

BULGARIA



MEDIA SUSTAINABILITY INDEX 2018

Tracking Development
of Sustainable
Independent Media
Around the World



BULGARIA

AT A GLANCE

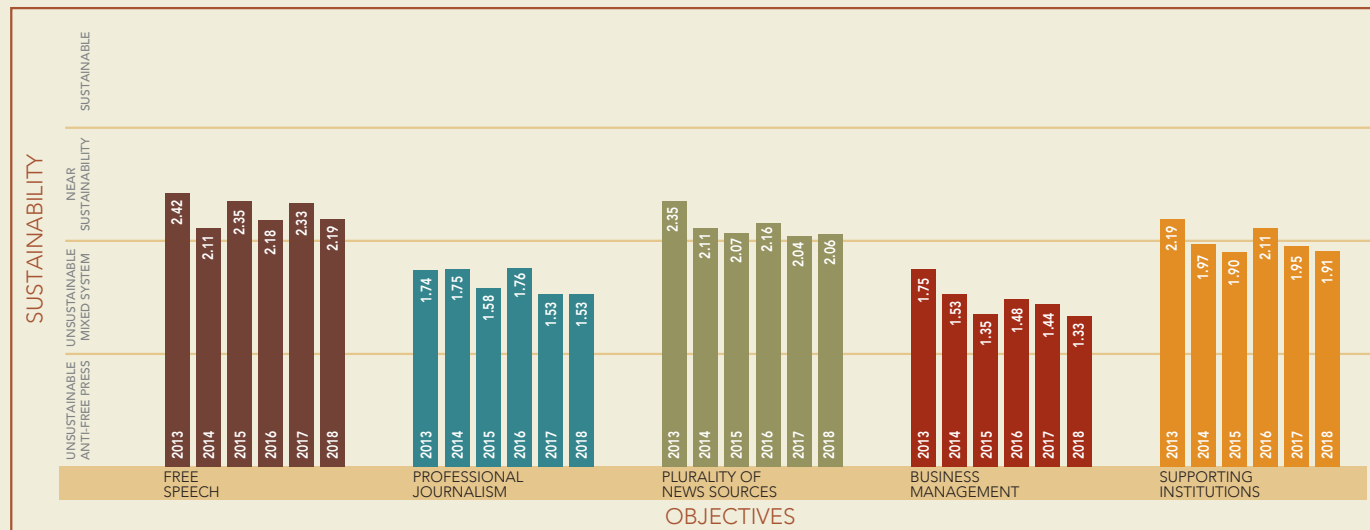
GENERAL

- **Population:** 7,101,510 (July 2017 est. CIA World Factbook)
- **Capital city:** Sofia
- **Ethnic groups (% of population):** Bulgarian 76.9%, Turkish 8%, Romani 4.4%, other 0.7% (including Russian, Armenian, and Vlach), other (unknown) 10% (CIA World Factbook, 2011 est.)
- **Religions (% of population):** Eastern Orthodox 59.4%, Muslim 7.8%, other (including Catholic, Protestant, Armenian Apostolic Orthodox, and Jewish) 1.7%, none 3.7%, unspecified 27.4% (CIA World Factbook, 2011 est.)
- **Languages (% of population):** Bulgarian (official) 76.8%, Turkish 8.2%, Romani 3.8%, other 0.7%, unspecified 10.5% (CIA World Factbook, 2011 est.)
- **GNI (2016 - Atlas):** \$53.238 billion (World Bank Development Indicators, 2017)
- **GNI per capita (2016 - PPP):** \$7,580 (World Bank Development Indicators, 2017)
- **Literacy rate:** 98.4% (male 98.7%, female 98.1%) (CIA World Factbook, 2015 est.)
- **President or top authority:** President Rumen Radev (since January 22, 2017)

