel, now broadcasts a daily satire, “Fiks Fare,” that challenges both the government and the opposition. Previously, the government was largely exempt from negative media coverage other than in opposition-

Albania

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

supported media. But “Fiks Fare” has managed high ratings while taking aim in a balanced way at the full political spectrum.

Another media highlight occurred when the National Council for Radio and Television (NCRT) declared in late 2003 that no unlicensed programming could be aired on television stations. In a broadcast market well known for flagrant piracy, this was a groundbreaking step. On October 15, 2003, all but one of the 56 stations complied with the mandate and removed the Hollywood movies from their program schedules, replacing them mainly with talk shows. Faced with fines, the remaining station followed suit within two days.

However, despite some progress, Albanian media outlets still are largely political cogs. In fact, many have recently—and openly—been purchased by leading political figures. For example, the Minister of Agriculture, with urging from the prime minister, bought a local Tirana television station, TV KOHA. The owner of another station, TV KLAN, had his vacation complex threatened with destruction when his station’s news began openly supporting a rival faction within the government. TV KLAN now lauds Prime Minister Nano and his cabinet of ministers.

Objective 1: Free Speech

Albania Objective Score: 2.36/4.00

By law, press freedoms exist in Albania. However, as so often occurs in this country and its neighbors, the laws are rarely implemented fully but more often used to serve the interests of those in power. When the prime minister attempted to muzzle his ministers by preventing them from speaking with the media, he not only went against the constitution but also redirected all media inquiries to his own office with the pretence of preventing conflicting information from being released. According to one panelist, “Freedom of speech and freedom of the press are different categories. You can have the freedom to say whatever you want, but you don’t have the freedom to print some things that have more importance. For example, saying whether or not short skirts are in fashion does not have the same importance as the presentation of political or economic issues. And I think that freedom of press is suppressed before elections.”

Most Media Sustainability Index (MSI) panel participants agreed that implementation of media-related legislation is significantly lacking. Draft laws are not given in advance to the media for comment, often

leaving the sector to discover legislative initiatives when a draft is read in the parliament. By then it is too late for the media community or civil society more broadly to have any influence on the shape of the legislation.

Nearly anyone can obtain a local broadcast license in Albania, and no one who has applied has been rejected. While this might be considered a move toward media freedom, in Albania it leads to a chaotic broadcasting environment. Signals often overlap, causing problems with reception as well as conflicting ownership claims to the airwaves. As one panelist explained, “Here every peasant that wants to open a TV station and every person that has money has succeeded in opening a TV station.” Unlike in more mature media markets, Albanian stations apply for licenses after they have been built and started broadcasting. Before 2003, the government found it difficult to turn down a station’s application, especially when the station was already on the air. Since the licensing process was not established until 1999, when there were already 18 private stations transmitting,

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. |

“I haven’t seen violent crimes against journalists or editorial offices at least during the 1997–2003 period. Occurrences of such crimes are rare, and they are prosecuted vigorously.”

the situation has improved in the past year—now a station must obtain a license before building begins.

The taxation of media outlets is a confusing and nontransparent process. The NCRT regulates the fee structure for broadcasters, while the government imposes taxes based on staffing and revenue. The fee structure for a license is not based on any discernible or consistent economic formula. For example, one panelist explained that his regional television station pays the same tax as a Tirana-based station, even though his station has comparatively little advertising revenue. Meanwhile, a panelist who owns a radio station in Tirana stated that her outlet paid more in taxes than regional radio stations. Furthermore, the fees collected support the NCRT, rather than contribute to general government revenue. Not entirely surprisingly, the NCRT has set the tariffs at an unreasonably high rate in order to sustain itself.

Libel is a criminal offense in Albania, a situation that the government refuses to reconsider despite pressure from the international community. Although no lawsuits for libel were filed during 2003, accusations have had far-ranging effects. For example, the Minister of Public Order kicked the news director of a local television station, Vizion Plus, for broadcasting a story questioning the minister’s competence. The government tried to ignore the affair, but there were too many witnesses to the incident and he was forced to resign under pressure. Journalists on the MSI panel were particularly critical of the government for rejecting advice to replace the criminal penalties for libel with civil ones.

