

MEDIA

SUSTAINABILITY

INDEX

2005



IREX

THE CHALLENGES ALBANIA IS FACING INCREASE THE IMPORTANCE OF MEDIA'S ROLE AS THE FOURTH ESTATE. EVEN THOUGH THE PANELISTS REPORTED POSITIVE CHANGE IN 2005 FOR ALL FIVE OBJECTIVES, MUCH REMAINS TO BE DONE IN ORDER TO ESTABLISH A FREE, INDEPENDENT, AND FINANCIALLY AND PROFESSIONALLY SUSTAINABLE MEDIA SECTOR.

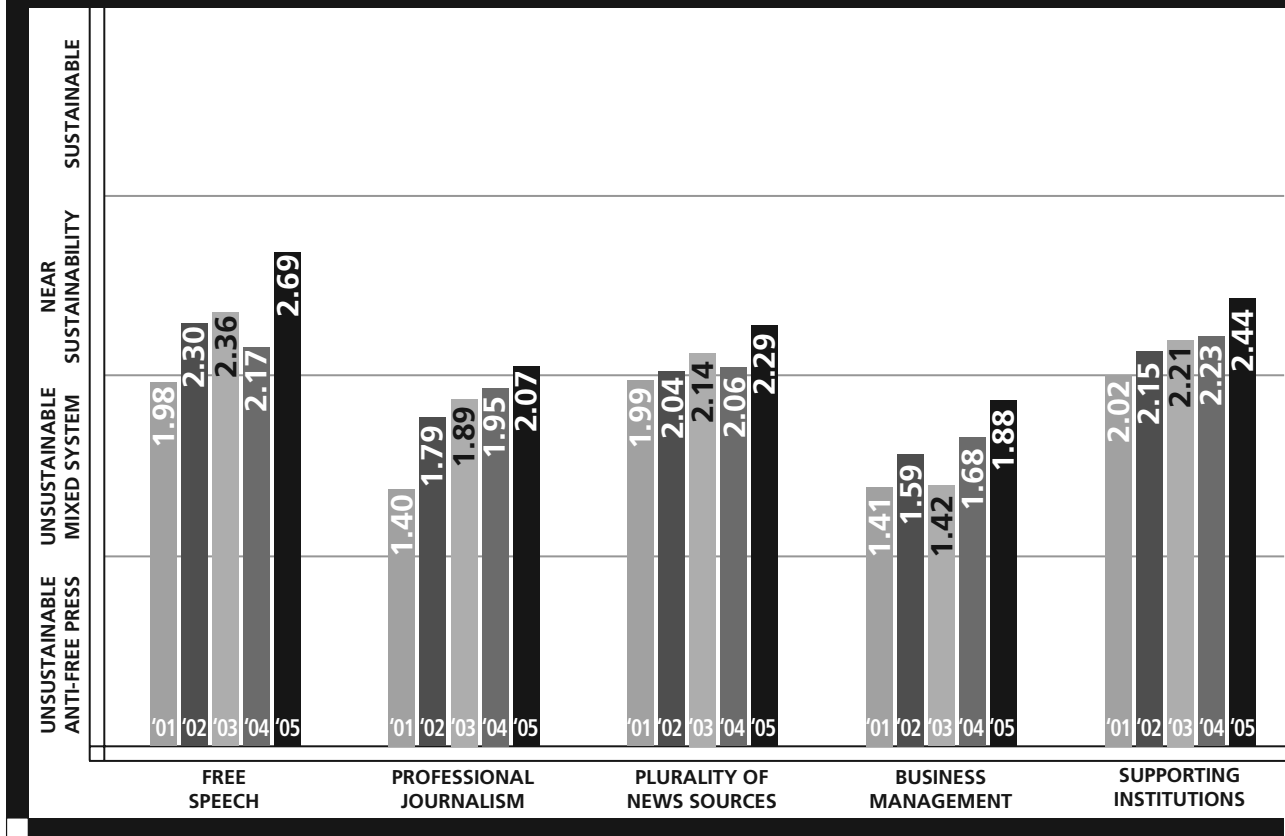




The peaceful changeover of power after the parliamentary elections on July 3, 2005, has not diminished the challenges faced by the poorest country in Europe. One of the most important challenges is the struggle against corruption, currently an epidemic in Albania. Even the electoral result—removing Fatos Nano’s Socialists from power by handing control back to the Democrats and ex-President Sali Berisha—along with other important developments related to corruption will continue to be issues for some time. The Socialists’ departure from government can be directly traced to their scandalous tolerance of increasing levels of corruption during eight years in power. In the same way, the success or failure of the new government headed by Prime Minister Berisha will be defined by how it handles corruption. The government’s progress will be measured by important political events, such as local elections in 2006, as well as the presidential elections in 2007.