MEDIA-SPECIFIC

- **Number of active print outlets, radio stations, television stations:** Print—283 newspapers, 54 regular dailies, 124 regular weeklies (2015 National Statistics Institute); Radio Stations—84 (2015, National Statistics Institute); Television Stations—116 (2015, National Statistics Institute)
- **Newspaper circulation statistics:** 267,346,000 total (2015, National Statistics Institute); certified individual newspaper circulations not available
- **News agencies:** Bulgarian News Agency (state), Focus News (private), BGNeS (private)
- **Broadcast ratings:** bTV: 23,23% share, Nova TV: 21,78% share, BNT Channel 1: 4,33% share source: Nielsen Admosphere Bulgaria, September 2016
- **Internet usage:** 4,274,328 (July 2016 est., CIA World Factbook)
- **Annual advertising revenue in media sector:** Radio—BNR State Subsidy: 42.9 million BGN (2015, National Statistics Institute); Commercial revenues—25 million BGN (2015, National Statistics Institute); Television—BNT State Subsidy: 71 million BGN (2015, National Statistics Institute); Commercial revenues—348 million BGN (2015, National Statistics Institute); Print—147 million BGN (2015, Agency Pierrot'97); Internet—42.5 million BGN (2015, Agency Pierrot'97)

MEDIA SUSTAINABILITY INDEX: BULGARIA



SCORE KEY

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.



Only one objective score increased this year for Bulgaria.

With growing online users and diverse media sources the plurality of news objective increased, but only by .02 points from 2.04 to 2.06. All other objectives either stayed the same or decreased this year due to a harsher political environment for journalists. The professional journalism and business management objectives continue to pull down the score, keeping the overall score under the near sustainable level at 1.81.

Unlike many of its neighbors and partners in the region and in the EU, Bulgaria is going through a period of stability and steady economic growth. Living standards, although still the EU's lowest, are slowly improving. Unemployment is low, and the country is preparing to take over the presidency of the Council of the EU in the first half of 2018.

Citizens for European Development of Bulgaria (known by the acronym GERB), the center-right party that has been in power since 2009 (aside from one short interruption), won Bulgaria's early elections in March 2017. The party did not gain sufficient support to form its own government, so it formed a coalition with the United Patriots, itself a coalition of three right-wing nationalist parties. Former GERB coalition partner, the pro-Western Reformists' Block, did not pass the elections threshold of four percent and therefore remained shut out of Parliament.

With steadily escalating political pressure on the media, 2017 was a tough year for Bulgarian journalists. They endured a growing number of physical and verbal attacks, often at the hands of high-ranking officials. The change in the coalition partner also introduced a shift in the media discourse—with a more combative tone, intolerance, and anti-Western language

moving beyond the fringe and into the mainstream media.

Harassment and pressure against journalists and media owners who are not aligned with the government's policies are becoming an everyday reality.

Bulgaria's media scene remains deeply divided between warring camps of print media. While the three dominant television stations—one public and two owned by international conglomerates—supply the news for the majority of Bulgarian citizens, fake news and aggressive propaganda are on the rise. A media conglomerate formed around outlets owned by the controversial Delyan Peevski, a businessman and member of parliament (MP) from the Turkish minority party Movement for Rights and Freedoms, is aggressively targeting journalists and media that express critical views of the government or challenge officials with hard questions. In one of the most visible cases, mass protests by affected journalists, backed by a negative international reaction, led to the resignation of a GERB MP who threatened a talk show host—who asked a question he did not like—live, on the air.

As a whole, the media situation is deteriorating, as low scores for the 2018 MSI study reflect.

**OBJECTIVE 1:
FREEDOM OF
SPEECH**

2.19

Bulgaria's constitution and supporting legislation protect free speech and access to public information in line with internationally accepted norms. As Nelly Ognyanova, a professor at Sofia University St. Kliment Ohridski said, "The Bulgarian Constitution guarantees freedom of speech, sufficiently matched to the European Court of Human Rights. EU and the Council of Europe standards, including access to information and protection of sources, have been introduced into the legislation." Bulgarian society widely accepts, if not actively supports, these norms, but media often abuse principles of free speech for political and corporate gain. The spread of fake news over social networks further undermines public support.

Laws protecting free speech and access to information exist, but they are not hard to circumvent and implementation is selective. According to Yassen Boyadjiev, editor of Mediapool, "Bypassing the law is easy thanks to the lack of public protest over free speech violations and the judiciary's lack of independence." Ognyanova added, "The media law is often bypassed and even changed ad hoc to favor those in power. In practice, a recent amendment of the law abolished the fixed mandates of the directors of BNT and BNR (the public service broadcasters), and the mandates can now be extended indefinitely, until a new leadership is appointed." The panelists also noted that, while at times journalists feel that the prosecutor's office files politically motivated cases against them, journalists are more confident that the courts will maintain an independent stance in their reviews.