Aside from the above instance, crimes and attacks against journalists are not common. According to one panel participant, “I haven’t seen violent crimes against journalists or editorial offices at least during the 1997–

the same standards do not exist for new stations. In addition, licensing of national broadcasters continues to be subject to political influence. For example, one panelist questioned why TV KLAN and TVA were able to obtain national licenses and Shijak TV was not. Nevertheless,

2003 period. Occurrences of such crimes are rare, and they are prosecuted vigorously.”

There are some instances in which journalists are able to obtain information from government and other sources. In general, however, public officials can make it extremely difficult for media to access information. And despite some reforms initiated by the Council of Ministers, collecting information at the local level is nearly impossible. One panelist summarized the panel’s majority view by stating, “Legally, access to information laws offer much, but in practice very little can be obtained.”

Media access to international news is a question of capitalization. For broadcasters, those stations that have the money can invest in license agreements with Reuters, CNN, APN, and so on. But those who do not have available funds are forced to downlink Fox News. Generally, information is available to all who want it; it is just a question of funding. However, international news is not the main ingredient of the Albanian newscasts, where the focus still is domestic politics.

Entry to the journalism sector is wide open in Albania. As one panelist explained, “You can finish your studies in agriculture and still immediately become a journalist in Albania.” While this might present a good career option for young Albanians, it does not necessarily guarantee a high-quality professional media sector.

Objective 2: Professional Journalism

Albania Objective Score: 1.89/4.00

Many MSI panelists were disappointed with the reliability of the information available in the Albanian media. Some panel members felt that much of the purported “news” is based on gossip and rumor. In the print media, reporters often are required to fill a daily quota of articles, not surprisingly lowering their quality. To meet this obligation, journalist must have “sources,” many of which are not legitimate. According to one panelist, “Newspapers still feature news that is prepared in the cafeteria. This means that gossip is the basis of print media, and it can’t be called information.”

Self-censorship is another serious problem. Quite simply, self-censorship occurs because journalists and editors want to keep their jobs. Few have employment contracts, even though the law demands it. Even fewer have benefits such as unemployment insurance. As one panel member stated, “Ninety percent of our colleagues work without being insured. Under such conditions it’s very difficult to not practice self-censorship.”

Corruption is rampant throughout Albania, and in the media sector as well there is little practice of accepted ethical standards. Panelists agreed that the entire issue of ethics and ethics codes is in the incubation stage. To make Albanians aware of the costs of corruption, two international nongovernmental organizations (NGOs)—IREX and Management Systems International (MSI)—have collaborated to produce a bimonthly program, “Hapur.” The hour-long show highlights corrupt practices and their negative effects on society. Several episodes have spurred government responses.

Panelists agreed that established journalists are fairly well paid in comparison with other professions. However, the same cannot be said of many of the young journalism students hired straight out of the university. There was some disagreement on the link between salaries as a factor in discouraging corruption. Many panel participants felt that corruption in media is not correlated to wage levels. One panelist stated, “I can write an article for payment, and I can have a monthly salary [of] 1,500,000 lek. It doesn’t matter at all because it is correlated with my character. All professors of the journalism faculty that have a low salary must be corrupt. This is the logical conclusion.”

The NCRT’s mandate on October 15, 2003, eliminated virtually all entertainment programming on television. With television stations prohibited from airing pirated movies, airtime was filled immediately

with talking heads. Indeed, news and information are the featured programs on most stations. However, as the industry acquaints itself with buying legal programming, a shift in broadcast schedules will again take place.

The gap between those outlets with the proper technical resources and those without is a significant problem in broadcasting. This gap may be evident even within the same outlet. For example, the state broadcaster TVSh appears to have the funds to update its technical requirements and its news studio, but its reporters still use typewriters. Top Channel, a Tirana-based television station, could compete quite successfully in any mid-market American city. Technical capacity drops precipitously outside the capital city. Most of the regional stations still maintain VHS systems with little ability to upgrade them. TV Bajram Curri, in the northern city of Tropoje, broadcasts from a two-room apartment that it shares with a family.