Fighting corruption with positive tangible results to show the public is a major focus of all players in the political arena. The issue is expected to be even more visible in the future, constituting the core of political competition. The main obstacle to fighting corruption consists of the bitter reality that in the past 15 years of transition establishing genuinely independent institutions capable of truly providing checks and balances for each other has not yet taken place. Even though the Constitution proclaims that the legislative, executive, and judicial branches are independent, reality has revealed another triumph for the mentality and practices of the party-state. In Albania, the executive branch continues to be rather powerful, and it imposes its will on both legislative and judicial branches. The prime minister, who is also the leader of the ruling party, is simultaneously the chairman of the parliamentary majority. This role is set against a background in which the strings connecting the judiciary to politics and the party in power are not difficult to notice. While the Democrats must take decisive action against corruption, trafficking, and smuggling, the opposition seeks to label almost every government action as political populism that does not respect the rule of law, thereby endangering personal rights and freedom.

MEDIA SUSTAINABILITY INDEX: ALBANIA



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.

The challenges Albania is facing increase the importance of media's role as the Fourth Estate. Even though the panelists reported positive change in 2005 for all five objectives, much remains to be done in order to establish a free, independent, and financially and professionally sustainable media sector. However, media has no alternative than to achieve the self-actualization of the Fourth Estate, in addition to increasingly supporting civic and legal attempts to combat corruption and consolidate democratic reforms. This evolution of the media sector must take place along with attempts to preserve media freedom by establishing institutions that will protect journalists and outlets from mounting pressure from political and business groups. Fortunately, this process has already begun.

OBJECTIVE 1: FREE SPEECH

Albania Objective Score: 2.69 / 4.00

According to the Media Sustainability Index (MSI) panelists, two main aspects regarding the freedom of speech in Albania must be considered. One deals with the legal framework in place in which the Constitution of the Republic guarantees the freedom of expression and access to information. The other aspect concerns the implementation of laws that safeguard the freedom of expression and access to information. While the situation has improved significantly regarding legislation on the books, there are still problems with implementing these laws.

Musa Ulqini, a member of the Parliamentary Commission on Mass Media, says: "According to international standards, Albanian legislation on free speech has had a positive evaluation from the European Union, the Council of Europe, and the OSCE." Other panelists shared the same opinion. It seems that media legislation will experience further improvement in the near future. In early 2005, a draft law was presented to the parliament of Albania that was aimed at decriminalizing defamation. If this amendment passes in parliament—it is still under review—no Albanian journalists will face imprisonment when charged in defamation lawsuits, as the present penal code stipulates. An amendment to the civil code has also been completed. This amendment aims to narrow the range of fines in cases of personal damages, such as damage to someone's reputation. This decision is currently left to the discretion of the judges. All of these changes are expected to improve the legal environment for journalists by removing hidden barriers.

However, Musa Ulqini is not very optimistic when it comes to the implementation of this legislation, to the agreement of the other panelists. According to Bashkim Hoxha, journalist and director of Teuta TV, "the laws regulating media are not bad, but their implementation is rather voluntary and is under political and economic pressure." Political pressure, as other panelists agreed, has such a strong presence that it hinders the normal activity of regulatory institutions for the media industry, such as the National Council of Radio and Television (KKRT, according to the Albanian acronym). In many instances, television stations in Tirana or in other cities violate the law on broadcasting. However, KKRT hesitates to penalize them since it finds itself under immediate pressure from the political parties, which complain that such penalties are in "violation of free speech." To Ylli Pango, a member of the Parliamentary Commission on Media, every time there has been a conflict between media and regulatory bodies, it has been more convenient for the government to side with the media, at the expense of the regulatory bodies and the law. International organizations and diplomats in Tirana have also been

Legal and social norms protect and promote free speech and access to public information.

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.

complicit in neglecting legal requirements for the sake of a media outlet's potential affiliation with certain political parties. Intimidated by more than 40 years of the communist oppression of free speech and by newfound instances of this tradition during the early stages of transition, the foreign presence in Albania has preferred to discourage some KKRT regulatory activities against media in order to protect free speech. By exerting this kind of pressure in the name of free speech, the rule of law has been flaunted by tolerating certain cases of abuse.

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According to some panel participants, freedom of expression in Albania is so open that it has become excessive. Based on this liberal use of freedom of speech, IREX Senior Media Advisor Andrea Stefani

stated, "Speech is so free that it is costing us very dearly." Political pressure by the parties on media has meant that issues such as the funding of stations or the broadcasting of pirated programs have been overlooked. This phenomenon is even more evident in the licensing procedures. Although the law clearly defines the licensing requirements, not everybody respects them. However, many applicants who do not meet the conditions still receive a license. Thus, Albania faces a contradictory situation: Access to the media market is truly free and without barriers presented by monopolies. On the other hand, access to the market is entirely unregulated. While this situation does not hinder the operations of many media outlets, it does not tie the growth of the media sector to the adherence to professional and legal standards. It is no coincidence that the immense number of media outlets in Albania increases by the day. However, the level of their professionalism is low and leaves ample room for improvement.

