
Events in 2014 exposed the links between the media, politics, and dubious businesses.



ROMANIA

Romanians experienced a dramatic presidential election in 2014. The campaign was harsh, and the much of the national media were polarized with the exception of a few outlets that tried to maintain objective coverage. Much media coverage violated a number of regulations. For example, The National Broadcasting Council fined television station Antena 3 and imposed a sanction on Romanian TV for allowing unsubstantiated attacks on one candidate by allies of the other.

The elections also were marred by significant problems that prevented thousands of expatriate Romanians from casting their votes. Social media were a conduit for public outrage, exposing the issues around out-of-country voting in cities such as Paris, London, Munich, and Rome. Following the first round of elections, Foreign Minister Titus Corlătean resigned after thousands of Romanians, politicians, and several media outlets called for him to do so. His replacement, Teodor Meleșcanu, resigned after eight days after the same problems plagued the second round of elections.

For Romanian media, 2014 was equally troubling. The US-based Central European Media Enterprises (CME), owner of the main commercial television station, Pro TV, appointed a new general director, Aleksander Cesnavicius. In early January, a number of executives, staff, and journalists were let go. Most of the staff were welcomed by the station's competitors (Antena 1 and Antena 3), which are controlled by the Intact Media Group. Still, Pro TV managed to maintain its lead in the broadcast market. Cesnavicius is the first non-Romanian general director of Pro TV since its creation in the early 1990s. His appointment came after Adrian Sârbu, the founder of the media trust, left CME. Sârbu, who introduced commercial television in Romania and owned the Mediafax Group, was arrested in early 2015 after being accused of committing tax fraud. His group filed for insolvency in late 2014.

Events in 2014 exposed the links between the media, politics, and dubious businesses. In August, Dan Voiculescu, a former senator and founder of the Intact Media Group (currently owned by his daughters), received a 10-year prison sentence for money laundering. Dan Adamescu, owner of Romania *Liberă* newspaper, was investigated in an insurance and insolvency case and placed under house arrest in August. Marcel Păcuraru, co-owner of Realitatea TV, was sentenced to four years in prison for fraud. Laura Georgescu, chair of the Romanian Audiovisual Council (CNA), and Narcisa Iorga, a CNA member, are both parties in an investigation regarding corruption in the licensing of broadcasters.

The year also brought several investigations against famous journalists accused of corrupt practices. Sorin Rosca Stanescu, the former head of *Ziua* newspaper and a former senator, was sentenced to four and a half years in prison for misusing funds and insider information and participating in criminal activity. The head of the Romanian Intelligence Service, George Maior, admitted that his institution has infiltrated newsrooms. He resigned two days later, under public pressure. However, some journalists—as well as part of the public—considered this an act of patriotism.

ROMANIA at a glance

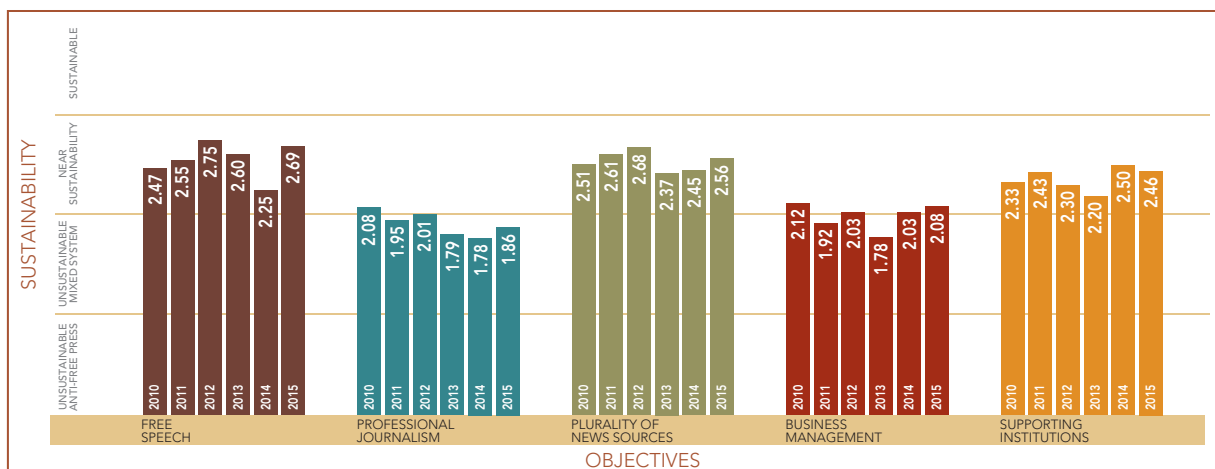
GENERAL

- > Population: 21,729,871 (July 2014 est. *CIA World Factbook*)
- > Capital city: Bucharest
- > Ethnic groups (% of population): Romanian 83.4%, Hungarian 6.1%, Roma 3.1%, Ukrainian 0.3%, German 0.2%, other 0.7%, unspecified 6.1% (2011 est. *CIA World Factbook*)
- > Religions (% of population): Eastern Orthodox (including all sub-denominations) 81.9%, Protestant (various denominations including Reformed and Pentecostal) 6.4%, Roman Catholic 4.3%, other (includes Muslim) 0.9%, none or atheist 0.2%, unspecified 6.3% (2011 est. *CIA World Factbook*)
- > Languages (% of population): Romanian (official) 85.4%, Hungarian 6.3%, Romany 1.2%, other 1%, unspecified 6.1% (2011 est. *CIA World Factbook*)
- > GNI (2013-Atlas): \$180.8 billion (World Bank Development Indicators, 2014)
- > GNI per capita (2013-PPP): \$18,410 (World Bank Development Indicators, 2014)
- > Literacy rate: 97.7% (male 98.3%, female 97.1%) (2011 est. *CIA World Factbook*)
- > President or top authority: President Klaus Iohannis (since December 21, 2014)