Under Bulgarian legislation, the Council for Electronic Media (CEM) oversees broadcast media licensing. As Ognyanova explained, "The administrative regimes in the media are in line with international standards. Licensing is in place only for media that use a limited resource—the over-the-air broadcast channels. Cable and satellite programs are only registered, and nonlinear services are in the notification regime. Blogs are not subject to administrative oversight. Since all allotted digital television licenses have been issued, licensing is currently inactive. However, an ongoing issue related to the licensing of the three digital networks continues. The European Court of Justice ruled that these licenses were issued in a nontransparent and discriminatory way, but still these licenses have not been revoked. Members of the licensing authorities are political appointees, and their decisions are quite predictably in accordance with the government's will. The December 2017 appointment of a new Committee for Regulation of Communications chair—an administrator with proven loyalty to the government—provides the latest evidence."

Kapital reporter Vessislava Antonova expressed dismay over the negative trend in the choice of new CEM members, noting, "There has never been such a low degree of professional representation."

The conditions for market entry and the tax structure for the media do not differ from other industries. The value-added tax (VAT) is 20 percent, and the revenue tax is a 10 percent flat rate, both equally applied across all sectors of the economy. Attempts in previous years by newspaper publishers to abolish the VAT on newsprint have failed.

Crimes against media professionals increased significantly in 2017, with numerous cases of physical attacks and threats, as well as public verbal attacks, against the media. Moreover, state institutions are involved in what is seen as politically motivated

repression against media owners and reporters expressing opposition views. Some of the most prominent cases include threats against the owner and the editor of the Vratza regional newspaper *Zov News*, a physical attack against BNT morning show host Ivo Nikodimov, and the attack on a bTV camera operator covering anti-Roma protests.

Disturbing verbal attacks on journalists by members of the government or other high-ranking officials are also on the rise. Irina Nedeva, chair of the Association of European Journalists in Bulgaria, described one incident: "An 'untouchable' figure—such as the former long-serving director of Bulgaria's National History Museum Bojidar Dimitrov—used extremely harsh language against the *Dnevnik* reporter Anna Blagova, cursing and labeling her a 'Sorosoid' as part of a campaign against civil society organizations."

According to Yassen Boyadjiev, editor of Mediapool, "Bypassing the law is easy thanks to the lack of public protest over free speech violations and the judiciary's lack of independence."

The most well-documented case of such a verbal attack happened on air during Nova TV's morning show, when an MP from the ruling party openly threatened the anchor. Faced with massive protests, the MP in question, Anton Todorov, had to resign from Parliament. "If there is a light of hope, it is my impression that the journalism community

¹ "Sorosoid," a derogatory term used by Russian propaganda in the former Soviet Union to mark anyone related to the US philanthropist George Soros, is making its way into Bulgaria via politicians such as Mr. Dimitrov and the pro-Russian right wing "Ataka" party.

is starting to understand that we're working in a high-risk environment. The protest that we organized surrounding the threats against Nova TV, to our surprise, was attended by many well-known faces from other television stations and many other media representatives, which we did not expect," Nedeva added.

However, crimes against journalists are not always investigated rigorously. Yordanov described the situation with *Zov News* after the regional publication published an investigation into a drug-smuggling organized crime group. After threats on his life, the owner had to flee the country, and the

editor in chief received daily threats via text, which the police did not investigate. Unknown attackers badly beat the witness for the investigation outside his home in broad daylight.

Bulgarian law protects the editorial independence of public media, but implementation often falls short. After a prolonged delay, CEM finally elected a new director general of BNT, the public television channel, but his media board member appointees and choice of a controversial political figure as the program director raised concerns. As Antonova pointed out, the new director general has recommended that BNT journalists not join the protest in defense of the verbal attack on the Nova TV anchor on the grounds that it could influence how the news is covered. At the last minute, BNT also apparently abandoned plans to air a current affairs program, *Referendum*, about the government's decision to allow the construction of a new ski lift in Bansko over the protests of ecologists. As Nedeva put it, "Until now, BNR and BNT had a reputation for creating more professional and independent journalism; that will probably be the last fortress to fall."