The media sector has grown, quantitatively speaking, but qualitative growth is insignificant. In addition, despite pressure from politicians, media owners, and international organizations, there has not been one case of revoking the license of those media outlets that do not meet even the minimum requirements for a radio or television license. Even those stations

that broadcast pirated programs in order to compete with television stations that make use of regularly acquired programs have not been punished. The weak implementation of media legislation in this case is not only damaging to the KKRT, but it is also destructive to competition in the media market.

Panelists stressed that there can be no genuine freedom of speech or media freedom when the principle of equality before the law is violated. They added that politics has never guaranteed the KKRT the necessary support in order to fulfill its duty of developing free media according to proper standards and in conformity with the law. According to Bashkim Hoxha, "The process of licensing electronic media in Albania continues to be politically controlled, noncompetitive, and unfair."

Panelists agreed that the media market is quite open and that there is no discriminatory treatment of media regarding tax policy.

The law on access to information in Albania enables every citizen and journalist to access all public documents that are not classified as secret. However, there are still cases in which, in violation of this law, officials at different levels of the administration hesitate to provide journalists with the requested documentation. Such resistance is more frequent in the districts. "For us it is more difficult to obtain information, because they won't give it to us," said Luftim Vani, director of a local station in Bulqizë, a mountainous region in the eastern part of the country. In fact, due to factors such as patriarchal traditions or the degree of pressure larger and more influential media can exert, the range of free speech is greater in the larger cities, and especially in the capital of Tirana. Hence, freedom of expression is not equally practiced throughout the entire country and becomes more limited in small towns, counties, or communities.

Violence against journalists becomes more evident during elections campaigns, when political competition becomes fierce. Even during the parliamentary elections on July 3, 2005, which brought the Democratic Party into power, some serious instances of violence took place. For example, the assault on Mero Baze, editor-in-chief of *Tema* newspaper (a daily quite close to the then-opposition) and an attack on a reporter from television station Top Channel were notable. These incidents led to a lower press freedom ranking for Albania, compared with a year ago, in 2005's Press Freedom Index produced by Reporters Without Borders. However, panelists thought that Albania currently suffers not so much from violence against journalists as from freedom-of-speech abuses directed against some

journalists. While the cases of mistreating journalists become increasingly less frequent, the cases of media violating the reputation and privacy of individuals become increasingly more frequent. In general, media are not concerned about infringing on the rights of others, and they are even less concerned about compensating people for damages done to reputation or privacy. Many newspapers do not devote the same space within their pages to legal retractions regarding individuals, businesses, or institutions as they would for the original charges against the same entities.

Yet, unpleasant memories of the Communist regime that annihilated freedom of expression, combined with more recent memories of violence against media at the beginning of the transition period, led to the widespread opinion that strengthening the ethical spirit among the media must stem mainly from the self-regulation of the journalists themselves. Even though the media community drafted and approved a Code of Ethics some years ago, this code is virtually ignored. Based on demand from the journalists to create an ethical regulatory body within the journalism community, the Albanian Media Institute and the US Agency for International Development (USAID) began an initiative in November 2005 to establish an Order of Journalists. This initiative becomes increasingly important in advance of the decriminalization of defamation and libel measures currently under debate in the parliament.

Albanian laws do not stipulate any privileges for the public media. However, according to some panelists, Televizioni Publik Shqiptar (TVSH) still enjoys some privileges regarding advertising, the infrastructure of electronic broadcasting, and in collecting information from public institutions. According to Iris Luarasi, a journalist and professor at the Department of Journalism at the University of Tirana, it is not normal that the law on electronic media does not define what share of the advertising cake TVSH can benefit from in one year. According to Iris Luarasi, "TVSH, thanks to the great capabilities it possesses, can attract almost 70 percent of the advertising market, thus rendering life difficult for many private stations." It must be added that in addition to advertising revenue, TVSH's other income is derived from a license fee. This double source of revenue is perceived as a privilege that damages competition in the media market and even promotes corruption with the TVSH funds.

To Fabiola Haxhillari, a panelist and the Organization for Security and Co-operation in Europe (OSCE) representative, the fact that TVSH continues to own the mountainous peaks where the broadcasting antennas

are located is a privilege that generates considerable revenue for TVSH. The station collects fees that private media outlets must pay in order to transmit their signals. According to Haxhillari, "Many of the private television stations are indebted to public television, and this is a great benefit that TVSH still enjoys."

Meanwhile, many of the panelists consider it problematic that TVSH continues to disseminate propaganda in favor of the party in power or the government. In

According to Bashkim Hoxha, "The process of licensing electronic media in Albania continues to be politically controlled, noncompetitive, and unfair."