MEDIA-SPECIFIC

- > Number of active print outlets, radio stations, television stations, Internet news portals: Print: total number unknown, 115 publications (audited by BRAT); Radio Stations: 614 (licenses for terrestrial broadcasting), 30 satellite broadcasting (CNA Annual Report 2013); TV stations: 606 licenses (terrestrial, cable, and satellite), Internet news portals: number unknown, (35 news portals audited by SATI).
- > Newspaper circulation statistics: Top three by circulation *Click* (circulation 109,423, daily private tabloid), *Ring* (circulation 100,000, daily private tabloid, free), *Libertatea* (circulation 65,956, daily private tabloid).
- > Broadcast ratings: Top three television stations PRO TV (3.65%, national), Antena 1 (2.99%, national), Kanal D (1.68%, national) (paginamedia.ro, ianuarie 2015).
- > News portals traffic: main news portals: www.stirileprotv.ro (575,915 unique visitors/day), www.adevarul.ro (433,989 unique visitors/day), www.romaniatv.net (408,444 unique visitors/day).
- > News agencies: Mediafax (private), Agerpres (state-owned)
- > Annual advertising revenue in media sector: an estimated of €306 million (€17 million print market, €193 million TV market, €18 million radio market, €50 million Internet, €27 million OOH).
- > Internet Usage: 8.9 million (2013, Gemius Research)

MEDIA SUSTAINABILITY INDEX: ROMANIA



MEDIA SUSTAINABILITY INDEX 2015: OVERALL AVERAGE SCORES



CHANGE SINCE 2014

▲ (increase greater than .10) □ (little or no change) ▼ (decrease greater than .10)

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.

Scores for all years may be found online at http://www.irex.org/system/files/EE_msiscores.xls

OBJECTIVE 1: FREEDOM OF SPEECH

Romania Objective Score: 2.69

Freedom of speech is by and large guaranteed by Romania's constitution, in addition to special legal provisions; however, the lack of adequate enforcement continues to threaten the independence of the press. Răzvan Martin, of Active Watch, noted that the government made several attempts to pass restrictive legislation aimed mainly at imposing stricter regulations on surveillance, or legislation that limits access to information might embarrass politicians and decision-makers—for example, access to criminal files or information that may expose corruption cases. "In the eyes of politicians, everybody is presumed guilty," said Cătălin Moraru (Monitorul de Botoșani). Therefore, the panelists agreed that it is important to continually monitor the enforcement of free speech in Romania.

The National Audiovisual Council of Romania (CNA) is an autonomous body that controls broadcast licensing and enforces broadcasters' legal obligations; it is formally under parliamentary control. According to the CNA's website, its role is to "ensure that Romania's TV and radio stations operate in an environment of free speech, responsibility, and competitiveness." Its 11 members are appointed by the government and parliament, and their terms do not coincide with the political elections. In 2014, the CNA lost its legally mandated quorum, as the mandates of

four members expired and were not renewed in a timely manner by parliament due to political interests. Thus, the CNA was not able to function during part of the election, and the panelists noted that many aggressive tactics were employed that went unpunished during the campaign period, although some did, as noted in the Introduction to this chapter. Television stations allowed moderators and their guests to use inappropriate language, make allegations without proof, and manipulate public opinion, favoring the candidate they were supporting. For example, when the polls closed on the day of the second round of elections, the two candidates presented polls that showed they had an equal number of votes. However, Mihai Gâdea, one of the most prominent moderators from Antena 3, asked viewers to go out and vote to defend "the party machine of Băsescu." In Romania, the audiovisual legislation forbids campaigning on voting day, as well as presenting exit poll data before voting has concluded.

The CNA has been perceived as a politicized institution for most of its existence, despite its role as a regulatory body in Romania. In the past two years, the council itself has become embroiled in a political feud that has affected the CNA's capacity to effectively monitor television and radio programming. Costin Juncu noted that the CNA takes advantage of some legislative ambiguities to play "a postponing game," that is, to delay the release of its decisions, especially when it comes to licenses or sanctions. Media Sud Europa, the publisher of *Gazeta de Sud* regional newspaper in Craiova, tried several times to obtain a broadcasting license from the CNA for a television station named GDS TV. The council refused to grant the license the first time, in November 2013, claiming that the name was similar to that of a NGO based in Bucharest—The Group for Social Dialogue (GDS)—despite the fact that Media Sud Europa registered the GDS trademark on its name. In January 2014, Media Sud Europa reapplied for a license, this time using a new name—Gazeta de Sud TV. The company still was not successful, but in this second instance, the CNA did not even offer an explanation for its refusal. Finally, the third time, in February 2014, Media Sud Europa received the broadcasting license from the CNA. According to Martin, the political hues that characterized the members "infected the whole institution," and many of the decisions the council made were influenced by the interests of the political party or institution that appointed the members. Freelance journalist/media analyst Iulian Comănescu agreed, adding that under the mandate of the current chair, Georgescu, the institution "went amok." Georgescu is currently under criminal investigation for allegedly taking a bribe to facilitate a license.

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 or registration of media protects a public interest and is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against media professionals, citizen reporters, and media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > The law protects the editorial independence of state of public media.
- > 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 available; right of access to information is equally enforced for all media, journalists, and citizens.
- > Media outlets' access to and use of local and international news and news sources is not restricted by law.
- > Entry into the journalism profession is free and government imposes no licensing, restrictions, or special rights for journalists.

The panelists agreed that there are no special market entry conditions for the media in Romania, but they also agreed that the media do not, and have not, enjoyed any particular fiscal incentives. On the contrary, media analyst/blogger Petrișor Obae noted that the implementation of the fiscal law is left at the discretion of the local fiscal authorities. As Obae noted, larger companies are often treated more favorably. Nadina Dogioiu, editor at Ziare.com, agreed that this is a deliberate policy, ensuring that “the bigger the debt” a company has to the state, the easier it is for the government to control “the respective medium.” Moraru was adamant in stating that the authorities do not support the local media and do their best to limit their growth. “There is a constant preoccupation on the part of the authorities” to ensure that “local media disappear,” said Moraru. He explained that the state-owned companies, such as the Romanian Post, the main distributor of print media, are bearing down on local newspapers, asking for higher and higher commissions. “In the villages, our newspapers and the national TV channels are the only media [outlets],” Moraru explained, and if these outlets disappear, then local citizens will not be informed of what “the local authorities are doing.” Daniel Dincă shared his views, adding that it is no longer an issue of political parties wanting their own media outlets, but rather their desire to have “no local media at all.” The few local media that remained independent are the only sources of information for people interested in how the local authorities do their work. In an environment full of controlled media outlets, very few of them are presenting corruption cases, the illegal or inappropriate use of public money, or the abuses committed by local politicians.