Libel and defamation are treated under both criminal and civil law. Since 2000, the penal code has detailed fines, not prison terms, for libel, but Ognyanova reminded the panelists that there is no prospect of decriminalization. "On the contrary, politicians periodically insist on raising the sanctions. The courts generally apply the Council of Europe's modern standards when reviewing such cases." There are no known cases of providers of Internet or hosting services being sued for content carried on the networks they support.

Legislation on access to public information is in place and working well. In fact, according to Yordanov, this is the only functioning part of the free speech legislation. "Bivol has been successful in court against refusals to provide access to

information, including a case against the customs and against the president's office, which was forced to publish a protocol from a consultative council discussing the bankruptcy of a bank, KTB, which two successive presidents had refused to make public."

Problems, however, persist. According to media researcher Nicoletta Daskalova of the Media Democracy Foundation, "Access to information is rendered deliberately more difficult. Some institutions publish the information they are required to make public by law, but they do so in a format that is difficult to read and understand."

According to media researcher Nicoletta Daskalova of the Media Democracy Foundation, "Access to information is rendered deliberately more difficult. Some institutions publish the information they are required to make public by law, but they do so in a format that is difficult to read and understand."

Bulgaria scores highly on the media outlets' access to and use of local and international news and news sources, which is not restricted by law or in any other technical way. However, availability does not mean use. Outside of the large television stations, media outlets do not pay for agencies and use only the news sources available free of charge.

Entry into the journalism profession is free, and the government imposes no licensing or restrictions on journalists. However, access to some official events is restricted to accredited journalists only; bloggers do not typically receive accreditation.

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

FREE-SPEECH INDICATORS

- ▶ Legal and social protections of free speech exist and are enforced.
- ▶ Licensing of broadcast media is fair, competitive, and apolitical.
- ▶ Market entry and tax structure for media are fair and comparable to other industries.
- ▶ Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- ▶ State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- ▶ Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- ▶ Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- ▶ Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- ▶ Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

**OBJECTIVE 2:
PROFESSIONAL
JOURNALISM**

1.53

While the score for this objective improved slightly over the prior year, adherence to professional journalism standards remains one of the most problematic areas of Bulgaria's media environment. Assessing the overall level of professionalism is challenging, in part because there are several distinct media groups—with very different standards of professionalism—that would score very differently against this objective, making the average score relative.

Boyadjiev said that many so-called media in Bulgaria do not really operate as media, but rather as businesses trading in content. He then listed some of the different groups, starting with the Peevski group, which belongs to a “political, business, judiciary, and mafia circle that controls a big swath of the state...and whose main function is disinformation and manipulation.” Then there is a group of large television channels, including the public BNT and BNR, and another group of media that includes the likes of *Economedia* and *Sega* newspapers, which are financially supported by their owners or by international donors, he explained.

Across the board, reporting is not seen as fair, objective, and well sourced, especially in the Peevski media. While the major national television channels have a better professional record in news reporting and try to keep a balance in presenting the main political views, the majority of print media tend to serve the interests of their owners and make no attempt to present alternative views. According to Boyadjiev, the journalism environment is tainted by ever-growing pressure, fear, and self-censorship, in addition to the absence of professionalism

formed under the influence of the state, political, and business circles, as well as criminal groups and clans. Stoyana Georgieva, editor in chief of Mediapool, added, “The main center of political, business, and media pressure in Bulgaria is the oligarch Peevski, who uses the prosecutor general, the State Agency for National Security, the National Revenue Agency, the prime minister, the regulatory bodies, and, of course, his own media as his instruments.”

Regional media typically pass off releases from official press centers of institutions or public relations agencies as information sources, said Dimitar Lipovanski, director of Arena Media, which, ultimately, “lowers the quality of the media and narrows the circle of the topics covered.”

As Ognyanova puts it, “The media are not free; they reflect events selectively. There are taboo topics and public figures who are off limits.”