In this way, the station distances itself from the mission of a genuine public station. According to Aleksandër Cipa, journalist and head of the Union of Albanian Journalists (UGSH), this harmful dependency of the public television on government is exacerbated by the fact that the electoral procedures of the general director of the station favor the preferences of the prime minister. This viewpoint was confirmed by Genc Ymeraj, a journalist and editor at TVSH. "It is true that politicians appoint the directors of public media according to their own will. Even after the ascendance of the right wing to power, we still hear that some 30 names are mentioned as potential appointees to the high-ranking positions of TVSH, all of them belonging to the right wing. This is the way it has been, and this is the way it will always be," Genc Ymeraj said.

The panelists shared an almost unanimous opinion that while the law acknowledges the right to equal access to public information for all media and journalists, the reality presents some problems in this regard. Due to the dependency of public television on the government, several directorates feed news to TVSH in a privileged and exclusive manner, at the expense of private media. Meanwhile, cases in which government officials refuse to inform journalists are more frequent when it comes to local government administrations.

In Albania, access to the journalism profession is rather open. The government does not require licenses or impose other restrictions. The panelists found that this situation has given rise to a new concern, namely the involvement of unqualified people in the journalism profession. Consequently, this has negatively affected the quality of overall reporting. According to the panelists, this problem can be solved only through the establishment of the Order of Journalists, which is expected to take place in 2006.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Albania Objective Score: 2.07 / 4.00

When it comes to journalism standards, all panelists provided generally poor assessments on this objective. Even though significant attempts to provide sources and balanced reporting have occurred, ethical codes are underdeveloped. In fact, ethical standards for Albanian journalists do exist. In 1996, the Albanian Media Institute cooperated with two existing journalism associations to hold a roundtable, resulting in a draft Code of Ethics for journalists. This document was produced after reviewing similar documents from countries with more consolidated democracies. In the end, the draft met the standards upheld by international professional journalism associations. However, in the absence of an institution that would implement this code, the document was ignored for several years. It is precisely for this reason that Albanian media continue to experience ethical violations in reporting, which lead to privacy infringements or cases of slander against individuals and even institutions. At the same time, rumored cases of paid-for articles or broadcasts in which journalists are paid directly by political or business representatives abound. This "business" is rather widespread at public television, where some companies prefer to advertise via on-air news editions or articles by bribing the reporter rather than by buying advertising time.

According to Fatos Baxhaku, a well-known editorialist, "Working without contracts, the lack of a strong union of journalists, and therefore the absence of protection for journalists against media owners has been and will be one of the main causes not just for self-censorship, but also for all the silent, psychological intimidation and pressure exerted on journalists."

pressured to not publish or broadcast stories that affect the interests of individuals, businesses, or politicians

Even though there is hardly any censorship in Albania, self-censorship is still present. Why is that? To many panelists, the main reason is the lack of protection for journalists vis-à-vis the media owners. There are many instances in which Albanian reporters and journalists bow to pressure from their owners in order to publish stories that favor friends of the owners. Similarly, journalists are

close to the owners. If journalists do not obey, they risk losing their jobs. Media owners have exercised their relatively unchecked power when they have fired entire groups of journalists. In 2005, for example, the television station Telenorba Shqiptare underwent a change in ownership that resulted in the firing of almost the entire staff of journalists. The staff was let go without meeting any of the contractual requirements. A similar situation happened with television station TV Koha. According to Fatos Baxhaku, a well-known editorialist, "Working without contracts, the lack of a strong union of journalists, and therefore the absence of protection for journalists against media owners has been and will be one of the main causes not just for self-censorship, but also for all the silent, psychological intimidation and pressure exerted on journalists."

The fact that almost 90 percent of journalists continue to work without contracts is still a cause for alarm. This has led to the perception that the journalism profession is not a career to which people are dedicated and which can earn them a living. In addition, the flow of journalists entering and exiting the profession is constant. "Currently there are only 5 to 10 journalists in the entire country who started in the profession 15 years ago, when transition started, and have remained faithful to this profession. The overwhelming number of media professionals have slowly moved on to other careers," editorialist Lutfi Dervishi said.

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).

The departure of journalists to other professions has made accumulating professional experience difficult, thus eroding the considerable investments made by different donors in training journalists and improving the overall quality of reporting.

In October 2005, the journalism community, supported by IREX and USAID, established the Union of Albanian Journalists, a trade union tasked with providing all journalists with regular work contracts and protecting the rights stipulated in these contracts.

Panelists accepted the fact that media in Albania cover key events and issues with little restriction.

In Albania, the range of salaries for media employees remains rather low. In this context, the monthly salaries of some editors-in-chief or news directors at private stations are considered very high if they fall in the range of \$1,500 to \$2,500. However, these are isolated cases, as the overwhelming number of journalists earns salaries that fall in the range of \$200 to \$500 per month. Even though this wage rate is higher than the salaries in the public sector, these wages are not enough to prevent corruption or hold journalists back from offering to publish articles and broadcast stories to the highest bidder. Journalists are even more vulnerable to such temptations because many outlets do not pay for Social Security or health insurance for the journalists.