Crimes against journalists are few and far apart. The most serious cases were those of journalists attacked by protesters who felt that the media outlet did not share their views. In one such case, the attack happened live on camera. Law enforcement officials did not react until later, when a criminal investigation was launched against the aggressors. In another case, a journalist was unduly held and harassed by policemen because he photographed an act of police violence that he witnessed by chance. Thereafter, the police launched an investigation of the officer who allegedly committed the violence. The panelists noted that “character assassinations,” though not physical, have been used as a way of harassing journalists. For example, Cătălin Tolontan, the editor-in-chief of a sports newspaper, was “exposed” for pocketing “too much money”; the publication of Tolontan’s tax form (a document that should have been protected under the personal data law) indicated that all owed taxes were paid. The document was conveniently published on Facebook by a journalist at the time when President Băsescu was attacking Tolontan and his journalists for conducting an

inquiry into the fraudulent finances around the organization of the International Professional Boxing Gala, with the involvement of Elena Udrea, a close political ally of President Băsescu. In February 2015, Udrea was prosecuted and placed under house arrest on accusations of bribe-taking and abusing her public function.

The public media’s editorial independence is protected under the functioning laws of public radio station SRR, public television station TVR, and news agency AGERPRES. While political control over these institutions is maintained, via politically appointed board members, the effects on the content are not very visible. For example, during the electoral campaign, TVR invited the prime minister (a presidential contender at that time who ultimately lost) to appear live on shows dedicated to agriculture or Romania’s relationship with the Republic of Moldova. The CNA analyzed the programs and stated that, while questionable, the prime minister’s presence was in no way illegal and decided not to apply any sanctions.

Libel is no longer a criminal offense in Romania and is protected under the civil code. In cases of libel, the plaintiff is exempt from paying taxes that are required when demanding other times of reparations. In 2014, Romania saw several cases where journalists or even media companies were brought to justice by other journalists. For example, Antena 3 talk-show moderator Oana Stancu sued Robert Turcescu, a moderator from B1TV, for his declarations that she used some of her television shows as blackmail. Martin said that in other cases, as part of the punishment, the convinced journalists had to publish the entirety of the court decision in two or three newspapers. Because such a decision may contain 20 to 30 pages, publishing it is extremely expensive. “I don’t think it’s a matter of ill will, but rather of ignorance about how media work on the part of the judges,” said Martin. He added that most of the courts’ decisions are in line with the decisions of the European Court of Human Rights and that the sentences against journalists are rather rare and well-grounded.

Access to public information is governed by Law 544/2001, which grants access to any individual’s information that is produced or held by public institutions. Journalists enjoy special treatment, as their questions must be answered on the spot or within 24 hours. Despite these generous legal provisions, the panelists agreed that the law is largely unobserved. While the maximum term for releasing information is 30 days, “one can wait for two months before receiving [information]—if ever,” added Silvia Vrânceanu, editor-in-chief of *Ziarul de Vrancea*. The lack of response from the public authorities was noted as the main

problem in accessing public information. In some cases, the authorities do not release any public information to the media institutions that they consider too critical. For example, the mayor of Craiova, Olguța Marinescu, declared in a press conference that the journalists from *Gazeta de Sud* would not receive any public information from that moment on. In other cases, the authorities have a problem releasing sensitive information, such as public expenditures, official decisions, and environmental or city planning documents.

According to the panelists, several attempts have been made to restrict the media's access to sensitive information by amending the law or prison terms for those who disclose such information. The panelists noted the case in which *Epoch Times* journalists were refused access to cover the meeting between Romanian and Chinese officials. Despite the paper's permanent accreditation and access to the government building, its journalists were not allowed to attend the press conference during the Chinese vice prime minister's visit, as it is one of the few publications that closely follow evolutions in China. The Romanian local website of the international *Epoch Times*, based in New York, also has a Chinese version that offers alternative information about events in China.

There are positive developments, however, as Romania is part of the Open Data Partnership. Through this partnership, more than 100 sets of open-format information have been made available to the public and are free for re-use. Although the Open Data Partnership has wide civil support, the process is marred by public institutions' reluctance or lack of capacity.

Access to information from foreign sources is in no way restricted, but copyright issues persist and material from the Internet is often published without the requisite citation of sources.

Entry to the journalism profession is free, and there are no special provisions or conditions that restrict or prevent citizens from becoming journalists. The only problems posed are by public institutions that require accreditation in order to allow journalists to access their premises, including parliament, the government, the presidency, local councils, etc. Accreditation is often granted to journalists who work for media companies and who possess a press card. The accreditation process is more complicated for bloggers and freelancers, as they must produce a document from a professional association or a dossier containing published materials.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Romania Objective Score: 1.86

The panelists unanimously agreed that the quality of reporting in Romania is worsening, especially on television. Obae noted the distinction between general television channels, where the newscasts are more or less of decent quality, and news channels that focus on engaging audiences around the clock. "Speed is all that counts," added Alina Mățiș, foreign news editor at *Gandul.info*. Toni Hrițac, editor-in-chief of *Ziarul de Iași*, said that what is mostly missing in the newsrooms is the mid-level management required to ensure quality production. According to Moraru, there is no interest in quality, and "the omnipresent commentaries cast a shadow over the objectivity of news."