Media self-regulatory mechanisms reflect this deep division of the media as well. There are two codes of ethics and two self-regulatory bodies, one for each of the industry's opposing sides, but only one exists on paper. In Ognyanova's words, “There is one working code of ethics and one operational ethics committee that makes decisions on complaints. Formally, there are two self-regulation alliances and committees, but with the bankruptcy of KTB bank², the second media union has practically disintegrated, and the related code of ethics has not been applied since its inception.”

2 KTB provided financial backing to the Peevski media group, which created its own alternative publishers union and passed their own code of ethics.

The decisions by the operational ethics committee have not made a discernable impact on improving the implementation of ethical standards; there are still many violations. There is a difference between the regulated world of radio and television, where standards are better respected, and the rest of the media. While no cases of direct corruption—such as reporters accepting bribes or gifts to skew coverage of an event—have been recorded, corruption is rampant at the highest editorial level. Entire media exist with the sole purpose of publishing content distorted in favor of political and business interests. “Advertorials” are clearly marked only in the few media that abide by internationally accepted professional standards; for others, mixing paid content with manipulative news is a matter of routine,” said Petko Georgiev, director of BTC ProMedia.

Self-censorship is widespread, even in media operating under a more independent and professional editorial ethos. Investigative reporter Maria Cheresheva of the Balkan Investigative Reporters' Network quotes a recent report of the Association of European Journalists showing rising self-censorship, especially in the regional media. According to Ivan Atanasov, the editor of *Sakar News*, a regional newspaper and web portal, self-censorship is rampant. “There is a sort of feudalism in the regional media. We are so dependent on local advertisers. We consider them almost like shareholders and that results in self-censorship. I have selected a core of more honorable companies, and I work with them.”

However, big national media are not free from self-censorship, either. Georgieva confirmed that self-censorship shades the editorial policy of the major television stations: “On the one hand, this is seen in the marginalization of the analytical programs and on the other in the limitation of journalism investigation to low- to medium-level officials.”

BULGARIA

The media in Bulgaria generally cover key events, although sometimes coverage of controversial issues is intentionally superficial and does not explore the deeper causes of problems. While this can partly be attributed to self-censorship, it sometimes results from the direct interference of the authorities under pretexts ranging from national security to Bulgaria's upcoming EU Council presidency. For example, to prevent media coverage of the Bulgarian-Turkish border fence, the government declared it a strategic national security interest. Showing it on television, officials warned, would constitute a breach of national security and might result in a prison sentence. This approach is being applied to more and more military installations, such as armament factories. Demonstrations and protests are also often difficult to cover; even the major national television stations tend to downplay them until they become too visible to ignore.

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).

Regarding the Council of the EU presidency, the government has appealed to the media to avoid negative coverage of events in Bulgaria to save face in the eyes of its EU partners. As Ognyanova puts it, "The media are not free; they reflect events selectively. There are taboo topics and public figures who are off limits."

Media industry salaries are in keeping with the national average, although there are significant differences between regional and national media, and within media organizations themselves. According to Nedeva, "Pay is not adequate. In the regional media, people get paid BGN 500–1,000 per month (\$315–630) against a national average of BGN 1,000, and in Sofia, it is about BGN 1,500 (\$945). All social insurance is paid on the basis of the minimum wage; the rest is received as honoraria." According to Lipovanski, the low pay is pushing local media staff out of the industry. "Even national media correspondents are leaving because of low pay or because demand from the headquarters for local news is low," he added. Boyadjiev noted that there are some journalist and producers who earn excellent salaries, "but their income depends on their moral adaptability and eagerness to do what they are being told."

The trend of entertainment programming overshadowing news and current affairs is not new, and continues to marginalize serious journalism. As Antonova said, "Entertainment programs dominate the media, and serious journalism is less and less present in the broadcast media. There are fewer and fewer journalism investigations, and those remaining have negligible effect."

Ognyanova also observed, "The so-called lightening of programs is a clear trend. Media such as BIT, which began with ambitious news coverage, are now saturated with tabloid and entertainment items in pursuit of higher ratings, following a change

in leadership and a turnover in staff. The morning shows of the national television stations, long devoted to politicians and political issues, are turning to criminal and lifestyle news—a change especially visible at Nova TV. Specialized journalism practically does not exist for the vast majority of the media. This affects the quality of information."