News information is plentiful. In general, all television stations have their own daily news programs, with the exception of the small local television stations. News editions do not overshadow entertainment, or vice versa. Is the environment for gathering, producing, and distributing news modern and efficient? The answer would be positive for private television stations such as Top Channel, TV Klan, or Vizion Plus, based on the amount of capital they possess. "The equipment of some Albanian stations with the latest digital technology would be envied by many stations in the USA or Europe," Luftim Vani said. In some relatively big cities such as Durrës, Vlora, Elbasan, or Korça, the media situation has improved in recent years. However, the media landscape in other towns and cities is much different. In smaller cities and in rural regions such as Puka, Kukës, or Bulqize, the equipment resources are very poor. "Similar to the people, media in Albania are extremely polarized between rich and poor," Luftim Vani said.

With regard to reporting genres, the panelists agreed that all kinds of reporting exist in Albania. Economic reporting, social reporting, cultural reporting, and sports reporting have increasingly accompanied political

reporting over the years. For example, two newspapers and one magazine are dedicated to economic reporting. Weekly magazines that deal with cultural issues and social groups like women compete with daily newspapers that also cover these issues. Furthermore, specialized reporting is present in mainstream and in local media. However, even though niche journalism exists, the quality of such reporting leaves room for improvement. Depending on the nature of the reporting, when it comes to political reporting, readers find a lot of passion and bias. On the other hand, economic reporting lacks professionalism and accuracy. The whole situation results from the fact that beat reporting developed faster than journalism training that covers niche reporting. Do quality reporting and programming exist? Aleksandër Cipa said: "I will answer 'yes' to this question, omitting the word 'quality,' though."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Albania Objective Score: 2.29 / 4.00

The pluralism of media and information sources is, at least in theory, one of the most acclaimed achievements during the transition years in Albania. Censorship of foreign media no longer exists in Albania. This is

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.

a far cry from the country's communist past, when total censorship of foreign media left Albania isolated from the rest of the world. However, in practice, this achievement is diminished by the financial hardships that prevent many people from obtaining most of these information sources. Due to the widespread poverty that persists in the country, many people cannot afford to buy even one daily paper, which costs about 50 cents. Meanwhile, it is understandable that these same people could not afford Internet service, which is quite costly, or a subscription to a satellite television service, which is also very expensive relative to the income of most Albanian citizens. The situation is alleviated somewhat by the spread of cable television to some cities—an advance that, combined with the sale of pirated broadcasts of programs and movies, offers people more sources of information.

According to Bashkim Hoxha, "There is a strong contrast when it comes to accessing sources of information. People living in large cities and especially in the capital have greater access to media sources."

Poverty is one of the primary factors that continue to stunt the circulation of daily newspapers. Currently the circulation of most daily newspapers does not exceed 5,000 copies, while the two top newspapers in the country do not sell more than

20,000 to 25,000 copies per day. This situation sparked a debate on newspaper prices in 2005. Some owners of the low-circulation newspapers, making use of their contacts among members of parliament and the presence of a newspaper owner on the Parliamentary Media Commission, prepared a draft law seeking to establish a floor price of no less than 50 cents for all newspapers. The aim was to legally deprive newspapers that sold at 20 cents per copy of their competitive edge. Fortunately, this initiative did not pass in the parliament. If the law had been approved, not only would it risk a further decline in circulation, but it would also endanger free-market competition. Even without the law, the print media environment is not healthy and finds itself struggling for survival. The press is struggling, in particular, vis-à-vis competition with the electronic media. It is a paradox that newspapers continue to claim sales as their main source of revenue, and not advertising or subscription income, which remain underdeveloped revenue streams. In this situation, survival is impossible without the support of business or political interests. This outside influence threatens media independence, since media become vulnerable to pressure from businesses or politicians.

The available sources of information reflect significant polarization and lack of balance. According to Bashkim Hoxha, "There is a strong contrast when it comes to accessing sources of information. People living in large cities and especially in the capital have greater access to media sources." The quality of Internet services is significantly better in the capital than in other cities. In the rural areas, Internet access is nonexistent. These rural areas, estimated to host more than 50 percent of the population, continue to suffer from lack of access to print media. Due to the bad roads, newspapers cannot be distributed to the villages. Not only does this leave a large part of the population uninformed, but it also artificially halves the newspaper market, making it difficult for print media to survive. This appears even more alarming since local newspapers are nearly extinct in Albania. During the early transition period, more than 60 such newspapers existed. However, facing tough competition from Tirana-based papers, most of them had to close down. Their closure left a disturbing vacuum that has yet to be filled.