The panelists shared the same skepticism with regard to ethical standards. Basic rules, such as interviewing all parties involved, presuming innocence, and protecting minors, are quite frequently ignored. While a number of outlets have adopted a code of ethics (all broadcasters are legally obligated to adopt such a code and share it with the public, perhaps via their website), their implementation is quasi-non-existent. No such codes exist "within the newsrooms," said Mățiș. She added that an academic study she conducted the previous year showed that journalists would reject even the idea of adhering to a code. Some journalists believe that ethical rules would prevent them from producing timely and attractive journalism and that ethics are just a topic for seminars, while real-life journalism works according to different rules. Obae explained that

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 and retain qualified personnel within the media profession.
- > 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 exist (investigative, economics/business, local, political).

ethical norms are known to both journalists and editors, but they deliberately choose to ignore them. Vrânceanu added that from time to time, her newspaper receives complaints about the way journalists have reported a certain issue; however, the more controversial a story, the higher the readership. Plagiarism is frequent, as is a lack of reference to sources. This is due partly to the general opinion that whatever is on the Internet is public and therefore free for taking. Another cause is the pressure put on journalists to produce a certain number of articles a day and to cover all the topics their competition is covering. With reduced staff, some newsrooms cannot afford field reporters and instead rely on already published material.

The panelists agreed that the CNA played a role in the erosion of journalism standards for television. The political disputes among the council's members are reflected in its decisions; for example, violations were punished differently, depending on how close stations were to the ruling coalition. These disputes prevented the council from functioning at all, as members belonging to various factions refused to attend the meetings, at times delaying the decision-making process. For most of the year, the CNA was dysfunctional and indolent—one notable example was the CNA's lack of action when Antena 3 launched a fierce campaign against the lead anti-corruption prosecutor and the magistrates who were judging the case against Antena 3's founder, Voiculescu.

The panelists noted that self-censorship is still frequently practiced. Journalists fear their owners and therefore do not address topics or personalities that could compromise their company's interests and eventually cost them their job. Martin said that in public television, for example, the station's manager will interrupt a television show on air or decide not to air a program that was already announced to the public if he or she feared it would disturb government officials.

During the election, thousands of Romanian citizens living in cities across Europe staged anti-government protests due to complaints over the poor organization of overseas voting. Many of these voters were unable to cast their ballot despite queuing for hours. According to the panelists, these events were not covered by certain media outlets. Television stations close to the prime minister, a contender in the presidential elections, tried to either minimize the story or diminish the number of disgruntled citizens abroad by shooting from angles that showed short lines in front of embassies or not mentioning the issues raised by the protestors. In another case, a local newspaper was so displeased with the result of the run-off that it did not announce the winner of the presidential elections.

According to the panelists, scandals involving political figures are not covered by television stations close to their parties. For example, while Voiculescu was being prosecuted, his television stations did not cover the topic. When he was sentenced and sent to prison, the stations victimized themselves, claiming that they were subject to censorship, and did not reflect objectively on the sentence. However, given the multitude of media outlets in Romania, there is a vibrant online sphere where all topics can be discussed.

Reporting on minorities has not evolved. Such topics are still marginal and marred by stereotypes. The Roma minority is still depicted in mostly negative terms, while the LGBT community is almost absent from the public discourse (with the notable exception of the annual Gay Pride Parade). Moreover, even when the topics are addressed in a balanced and fair manner in the online media, the public's comments are full of derogatory terms, hate speech, and instigations of violence.

Comănescu noted that the media do not set the agenda anymore: "Private and public institutions, political parties, and national and local authorities organize a wealth of conferences, meetings, and events daily. Understaffed media have nothing to do but report on these PR events instead of investigating." Thus, Comănescu explained, the public agenda is dictated by these entities and not by journalists.

According to the panelists, journalists' salaries have been on a downward slope for the past few years. The average salary is around \$300 to \$500 per month, but many journalists work for even less. Labor taxation is high in Romania; income taxes, Social Security taxes, and pension and unemployment funds paid by both employees and employers amount to 50 percent of salary. Therefore, employers prefer to use other forms of contracting, which place the tax burden on journalists, leaving them vulnerable. To cope with this, many journalists accept compromises, censor themselves, or take on additional jobs in communications (e.g., public relations or media consultancies for politicians and businesses) that sometimes create a direct conflict of interest with their editorial tasks. Natalia Milevschi, a lecturer at the University of Bucharest, said that her students are particularly vulnerable in this market. "Students accept small salaries. They are easier to control and are not equipped to resist censorship," she added.

According to Hrițac, more experienced journalists who do not accept compromises often choose to quit their jobs, resulting in the industry's loss of key experience and talent. Vrânceanu agreed, stating that she has worked with her

newspaper “for years” and that if she left, there are no other independent mediums in the city where she could work. She added that the “labor market is crowded.” Obae concluded that market is indeed “competitive but not meritocratic.”

As a rule, salaries in the capital city are higher than those in the provinces, and those in television are higher than those in print. The online media are hardly economically sustainable, and apart from some “stars,” bloggers cannot live off the proceedings of their blogs.

Adrian Valentin Moise, vice president of Mediasind, noted that the collective labor contract for mass media expired in January 2014, leaving all journalists totally unprotected. A new collective contract cannot be negotiated until a representative owners’ association appears, which is unlikely in a foreseeable future.

Entertainment programming is king in Romania, according to the panelists, with these programs garnering significant audience ratings. Obae said that “news is entertainment” and cited several cases in which serious and important news has been “dramatized” (with music included) to stir public emotions.

Modern technology is available to most media and journalists, with the exception of small local operations who have not invested in technology. For example, they prefer to rely on old fax machines instead of the otherwise omnipresent e-mail. But computers, smart phones, and digital cameras are regular tools for most journalists. The economic crisis has forced many newsrooms to cut costs, however, which has resulted in reduced communications, including limited Internet access. Journalists have also resorted to using municipal transportation or their own cars to cover stories.