In keeping with the MSI tradition in Bulgaria over the past years, the technical level of facilities and equipment for gathering, producing, and distributing news remains the highest indicator under the objective measuring professional journalism.

The quality of niche reporting and programming in the Bulgarian media is fading away, largely for financial reasons. Few of the larger national media have sufficient staff and resources to support many specialized beats, and the situation with regional media is far worse. Daskalova said that sustaining specialized beats has become a luxury. Lipovanski added, "Except in individual cases, there is a lack of quality beat reporting due to the reduced journalistic staff. The same reporters cover both criminal news and cultural events, for example. This reflects negatively on the level of competence and hence the media's overall quality."

Investigative reporting exists, but supporting it is a constant struggle. National media tend to limit investigations to lower-level officials, and those who aim higher do so at great personal cost. Yordanov said, "We at Bivol have been targeted for a long time. All my property has been put under forfeiture; we have been investigated secretly by the Agency for National Security, and these secret reports—consisting of lies—are being leaked to the Peevski media and used to write defamatory articles against us. This is complete infiltration of organized crime in state institutions. The media is being controlled by organized crime. I've been targeted because of my work as a journalist, and I can support this claim with specific facts and

evidence. Nothing will stop the ruling clique from trying to silence free voices in Bulgaria.”

OBJECTIVE 3: PLURALITY OF NEWS

2.06

Bulgaria has a large variety of public and private news sources, and diverse media, including print, broadcast, online, and social and mobile media platforms. However, the richness in platforms does not always translate into a variety of viewpoints. As Georgieva said, “The plurality of news sources is misleading, because most of them are either directly owned or controlled by Peevski. The ‘information’ they provide is openly customized to serve specific interests, manipulative and false. These are not media in the literal sense of the word, but ‘media baseball bats.’” Boyadjiev added, “The diversity of sources is extremely illusory. The public, as far as it is at all eager to compare and evaluate the different sources, is subject to systematic disinformation and manipulation.”

Ognyanova concluded, “There are a variety of print newspapers, magazines, radio stations, and online news sources, blogs, free access to social networks, and over two million Bulgarians on Facebook. But diversity does not equal pluralism. Only a small number of media comply with journalistic standards, while too many are little more than sensationalist tabloids.”

Citizens’ unrestricted access to domestic or international media remains one of the highest rated indicators in Bulgaria’s MSI study. Access to media outlets is largely unrestricted by law, cost, or other means, except for print media, where the Peevski

group’s near monopoly on the Lafka distribution network results in the domination of his newspapers on newsstands across the country. Free terrestrial television and radio is widely available across the country; just a few, low-populated mountainous areas continue to have poor coverage. Internet and cable television are affordable and available not only in the large cities but also increasingly across the country. Nearly 60 percent of the population has broadband access, and no limitations are imposed to access broadcasts, online, or social media.

Bulgarian public media, Bulgarian National Television (BNT) and Bulgarian National Radio (BNR), enjoy a high level of trust and are generally seen as fulfilling their commitments to inform the public in a professional and unbiased manner, even though they often endure criticism by politicians complaining about their coverage. BNT and BNR produce programming on socially important issues rarely covered by commercial channels and deliver specialized programs covering culture, health, and education, as well as the economy. However, both channels suffer from political and financial pressure. As Ognyanova explained, “Political and possibly economic factors influence the choice of management. Editorial independence is enshrined in the law, but BNT’s agenda and program priorities do not always align with its audience’s interests. Political influence also showed in the appointment of Emil Koshlukov—a politician and journalist with a background in media such as the KTB-sponsored TV 7 and Ataka’s, the right-wing nationalist party, television channel—as program director of BNT. Impartiality is at a higher level in the Bulgarian National Radio, as the journalism college has traditionally defended its professional freedom.” Financing of public service media, she concluded, falls short of their purpose to serve the public and amounts to a tool of pressure.

The state-owned Bulgarian News Agency (BTA) has a long-standing tradition of creating and disseminating news in a professional manner. However, it depends entirely on its state budget subsidy; the number of media outlets that subscribe to its services is limited. The major national television channels have access to international news exchanges and agencies, but the smaller television stations and the majority of print and online media—especially in the regions—depend entirely on free online sources. Private news agencies exist and their free newsfeeds are widely used by the smaller media, which have limited resources to produce their own news.