Most of the panelists explicitly stated that public media outlets are still partisan mouthpieces for the government. This role further removes the outlets from their mission to serve the public. The public television station TVSH was once again the focus of much discussion. According to Iris Luarasi, "It is without doubt that TVSH reflects the viewpoints of the political spectrum in power." The station's links to politics, and more specifically the government, have traditionally led to TVSH's politicized coverage. It has always been difficult for TVSH, the largest station in the country, to adopt an editorial policy that more closely parallels public interest. To one panelist, it is somewhat unnatural that the news edition on TVSH always starts with a political event and almost never with a social problem. In fact, these government ties in some cases have led TVSH to censor those programs that do not mirror the interests and propaganda of the government or the ruling party. For example, in March 2005, TVSH began broadcasting an investigative program called "Hapur" that is produced by Albanian journalists with the support of IREX and USAID. Loosely modeled on "60 Minutes," "Hapur" investigates instances of corruption in Albanian government and society. However, the program did not manage to broadcast two episodes before it was pulled off the air. The producers of "Hapur" learned that this censorship, reminiscent of the communist-era Iron Curtain that had once been imposed on the media, resulted from irate phone calls that TVSH directors received from officials of the then-Socialist government.

In spite of TVSH's somewhat more balanced record regarding the broadcasting time allocated to

government and opposition representatives, the tendency to favor the party in power, the excessive politicization of news coverage, and the ignorance of real public problems remain visible. These problems led one panelist, Lutfi Dervishi, to define public television in this way: "Public television is not public television."

For different reasons, independent news agencies have not been successful in Albania. All private enterprises in this area have largely failed because of poor professionalism and the lack of adequate investment. Even the state news agency (ATSH) is no longer used by private media outlets (television stations and newspapers) that currently produce their own news. Many view the state agency as overly politicized and supportive of the government. As media outlets gradually lost interest in the agency's information products, referencing ATSH in newspapers and on television news became a rare phenomenon.

The law on broadcasting forces all media outlets to produce local news at least twice per week. Most television stations meet this requirement. Some of them even produce news programs on a daily basis. Some private stations in Tirana (Top Channel, TV Klan, TVA, TV Vizion+, TV Koha, and others) produce news comparable to international standards, while others meet reasonable levels of quality for local news production. However, there are stations in distant areas that still experience problems with news reporting. The difference between news broadcast by private stations and news broadcast by public media is that the latter is always filtered according to the interests of the party in power. The private media are not always subject to this screening process. Those outlets that do receive support from political parties or businesses support those interests in return. However, in general, private media are more pluralistic and independent than "public" media, since the ties of private-sector media to the government are not as entrenched. In this sense, the promise of the pluralism of information in Albania is not realized through public media; it is rather through the private media.

The panelists offered very low assessments regarding the transparency of media ownership. This is due to the fact that legal requirements regarding the transparency of ownership and funding are not complied with or enforced. Legally speaking, public television is forced to publish biannual balance sheets stating revenues and expenditures. In practice, this does not happen. Even private media must submit annual financial records to the KKRT. The KKRT and the banks, while preserving financial confidentiality, should investigate the sources of media funding. However, no investigation takes place, and therefore the public remains uninformed about the

sources of media funding. The situation becomes even more mysterious based on frequent allegations of dirty money

invested in the media. Statements by the politicians have supported these charges time after time. For example, during the course of the election campaign that brought him to power, current Prime Minister Sali Berisha participated in a media debate with the owner of a well-known television station. Berisha mentioned "the white powder," alluding to the dubious financing sources of the station. At the same time, when the ownership of a media outlet changes hands, it is not public information. Some television stations such as Alsat TV, Koha TV, and the newspaper *Tema* have changed their ownership recently, but no public information has been available to provide details of the transactions.

The lack of media transparency is further complicated by contradictory recommendations from representatives of international organizations, according to one of the panelists. Musa Ulqini stated, "I am surprised by the reaction of these institutions in the remarks that have come from the OSCE office." According to Ulqini, contradictions are evident between the European Union (EU) requirements to solve the issue of media transparency and the suggestions made by the OSCE presence in Tirana. The OSCE does not advise attaining transparency in legal dispositions, at the risk of limiting media freedoms. However, Ulqini maintains that the EU advocates the legal regulation of media ownership structures.

There is no public pressure to limit coverage of a wide range of social issues in Albania, including minority problems. From the legal standpoint, anyone can establish a television or radio station or newspaper in any minority language. If outlets are established at a slow pace, the lack of financial means is to blame. Meanwhile, public television continues to broadcast programs in Greek and Macedonian for the minorities in the southern part of the country.

According to Iris Luarasi, "It is without doubt that TVSH reflects the viewpoints of the political spectrum in power."

OBJECTIVE 4: BUSINESS MANAGEMENT

Albania Objective Score: 1.88 / 4.00

In general, Albanian media are still far from operating as efficient and profitable businesses. Bashkim Hoxha said, "If the law on electronic media is implemented to

the letter, three quarters of the media will go bankrupt since they are maintained by other businesses. The law demands that the media work as separate businesses on their own means." In this sense, the large number of newspapers and television stations in Albania owes its existence mainly to funding by parallel businesses and to the weak implementation of the law. From the professional point of view, this parallel funding makes many outlets vulnerable to the pressure or censorship of the businesses that support them, some to a greater extent than others.