Before 2003, the only television station that transmitted via satellite was the state broadcaster. Now there are three other stations using EutelSat to reach beyond Albania. With annual satellite fees ranging from €160,000 to €250,000 per year, one wonders where the money is coming from when there is such a dearth of advertising revenue (estimated at \$10 million to \$12 million per year for the national broadcast market). This proliferation of satellite broadcasting gives rise to new problems. First, stations must increase advertising rates to accommodate the increased operational expenses. Second, why would local Albanian businesses want to broadcast ads throughout Europe? Third, international advertisers suffer when their ads are beamed via satellite to other countries and they have to pay copyright fees based on distribution.

The primary printing facility is still the Demokracia, an outdated press originally donated by the International Monetary Fund (IMF). The press was given over to a consortium of newspapers, which still operate it. Demokracia prints at a loss because the customers (the owners) refuse to pay for the service. Often there is no press run due to the lack of spare parts, ink, or newsprint.

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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).

Quality niche reporting is in its infancy in Albania. Weekly “civic journalism” programs are now being aired, but the vast majority of media do not have the resources or the inclination to produce specialized programming.

Objective 3: Plurality of News Sources

Albania Objective Score: 2.14/4.00

By all accounts, a wide variety of media exist in Albania. As referenced previously, there are 56 television outlets, 35 radio stations, and 19 daily newspapers operating in the country. However, this broad range of outlets does necessarily mean they are professional operations, let alone viable businesses. If anything, the number of

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Albanian citizens are not restricted by the government in accessing domestic

or international media. The only limitations for many people are economic. Even if citizens in the rural regions cannot afford a satellite, anyone with a television set or radio can pick up any station that has a strong-enough signal.

Public broadcasting is not a factor. The government-controlled broadcaster, RTSh, is completely under the influence of political forces. Even the chairman of the Parliamentary Commission on Mass Media, a member of the ruling Socialist Party, was critical of state television during the MSI panel, saying: “I have put a 1 for this category since I represent the party that is in power. If I were a journalist, I couldn’t put more than a 0 because it is scandalous that public broadcasters sustain a political party.” RTSh has other problems. It is overstaffed, and many employees also work for private stations while supposedly on duty at RTSh. The RTSh newscast was the most popular television program in the country at one time, but recent surveys show it has lost much of its popularity.

News agencies have yet to be developed in Albania. Aside from Albanian Telegraphic Agency (ATA), the state-supported operation, TirFax is the only private news agency. However, TirFax generally regurgitates

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.

what is written in the newspapers and has no discernible client base.

Media ownership is almost impossible to determine. The names that appear on the licenses often do not represent the actual ownership. For example, TV KOHA is understood to have eight owners, among them the Minister of Culture and the mayor of Durres. However, their names do not appear on any official papers registered with the NCRT. Meanwhile, newspapers, which do not require a license to operate, only have to register as a corporation without providing ownership information.

Although there are statutes that provide for media coverage of minority communities, these provisions are largely ignored in practice. Some of the southern regional television stations do have Greek programming, and there are Greek- and Macedonian-language radio stations operating locally. According to one panelist, “Every person can open a local broadcast outlet (in Greek or Macedonian languages). And licenses are only local—not regional or national. Legally, the government has fulfilled this condition. It is another issue whether or not anyone is interested because there is no promotion.”

Objective 4: Business Management

Albania Objective Score: 1.42/4.00

MSI panel participants agreed that the media industry cannot support itself in Albania. Although some stations are generating a bit of profit, most are unsustainable. The difficult economic environment means that it will take a long period to achieve sustainability.

Most panelists agreed that few sources of funding for media could be legal. The government has the tendency to advertise its enterprises such as AlbTelecom, the power company, and the state insurance company, on media that support it. Profits from these ads are substantial and are viewed as rewards for pro-government coverage. Conversely, the stations and newspapers that support the opposition are punished by being ignored by the state advertisers.

Advertising agencies have yet to emerge in Albania. There are a few entrepreneurs who claim to represent agencies. These “agents” buy blocks of time on various stations and then look for clients to sell to. However, the stations that have produced and aired the ads are rarely paid through these middlemen. One panelist bluntly stated, “In general, every promotion is produced for

specific business or political interests without considering viewership or readership. For this reason, the advertising market in Albania is completely absent.”