Boyadjiev added, “The diversity of sources is extremely illusory. The public, as far as it is at all eager to compare and evaluate the different sources, is subject to systematic disinformation and manipulation.”

The private broadcast media produce their own news and current affairs programs in-house, as required by the law. News programs of the three largest national television channels share similar formats and usually cover the same top news items of the day, quite often in the same order, as they apply similar professional criteria in their news priorities. Partially because of the pressures and limitations on newscasts and current affairs programs, external producers from the entertainment sector create much of the political and current affairs content. The two largest private television channels have highly popular talk shows that address current political development and often host politicians and organize political debates. For example, the bTV Slavi Show, a daily comedy and music show, has traditionally been deeply involved

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.
- ▶ 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.
- ▶ Citizens' access to domestic or international media is not restricted.
- ▶ A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.
- ▶ State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- ▶ Broadcast ratings, circulation figures, and Internet statistics are reliable.
- ▶ Independent news agencies gather and distribute news for print and broadcast media.

in political debate. On Nova TV, the *Lords of the Air* program, also an external production, features investigative journalism and is known for its witty critiques of public figures.

Despite the existing legislation governing media ownership, it is not entirely transparent. That is especially true of the print and online media. The panelists acknowledged that some of the media outlets considered to be a part of the Peevski group bear no visible link of ownership to the MP; their assumed link is determined by their editorial policy rather than by formal ownership.

Ownership of online media, which is unregulated by law, lacks any transparency. A vast network of anonymous sites, which quote each

other, exploit this hole to distribute fake news and propaganda. Bringing such outlets to legal responsibility over their content is practically impossible. This is not the case with the broadcast media, for which transparency is a licensing requirement.

The number of media outlets and the variety of platforms and formats does not mean that a wide spectrum of social interests and political views are covered. Minority media practically do not exist. Members of Bulgaria's large Turkish minority population do not have their own news media; instead, they watch cable and satellite television from Turkey. Mainstream media rarely discuss gender, sexual minorities, interethnic relations, or social stereotypes, and with the advance of nationalist right-wing parties as part of the ruling coalition, tolerance against minorities is not a news priority.

Coverage of events outside Sofia is very limited and superficial. As Lipovanski said, "In 2017, circulation of local newspapers in the Russe region continued to decline. Regional private television channels are clipping the duration of their own newscasts. Content quality is low; the lack of professionalism is a deepening crisis. Correspondents for private national media are now moving to the regional center of state television for better job security. The same private technical team of cameramen, editors, and other crew members serves all the national television channels with the same reporting, leading to uniform coverage. Central media send fewer and fewer correspondents to cover the regions, and much of what is shown on national channels is not truly national; rather, it is Sofia-centric. Small regional media do not have adequate funding. In Russe, almost all local media have signed so-called information service contracts with the municipality. This strongly affects their editorial policy and increases self-censorship. The information flow is dominated by topics related to

the local authorities, all cast in a positive light. Local television programs run by cable operators draw support from subscription fees, not from advertising revenue, which is very limited. The local media programs clearly lack journalistic investigations or in-depth analysis on any topic."

**OBJECTIVE 4:
BUSINESS
MANAGEMENT**

1.33

Bulgarian media have very different business models depending on their type and owner. International media conglomerates own the two largest national television channels: the Swedish media group MTG owns Nova TV, and Central European Media Enterprises—and, ultimately, Time Warner—owns bTV. Both companies own a vast number of other media outlets in Bulgaria, including cable channels, radio stations, online media, and magazines, diversifying their platforms to optimize market reach. According to the media agency Pierrot'97, in 2016, the Nova TV group of channels held 46.9 percent of the market share, compared to bTV's 40.2 percent, leaving public television BNT's Channel 1 far behind with 1.4 percent. The two groups are run as effective businesses and are virtually the only media organizations in the country capable of turning a profit. The public media, BNT and BNR, have a different business model, depending to a large extent on budget subsidies. Despite earlier attempts to create alternative models for their funding based on television fees and dedicated radio and television funds, the two media still exist thanks to the annual state budget allocations, which barely cover their operational expenses.