Niche reporting is considered valuable but a luxury that newsrooms can no longer afford. Matiş noted that she worked with “one of the biggest newspapers in Romania” as an international news editor and was the only one in the newsroom who specialized in foreign policy. She added that despite her expertise in foreign policy, she was expected to write stories on the weather, economics, social issues, internal politics, and education because no other journalists were available to do so.

The online sphere compensates greatly for the niche reporting that is absent in traditional media. Almost every interest, even the most marginal or esoteric, finds its expression on the Romanian Internet. Most of these publications rely on translations or citations of other sources and on a wealth of individual interpretations of facts. Very few actually create original news.

OBJECTIVE 3: PLURALITY OF NEWS

Romania Objective Score: 2.56

Romanians have access to a multitude of information sources, as the numbers of radio and television licenses range in the hundreds. Each county capital has at least two or three newspapers, but local bloggers and online publications seem to struggle. Still, the panelists agreed that the quantity of sources does not reflect diversity in opinions or views. According to Comănescu, there are “two opposite discourses” that align with the “two major political blocs,” and “non-affiliated” audiences “seek information on the Internet.”

The panelists also agreed that the number of information sources will continue to grow as mobile technology evolves and becomes easily accessible to Romanians. Still, this trend is not necessarily good news for the media, according to the panelists, as consumers are less sensitive and loyal to brands when they get information online. Also, Internet users surf from platform to platform and outlet to outlet, and it is common to hear such comments as, “I read this on the Internet somewhere, but I don’t know exactly where” or “I learned this on Facebook.”

At the end of 2014 in Romania, Facebook had 7,400,000 users, Twitter had 260,000 users, and YouTube had little more than 770,000 accounts. Twitter is not very popular in Romania and is used mostly by professionals. Facebook is the

MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE, OBJECTIVE NEWS.

PLURALITY OF NEWS SOURCES INDICATORS:

- > Plurality of public and private news sources (e.g., print, broadcast, Internet, mobile) exist and offer multiple viewpoints.
- > Citizens’ access to domestic or international media is not restricted by law, economics, or other means.
- > State or public media reflect the views of the political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for media outlets.
- > Private media produce their own news.
- > Transparency of media ownership allows consumers to judge the 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
- > The media provide news coverage and information about local, national, and international issues.

Transparency of media ownership of broadcasters is guaranteed under the law, and the CNA regularly publishes a list of media companies' shareholders. There is no similar provision for print media, but most newspapers declare their publishers. The situation is more difficult for online publications and blogs, where anonymity is the rule.

main source of news for members of the general public who use social media to get news.

Romania's public radio and television services function under the same law. However, their economic profiles are rather different. Public television station TVR has major financial problems, accumulating debts of over €40 million. Massive layoffs (600 out of 2,900 employees) have eased the burden slightly, but the debt continues to hamper TVR's capacity to invest sufficiently in program production. The panelists agreed that viewers can find decent programs to watch and that the political pressure on TVR is less visible. The station covered the electoral campaign, with a small bias toward Prime Minister Ponta. For example, he was invited to appear as a guest on the most-watched program that targets the rural audience. The two main candidates in the presidential elections met face-to-face to debate on two occasions, which were not aired on public television. The debates were organized by private television stations Realitatea and B1 and were rebroadcast by most of the private television news stations. This was the first time in 25 years that public television lost the opportunity to air national debates, which reflects the institution's diminishing value in the eyes of politicians, according to the panelists. The politicians did not consider the public television station to be a relevant platform, as it has a limited audience and inspires very little trust.

Public radio, however, has fared better financially but has been subjected to conflict-of-interest accusations brought forth against members of its board. For example, in April 2014, the Bucharest Appeals Court found that President General Director Ovidiu Miculescu was also a member of SRR's board, as well as a manager for the National Radio Communications Company (SNR). According to the law, a person cannot hold these jobs simultaneously. Also, the board was found to be in violation of Law 41/1994, which states that opposition parties are not allowed to appoint

candidates according to mandated quotas. Notwithstanding, public radio remains less affected by political turmoil. The panelists agreed that the tone of public radio has softened and that some covered events, such as political attacks of the opposition against the ruling party or corruption cases involving high-profile politicians, are not given the prominence they once enjoyed. According to the panelists, politics is generally covered less, which is seen as a new editorial policy meant to attract a greater audience, especially youth, or as a subtle form of censorship to protect the government.

The year 2014 was an intense one for the major independent news agency Mediafax. The Mediafax Group to which the agency belongs was subject to several investigations involving tax evasion. Several senior managers were arrested, and employees were invited for questioning. By the end of the year, the Mediafax Group declared its insolvency, and the general manager left after eight years in the position. The public quarrel between Prime Minister Ponta and Mediafax Group owner Sârbu only amplified the investigation surrounding the Mediafax Group. Ponta accused Sârbu of leveraging Mediafax to pressure the prime minister for financial gain, while other rumors suggested that Ponta's crony, Sebastian Ghiță, a businessman who also owns a television news channel, was interested in a takeover, as well as in Sârbu's media holdings. Over the past decade, Sârbu's media operations (he previously owned and managed Pro TV) have been quite balanced in reporting and have not given much visibility to political developments.

The problems that Mediafax faced become more relevant if one considers its dominant market position. The only other relevant news agency on the market is the state-owned AGERPRES. The agency is making a much-needed comeback, modernizing and diversifying its services. It has the unbeatable advantage of a rich historical archive of stories and photos that it can monetize. It also has the most extended network of local correspondents across Romania and can provide, via partnerships with other national news agencies, news from across the world. Parliament appoints the general director of AGERPRES (the current one, a former head of the media bureau of the ruling PSD, was appointed in 2013), and its employees have a public-servant status.

Broadcasters produce their own news, but the quality of the newscasts varies greatly from company to company. As mentioned before, most national television channels may decide to ignore or minimize information or facts that are inconvenient for their political allies.