Market research is practically nonexistent in Albania. In the past two years, however, four surveys of the national broadcast market have been conducted by the

Institute for Statistics and Opinions (ISO). ISO is now in negotiations with TNS, the former Gallup Organization, to join that network. The semi-annual surveys are slowly being accepted as independent measurements of viewership. There has been a demonstrable shift in advertising revenue from the state broadcaster to some of the private stations that demonstrate stronger ratings. The value of ISO’s surveys was highlighted when the political parties bought copies of the ratings before mounting their media blitzes in the run-up to the mayoral elections in 2003.

“In general, every promotion is produced for specific business or political interests without considering viewership or readership. For this reason, the advertising market in Albania is completely absent.”

Independent media are well-managed businesses, allowing editorial independence

BUSINESS MANAGEMENT INDICATORS

- Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- Media receive revenue from a multitude of sources.
- Advertising agencies and related industries support an advertising market.
- Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- Independent media do not receive government subsidies.
- Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- Broadcast ratings and circulation figures are reliably and independently produced.

Objective 5: Supporting Institutions

Albania Objective Score: 2.21/4.00

The concept of uniting for the common good has yet to take hold with the media owners, who appear to fear losing power and influence as individuals within the industry. One panelist explained that a broadcast association “is not an association but a group of people who want to control everything in the media.” Panelists agreed that the owners participating in the broadcast association have trouble advocating for their own interests because they do not represent the whole spectrum of media. Meanwhile, there are currently no organizations that support the rights of print ownership.

Journalists have even less of a support network. Many journalists do not have employment contracts and come to work each day wondering if they are going to be fired. Publishers can take full advantage of this situation: Newspapers tend to employ students from the faculty of journalism, and when the class enters the

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However, the government regards NGOs as more of a nuisance than as a vehicle for improvement. The government can ignore calls for reform within the media sector because civil society is too underdeveloped to exert much pressure.

The MSI panel was generally optimistic that journalists could obtain the proper training. However, the obstacles for aspiring journalists are daunting. The University of Tirana School of Journalism has received much support from international organizations over the years, with little to show for it in terms of improved professionalism. Corruption and political influence pervades even at the university level.

Two qualified journalists have formed a private educational program to prepare students to enter the industry. Despite a successful start to their program, their resources are limited. Both journalists have proven to be excellent reporters and able instructors, but the scope of their program is too limited to benefit the industry as a whole.

At the university, there are mass layoffs as older staff members are replaced by more novices. Although there was an attempt to initiate a union for journalists several years ago, the reporters were too afraid to join because they feared losing their jobs.

Media-support NGOs do exist to provide advocacy and assistance.

Supporting institutions function in the professional interests of independent media

SUPPORTING INSTITUTIONS INDICATORS

- Trade associations represent the interests of private media owners and provide member services.
- Professional associations work to protect journalists' rights.
- NGOs support free speech and independent media.
- Quality journalism degree programs that provide substantial practical experience exist.
- Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Distribution of print media continues to be a problem in Albania. Printing and distribution are controlled by companies operating in Tirana. The poor infrastructure does not allow for the effective delivery of printed publications on a daily basis. Newspaper distribution “is a jungle,” said one panelist. “If the distributor wants to deliver your paper, it will. But if it doesn’t, your paper won’t be delivered.” Meanwhile, the cost of installing print facilities outside Tirana is too great to be a realistic option. Generally, television stations deliver concise and still-relevant news to those living outside Tirana.

Panel Participants

Elsa Ballauri, director, Human Rights Group NGO

Fatos Baxhaku, journalist, Vizion Plus

Dzimi Bylykbashi, owner/operator, TV4+, Lushnje

Lutfe Dervishi, editor-in-chief, *Albania* newspaper

Thanas Goga, media consultant, International Foundation for Election Systems (IFES)

Leonard Gremi, general director, Balkan TV

Edmond Isaku, owner/operator, TV Bulqize

Remzi Lani, director, Albanian Media Institute

Iris Luarasi, co-owner, Radio Ima; Professor of Journalism, University of Tirana

Edi Paloka, vice chairman, Parliamentary Commission on Mass Media

Suela Shala, assistant to press officer, OSCE

Andi Tela, editor-in-chief, *Panorama* daily

Musa Ulqini, chairman, Parliamentary Commission on Mass Media

Rezar Xhaxhiu, news director, TV Arberia

Moderator

Andrea Stefani, local media advisor, IREX/Albania