Printing houses are private and profit-driven. Meanwhile, the press distribution network—consisting of several private companies created by the media owners—remains limited to the main cities and does not cover the rural areas. Even in some distant cities, newspapers do not arrive until the late afternoon, thereby affecting the citizens' access to information and driving down newspaper sales. The main distributors are the companies owned by the two main dailies, *Shekulli* and *Panorama*. The Albanian Courier Service delivers most of the rest of the print publications.

The funding sources for private media still consist of advertising revenue, sales, subscriptions, foreign donations, and subsidies from private companies that own the media outlets. For newspapers, the main source of income comes from sales. In the broadcast sector, the extremely small advertising market in

Albania has limited even the most successful media. For example, the two or three most powerful stations in Tirana (Top Channel, TV Klan, and TVSH) have not yet managed to break even despite rising ad revenues. According to estimates by the Albanian Media Monitoring Center in March 2005, the advertising market amounts to about \$15 million per year. However, 56 television stations and 32 radio stations compete for this amount. Out of this pool of competitors, the lion's share goes to four or five national stations based in the capital. Meanwhile, the share of advertising left to local stations is significantly smaller, since the greatest economic activity, as well as the resulting need for advertising, is located mainly in Tirana and in some coastal areas.

Advertising revenue is even less for newspapers. Therefore, all daily newspapers are based in Tirana, while local newspapers have slowly died out over the years. Even the three remaining local newspapers (in Berat, Gjirokastër, and Shkodër) are published on a weekly basis and survive only through subsidies from a local printing house or from frequent donations from a foreign foundation. Without this external funding, the publication of these newspapers would cease. This unhealthy financial situation could affect the editorial policy of owners that subsidize these media outlets. Meanwhile, due to close ties between business and politics, the latter influences editorial policies through the owners.

Advertising agencies do not really function as such. "Advertising agencies function mainly as advertising managers, because they do not buy broadcasting time from the stations; they just offer them advertising," said Bashkim Hoxha. Advertising revenue, especially for print media, remains less than sales revenue or subsidies. It often happens that television stations significantly lower their fees to attract more advertising. However, while this strategy increases the competition for advertising spots, the corresponding growth in revenue is not commensurate. The poorer the station, the lower the ad fees are.

Legally speaking, private media are not allowed to receive state subsidies. However, in practice, some indirect cases of government favoritism toward certain media are visible. It is now an accepted fact that the newspaper or television station that is known as pro-government receives more advertising. This source of funding disappears if this same party falls out of power. Other forms of favoritism include renting public offices for television studios or newsroom offices at very favorable prices.

Independent media are well-managed businesses, allowing editorial independence.

<p>BUSINESS MANAGEMENT INDICATORS:</p> <ul style="list-style-type: none"> > 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.
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At the moment there is no agency seriously engaged in media market research. The television and radio stations carry out their own surveys to gauge the tastes and preferences of readership and audiences in order to adjust their programs and publications. Until a year ago, a study of television audiences and newspaper readership was conducted by the private Institute for Statistics and Opinions (ISO) with the support of IREX and USAID. In 2004, ISO announced a partnership with AGB Nielsen to produce monthly television ratings. However, this partnership fell through, making it more difficult for advertising agencies to make their decisions and for media to determine their editorial policies.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Albania Objective Score: 2.44 / 4.00

Years have passed since three journalists' associations (the League of Albanian Journalists, the Association of Professional Journalists, and the Association for the Protection of Media) were established. However, they have been entirely ineffective in providing any actual services to the journalists. Members do not pay any dues, and in effect, the associations exist only on paper. While these associations do make public statements following incidents between journalists and the authorities, these statements

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.

have reflected the political biases of their directors. Overall, journalists find themselves exposed vis-à-vis their owners. The media owners have also established their own organization, the Association of Albanian Publishers, which is still vaguely defined. In fact, this group of owners emerges only when it wants to discuss tax problems or lobby for its own interests with the government.

The absence of real supporting organizations has led many Albanian journalists to work without regular employment contracts. They are almost helpless when faced with the arbitrary decisions of owners, who can fire their staff without cause. No organization has stepped forward to offer legal protection to journalists in the event of disputes with owners. This situation creates an unfavorable climate in which to practice professional journalism. Journalists' integrity is easily vulnerable in these circumstances. Naturally, journalists have increasingly demanded changes. In response to this demand, the Union of Albanian Journalists was established in October 2005 with the support of IREX and USAID. The organization aims to protect the economic rights of journalists in their relations with media owners. The goal of the Union is to sign a collective bargaining agreement between the journalism community, the Ministry of Labor, and the association of media owners before the end of 2006. Afterward this contract will serve as a judicial cornerstone for all individual employment contracts that will be signed between every journalist or media employee and the media owners.