Transparency of media ownership of broadcasters is guaranteed under the law, and the CNA regularly publishes a list of media companies' shareholders. There is no similar provision for print media, but most newspapers declare their publishers. The situation is more difficult for online publications and blogs, where anonymity is the rule. Still, the panelists agreed that the increase in ownership transparency did little to change the public's attitude. Two media moguls were imprisoned in 2014. Sorin Ovidiu Vântu, former owner of Realitatea TV, was sent to prison for two years in January 2014 but was eventually freed on probation in November 2014. It was Vântu's second sentence. In 2012, he was sentenced to one year in prison for blackmailing his former business partner, Sebastian Ghiță (himself a media owner and MP). Vântu had been freed in May 2013. In February 2015, he received another sentence—six years and four months for embezzlement (the sentence is pending the appeal). In August, Intact Media Group creator Voiculescu was sentenced to 10 years in prison, and in 2015, Dan Adamescu, the owner of the respected *România Liberă* newspaper, was sentenced to four years and four months in prison for bribing judges. Despite the public nature of these sentences, the media outlets that these people owned have not lost credibility or seen a drop in viewership. The panelists agreed that simply guaranteeing transparency of ownership does not change the public's media consumption habits.

Romania's media programs and articles reflect a diversity of interest and a combination of local, national, and international news. The Internet is excelling at providing niche topics for audiences, while traditional media focus more on general-interest news. National news prevails on television and radio because local stations have joined the big national networks in order to survive. This move has resulted in a serious reduction in local content. The panelists noted that sometimes the only local content consists of ads for local businesses aired during commercial breaks. The situation is likely to worsen with the digital switchover, which is scheduled for June 17, 2015. The local television channels have shown very little interest in the digitization process, either because of ignorance or a lack of financial means to adjust to digital broadcasts. It is not known how many local television stations will continue to air after June 17, 2015.

By law, the national minorities should have media outlets in their national languages, supported by the state budget via the Culture Ministry. Still, the funds for such publications are insufficient. The Hungarian community has the biggest

The local television channels have shown very little interest in the digitization process, either because of ignorance or a lack of financial means to adjust to digital broadcasts. It is not known how many local television stations will continue to air after June 17, 2015.

number of outlets (print, radio, television, and online) functioning as commercial operations, followed by the German community. The Roma community does not have an outlet in its language, as all attempts to establish one died very soon after starting because of a lack of funding.

Although access to international media is not restricted and major cable operators carry up to 100 channels, including news, entertainment, sports, and children's programming, some panelists noted that rural residents struggle with the unaffordable costs of Internet connections and satellite services. News is often limited to the European Union and the United States, and in the most recent period, Ukraine and Russia, given that Romania shares a common border with Ukraine and the conflict there is of interest to the public. The rest of the world is underrepresented in newscasts and almost missing from newspapers, but, once again, the Internet provides access to information for interested users.

The digital switchover process is extremely delayed in Romania. The bid for multiplexes was eventually concluded in January 2015, less than six months from the final switch-off. Only five of the 40 regional multiplexes and 19 local ones have been bid for and allocated (in Ploiești, Iași, Râmnicu Vâlcea, Sibiu, and Satu Mare), leaving most of the country totally uncovered. Two of the five available national multiplexes were allocated in 2013 to the state-owned SNR. While the percentage of households that still depend on analog terrestrial broadcasting is low (5 percent), they are among the already vulnerable population in rural or remote areas. There is a serious risk of even more local stations discontinuing their operations, depriving the local population of information. The process has been largely delayed because of a lack of political will and interest from broadcasters.

OBJECTIVE 4: BUSINESS MANAGEMENT

Romania Objective Score: 2.08

According to the panelists, Romanian media are more financially vulnerable than ever to outside influence, which continues to affect their editorial independence. Few outlets manage to make a profit and sustain their activities and have incurred “debts to state budgets” and various other providers, including “copyright bodies,” according to Daniel Dinca, editor-in-chief of Radio Semnal. Hrițac added, “Media companies do not live a healthy life. Most of them depend on capital from their owners, generated through other businesses.” Hannelore Acârnușeși, editor-in-chief at HunedoaraMea.ro, shared his views: “Only those who receive money from outside their media operation can afford total editorial independence.” Comănescu underscored the fundamental paradox, explaining, “Editorial independence is more likely to be safeguarded in the commercial [sphere] of the media,” for example, tabloid publications and commercial programming, where content is “not politically relevant.”

While there are a number of revenue sources for Romanian media, advertising sales are declining and the market is down by 50 percent. Internet-based media do not generate enough revenue to be sustainable. The situation is even more complex for local media outlets. The agencies work more with the national media, and the ad money reaches the local stations mainly through the networks’ account. “They do not deal with every local station separately,” said

MEDIA ARE WELL-MANAGED ENTERPRISES, ALLOWING EDITORIAL INDEPENDENCE.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets operate as efficient and self-sustaining enterprises.
- > 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.
- > Government subsidies and advertising are distributed fairly, governed by law, and neither subvert editorial independence nor distort the market.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor the product to the needs and interests of the audience.
- > Broadcast ratings, circulation figures, and Internet statistics are reliably and independently produced.

Dincă. In his opinion, “The national media conglomerates push the local stations to bankruptcy via their unfair competition.” Acârnușeși added that in her county, Hunedoara, the agencies are used only as intermediaries between the public advertising budgets and specific media outlets and that part of this money is returning, as black money, to the heads of the institutions that offered the contact. In 2014, the Competition Council concluded a two-year investigation of 11 agencies accused of price cartelization, ordering fines totaling €3.2 million.

The panelists noted that political interests influence advertising budgets. Public advertising money is funneled into “easy-to-buy media,” and authorities “put pressure on journalists using public money,” said Vrânceanu. She and the other panelists agreed that the allocation criteria for the advertising contracts follow political lines. According to the legislation, the public authorities are free to allocate contracts under €30,000 without organizing any public bid. These contracts usually go to media that are friendly, belong to allies of the local leaders, or are willing to positively represent the paying authority. For higher sums, the public authorities must organize public bids and can allocate the contract to the lowest bidder, without any consideration of circulation or advertising.