Overall, when it comes to public opinion, there is a favorable opinion of the media. In spite of the dissatisfaction regarding the lack of ethics or professionalism, the public is extremely sensitive to violations committed against the media. This attitude is reflected among the community of nongovernmental organizations (NGOs), such as the Albanian Helsinki Committee and the Albanian Center for Human Rights, which have joined in solidarity with the media by acting to protect journalists in cases in which they have been abused.

Until recently, training of journalists has been supported mainly by grants from NGOs or foreign foundations, such as the Open Society Institute, IREX, and Press Now. Currently only IREX is present in Albania with a media program that is part of the more extensive USAID-funded Democracy and Governance in Albania project. Journalism training is carried out through practical means by IREX and the Department of Journalism at Tirana State University, as well as by the Albanian Media Institute.

Panel Participants

Fatos Baxhaku, Journalist, Vizion Plus, Tirana

Andi Tela, Editor-in-Chief, *Panorama*, Tirana

Luftim Vani, Owner, TV Mati, Bulqizë

Lutfi Dervishi, Journalist, Tirana

Iris Luarasi, Co-owner, Radio Ime; Professor of Journalism, University of Tirana

Ylli Pango, Member of Parliamentary Commission on Mass Media, Tirana

Musa Ulqini, Member of Parliamentary Commission on Mass Media, Tirana

Genti Ibrahim, Lawyer, Tirana

Aleksandër Cipa, Journalist, Head of the Union of Albanian Journalists, Tirana

Genc Ymeraj, Director of Programming, TVSH Public TV, Tirana

Bashkim Hoxha, Owner, Teuta TV, Durrës

Fabiola Haxhillari, Assistant to Press Officer, OSCE, Tirana

Moderator

Andrea Stefani, Senior Media Advisor, IREX, Tirana

ALBANIA AT A GLANCE

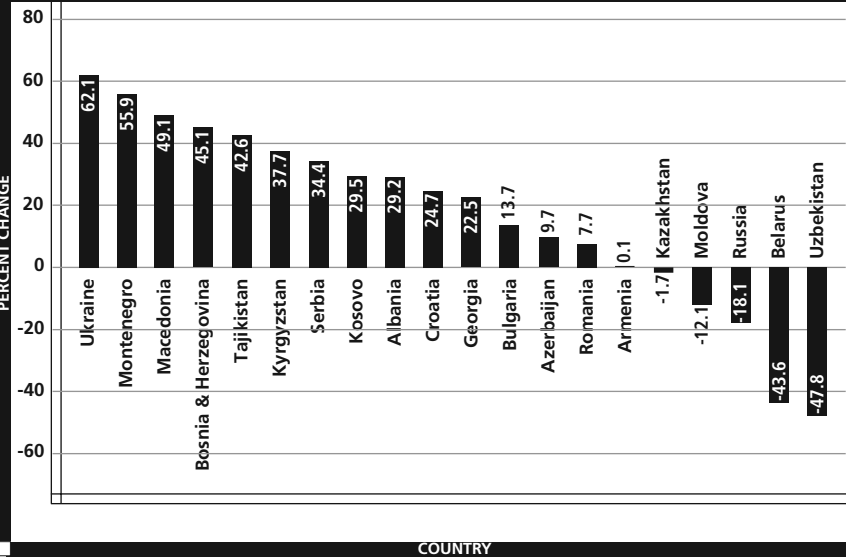
GENERAL

- **Population:** 3,400,000 *Demographic Atlas of Albania*
- **Capital city:** Tirana
- **Ethnic groups (% of population):** Albanian 97.79%, Greek 1.95%, Macedonian 0.23%, Montenegrin 0.03% *Demographic Atlas of Albania*
- **Religions (% of population):** Muslim 68.5%, Christian (Catholic and Orthodox) 28.5%, Bectashi 2% *Demographic Atlas of Albania*
- **Languages (% of population):** Albanian 97.79%, Greek 1.95%, Macedonian 0.23%, Serb 0.03% *Demographic Atlas of Albania*
- **GDP:** \$8.36 billion *IMF*
- **Literacy rate (% of population):** 86.5% *CIA World Factbook*
- **President or top authority:** President Alfred Moisiu
- **Next scheduled elections:** Fall 2006

MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** Approximately 75,000. *Shekulli* is the largest daily paper with 20,000 copies. *Albanian Media Institute*
- **Broadcast ratings (top three ranked stations):** Top Channel, TVSH, TV Klan *Institute for Statistics and Opinions*
- **Number of print outlets, radio stations, television stations:** Approximately 150 print outlets; 86 radio and television stations *Albanian Media Institute*
- **Annual advertising revenue in media sector:** Approximately \$15 million *Albanian Media Monitor 2004*
- **Number of Internet users:** 30,000 (2003) *CIA World Factbook*
- **News agencies:** ATSH (Albanian News Agency), ALNA, ALP *Independent News Agency*

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2005



MEDIA SUSTAINABILITY INDEX: ALBANIA