Some media companies rely on classified ads as their main source of revenue; others use printing services to keep their businesses functional. There are cases in which owning a printing operation is not an option due to the local political context (i.e., the mayor can forbid local businesses to work with a certain company that is on a blacklist [one that usually also owns the critical newspaper]). The revenue from daily fees is a small part of the entire budget; the relevant revenue usually comes from monthly subscriptions.

State advertising has become increasingly important given the declining state of Romania’s private advertising market. According to a report issued by the Center for Independent Journalism (CIJ) in 2014, state advertising contracts worth €76 million were offered for bidding in 2013. This is the equivalent of some 25 percent of the total advertising market. Out of this budget, €35 million have actually been allocated; the rest of the bids have either not been issued or were annulled because of procedural errors. The overwhelming majority of these funds (90 percent) are allocated for promoting the European Union’s contribution to various non-refundable projects. This makes the European Union the biggest single advertising client for Romanian media.

Public contracts are allocated under the rules of public procurement, but the provisions for state advertising

(including EU money) have relaxed over the past few years. As a result, public authorities can distribute contracts under €30,000 through direct allocation mechanisms, and larger contracts can be issued to the lowest bidder, without review of the criteria related to the number of people reached or cost per person. "It's money wasted," according to Moraru, who added that there is "no concern" for cost-effectiveness and that "more than once" the money has been informally set aside for "certain" outlets. Vrânceanu added that this money is so precious to local media that they are eager to sacrifice their editorial space just to satisfy their advertising customers. "It's not rare to see newspapers full of 'congratulation notes' for Christmas or Easter or even minor holidays paid for by city hall instead of articles," she noted.

Market studies are rare for local media. The panelists who represent the local media outlets explained that they do not have enough resources to conduct studies and that there are no incentives to do so. "Advertising clients do not ask for audience figures; they simply give money to the newspaper or the TV station affiliated with the local party leader," said Acârnușei.

However, the situation is different for national media outlets. Juncu pointed out that assessing audience figures for national outlets is conducted independently and is in line with international standards. The company performing the measurement is selected via public bid every four years by a commission composed of five representatives of the television stations, five representatives of the advertising agencies, and five representatives of the NAC, with an audit performed by foreign independent companies. For example, the latest audit (2013) was performed by Ernst & Young's Tampa, USA, office.

By contrast, the print media industry has developed robust instruments to assess circulation figures for print publications. The circulation audit is performed by the Romanian Audit Bureau of Circulation (BRAT), a well-established nonprofit body recognized within the industry. The bureau performs circulation audits every six months (data are publicly available), a National Readership Survey (SNA), an in-depth study containing socio-demographic figures of readers per publication, a Study of Internet Audience and Traffic (SATI), as well as a Monitoring of Investments in Advertising Study (MIP), whose results are available to members and third parties who pay.

The panelists perceive the value of such studies differently. Some claimed that the audit figures are not correct because of flawed methodology or the dishonest practices of some publishers who declare larger circulations than the real ones. Others said that even if the methodology is good, it does not do justice to local broadcast media because of the small

statistical samples used. Still others said that advertisers no longer pay attention to circulation or audience figures, as they direct their budgets to "preferred" outlets. In the case of local media, audience figures are too small to attract big advertisers, who prefer national outlets. Therefore, investing in such expensive measurements is no longer justified. When it comes to online media, many publications prefer the less expensive Traffic.ro measurement to the professionally done but expensive SATI.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Romania Objective Score: 2.46

Professional associations for the media exist in Romania, but as in past years, they are weak and divided. "The profession is politically divided," said media analyst/blogger Mihnea Măruță, adding that these associations possess virtually no power in the eyes of media owners. However, he believes that a press law may be useful because self-regulation has failed and "political and financial interest groups" have discovered that they can "control the game." He is one of the journalists who feel that there is a need for a media law that will protect journalists and impose the standards of the profession. Other panelists rejected the value of a press law, fearing that any kind of legislation would further restrict journalists rather than protect their interests. "We don't need a press law. We have every legal protection we need in the current legislation already. The problem is the implementation," said Ioana Avădani, executive director of the CIJ. According to Măruță, there is no real

SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of media owners and managers and provide member services.
- > Professional associations work to protect journalists' rights and promote quality journalism.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs exist providing substantial practical experience.
- > Short-term training and in-service training institutions and programs allow journalists to upgrade skills or acquire new skills.
- > Sources of media equipment, newsprint, and printing facilities are apolitical, not monopolized, and not restricted.
- > Channels of media distribution (kiosks, transmitters, cable, Internet, mobile) are apolitical, not monopolized, and not restricted.
- > Information and communication technology infrastructure sufficiently meets the needs of media and citizens.

professional solidarity among journalists and media owners. She explained that there are “no common interests” that bind journalists together to fight and that media NGOs are responsible for what has been achieved.

Trade unions for media professionals exist (for example, Mediasind) and are well connected to European and international platforms. These external organizations have voiced their concerns about Romania on various occasions. The situation involving trade unions and journalists in general took a turn for the worse in 2014, when the collective work agreement for mass media expired. Due to changes in the legislation, the media sector was assimilated into “Culture,” meaning that now journalists and trade unions should negotiate alongside actors, librarians, musicians, and such, making it very difficult to find a common denominator in terms of labor conditions. Moreover, the owners’ associations are weak and cannot gain the requisite legal representation to participate in the collective bargaining process. As a result, journalists lost the legal protection of the collective work contract and have no prospective of gaining another contract in the foreseeable future.

There are just a handful of NGOs that defend journalists’ rights. The CIJ and ActiveWatch—Media Monitoring Agency are the most active. “On many occasions, the authorities have backed off under the criticism of these organizations,” said Moraru. These NGOs are the only organizations that advocate for journalists, added Acârnuțesei. Still, the panelists agreed that these NGOs are active mostly in Bucharest or in the big cities. Journalists in smaller towns are not in contact with media advocacy groups and NGOs. Despite their efforts, the work of NGOs is not easy. “The efforts of the NGOs to formulate and monitor professional standards or to offer professional training are met with indifference by most broadcasters and print and online editors,” said Comănescu. The independent media struggle to survive, having no money or enough personnel. Although some managers would like to send their journalists to trainings or allow specializations, there are usually only three or four people in the newsroom to cover all the fields, so a missing person would burden the others. In the daily fight for survival, maintaining professional standards is seen as the lowest priority. On the other hand, in the politically controlled media, editors do not need good professionals but rather journalists who obey orders. Thus, they consider journalistic standards to be inventions of the NGOs to justify their existence.

There are 20 journalism programs offered by both state and private universities in Romania. Over 2,500 young journalists graduate every year. “The future of journalists’ education is very poor,” according to Măruț, who was

valedictorian of her journalism school. She believes that the teachers lack the practical know-how of everyday journalism and rely on experiences garnered during communist Romania. She added that she accepted a position to teach a pro bono seminar on editing at the University of Bucharest, her alma mater. “The worst candidates for the jobs I offer are consistently journalism graduates,” added Moraru. Acârnuțesei agreed, explaining that “journalism graduates make the worst reporters. They cannot tell facts from opinion.”

Local and international organizations offer lifelong learning opportunities to working journalists, but they are not necessarily appreciated. There are very few on-the-job courses offered by the media companies, said Măruț, who added that the courses that benefited her the most “came from independent sources.” Moraru said that such opportunities are no longer interesting, as “almost nobody wants or can afford such training.” The lack of interest in such courses is due to the fact that newsrooms are understaffed, so it is difficult to allow a journalist to seek professional development for even a couple of days. Such courses are more of a personal issue for journalists, as the acquisition of additional skills is not necessarily appreciated by the public or by employers (in the form of increased salaries). “There is no incentive for professionalism, other than the journalists’ own willingness and determination,” said Avădani, adding that some of the trainees in the CIJ courses are asked to take leaves of absence to attend professional courses. Only rarely do employers (even partially) cover the costs of such courses.

Măruț considers sources of media equipment, newsprint, and printing facilities apolitical, unrestricted, and non-monopolized. However, he said that “distribution is one of the reasons why the print media” are facing financial problems. Măruț added that the time between the actual sale and transfer to the publisher is significant and that it is weakened by the “financial stamina of the media.” Other panelists believe that the state bears the main responsibility for issues involving distribution, as the state-owned distribution company Rodipet was poorly managed and fraudulently privatized in 2003. Rodipet declared its insolvency in 2009, and its network of kiosks is now in ruins. The kiosks are also problematic for other distributors. In some cases, the mayors prohibited the placement of kiosks owned by “unfriendly” publications or withdrew the licenses of street vendors. “Our sales depend too much on the mayor’s will,” Vrâncănu asserted. “Reducing the number of kiosks damages the circulation figures and, in the medium term, diminishes the survival chances of the traditional media,” said Măruț.

Cable operators play an equally important role in securing access to media products, and the panelists consider the major operators to be politically neutral. The cable market is dominated by two major players: RCS-RDS, with a 60 percent market share, and UPC, with a 30 percent market share. These companies can decide what local television stations they carry. Thus, some local television stations have complained about RCS-RDS's refusal to carry their programs, as RCS-RDS has its own local stations (Digi TV) and does not want to encourage competition.

According to Dinca, the organizations that manage copyrights and represent artists also play a significant role in the media market. "They force radio stations to buy only certain broadcast software, even if they are not the best or the cheapest," he said, adding that this measure places a burden on smaller stations. Dinca explained that royalties are the same regardless of how big the stations are. This is difficult for local stations and sometimes forces them into bankruptcy.

Internet infrastructure is omnipresent in Romania, mainly in the urban areas. There are 3.9 million fixed broadband connections in Romania (with an average of 2.7 persons per household) and 10 million mobile connections. Still, Internet traffic on mobile connections amounts to only one percent of total Internet traffic. The Internet penetration rate per household remains at 47.4 percent (national), with a 61.1 percent penetration rate in urban areas and 29.7 percent in rural areas. The penetration rate of Internet mobile connections remains at 52.1 percent of the total population.

List of Panel Participants

Adrian Valentin Moise, vice-president, Mediasind, Federation of Journalists' Trade Unions, Bucharest

Alina Matiș, foreign news editor, Gandul.info, Bucharest

Catalin Moraru, editor-in-chief, *Monitorul de Botosani*, Botosani

Costin Juncu, managing director, Romanian Association for Audience Measurement, Bucharest

Cristi Godinac, president, Mediasind, Federation of Journalists' Trade Unions, Bucharest

Daniel Dincă, editor-in-chief, Radio Semnal, Alexandria

Hannelore Petrovai, editor-in-chief, HunedoaraMea.ro, Hunedoara

Ioana Avadani, executive director, Center for Independent Journalism, Bucharest

Iulian Comanescu, freelance journalist and media analyst, Bucharest

Laura Frunzeti, executive director, The Romanian Advertising Council, Bucharest

Mihnea Maruta, media analyst/ blogger, www.mihneamaruta.ro, Cluj-Napoca

Nadina Digioiu, editor, ziare.com, Bucharest

Natalia Milewski, lecturer, University of Bucharest, Faculty of Journalism and Communication Studies, Bucharest

Petrisor Obae, blogger and media analyst, Paginademediam.ro, Bucharest

Razvan Martin, program coordinator, FREEEX Active Watch, Bucharest

Silvia Vranceanu, editor-in-chief, *Ziarul de Vrancea*, Focsani

Silviu Ispas, owner, MIDAS Media Company, Bucharest

Ștefan Voinea, director, *Gazeta de Sud*, Craiova

Toni Hrițac, editor-in-chief, *Ziarul de Iași*, Iași

Moderators and Authors

Ioana Avădani, executive director, Center for Independent Journalism, Bucharest

Cristina Lupu, communications and project manager, Center for Independent Journalism, Bucharest

The Romania study was coordinated by, and conducted in partnership with, the Center for Independent Journalism, Bucharest. The panel discussion was convened on December 15, 2014.