BULGARIA

A number of media organizations depend on international donors for survival. Financial support from the America for Bulgaria Foundation has helped the Economedia group, which publishes the respected weekly Kapital and online media outlets such as Mediapool, to continue supporting high-quality professional journalism.

The large remaining group of broadcast and print media depends heavily on the other businesses of their owners.

These different media organizations face different problems. For years, there have been rumors that the international investors are planning to sell their assets in Bulgaria. "If that happens, we'll see a rapid 'balkanization' of the television market," said Georgiev, recalling what happened to Bulgarian newspapers when the German investors WAZ withdrew from the country years ago. "As

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

BUSINESS MANAGEMENT INDICATORS

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

things stand today, there is little doubt who would like to buy them—and who would be allowed to buy them—probably hidden in an offshore company to avoid too much EU exposure," he added.

According to Ognyanova, "Public media have been experiencing funding problems for years; the problem is that public funding for them is insufficient to perform their public missions. Every now and then, the government allocates additional amounts outside the limits set by the state budget, most often to pay for the transmission of programs. The state subsidy and additional funds are used as a means of influence, especially for BNT."

Antonova said, "It is an illusion that any newspaper in Bulgaria can support itself only from sales; that's just not the case. We all have a mix of different revenues, including advertising, subscriptions, and events; up to 30 percent of Kapital's income comes from organizing events [such as business conferences and investor forums]."

The investigative site Bivol.bg has yet another funding model, as Yordanov explained: "Bivol has no advertisers; should anyone advertise with us, they would be in trouble. We accept donations on the site, and this is our main revenue, together with subscriptions for databases. The main donations—about 80 percent—come from Bulgarians living abroad. They are not enough to pay even for the servers, which is a lot because we are under constant attack. We don't pay salaries; we pay for access to public registers (company registration records, property records, legal databases, etc.)—about BGN 35,000 (\$22,040) for all of them, but we need that. We also cover some business trips. All of us rely on other jobs to support ourselves. I do not know how long our nerves are going to hold and how much longer we'll be able to continue to bet our lives on that."

Bulgaria's advertising market is well established

and slowly growing, but with the vast portion going to the two largest television-based groups, and up to 60 percent of online advertising going to Facebook and Google, surviving on advertising is hard.

According to GARB, a media measuring agency, Bulgaria's largest television advertisers for 2016 were pharmaceutical companies (at 16 percent of the market), followed by foods, cosmetics, drinks, retail outlets, telecommunications, and financial services. The online advertising market saw 18 percent growth in 2016, but prices are so low that no online media could survive on ad sales alone.

The advertising market operates entirely differently for the various segments of the media market. The large television groups operate in a professional manner, with media shops and agencies, and apply advanced marketing and sales techniques. The regional media, on the other hand, do not work with media agencies at all and depend on local advertisers and contracts with the municipalities for their ad revenue. BNR and BNT are not big players on the advertising market, as public television maintains a restrictive limit on the amount of ads it can air. According to Georgieva, "The advertising market lacks transparency and is, to a large extent, manipulated by the major players." Antonova pointed to another problem: the actual price of advertising is very low, even for the big national channels, leaving very few opportunities for smaller media outlets to secure ads at sustainable prices.

The government plays a significant role in funding the private media via the distribution of EU money intended to promote the implementation of the Cohesion Funds. Under pressure from the media, the Bulgarian government adopted rules to distribute these funds linked to audience size; however, these criteria are not being implemented. According to data obtained by Antonova, the three largest television channels (Nova, bTV, and BNT)

BULGARIA

have received virtually identical amounts of the EU funds. Disproportions are even more visible on the radio market. Sofia-based Radio K2, known for the aggressive pro-government policy of its owner and editor, has received EU funds far overreaching its relatively small audience. In addition, EU funds are being used by the government to “buy peace.” Media outlets receive funding for “visibility and communication” (promotion) of projects funded by the EU Cohesion Funds and implemented by Bulgarian ministries and agencies. In return, and off-the-record, the beneficiary media are expected to provide positive coverage of all government activities, or lose the funding.

According to Georgieva, “The advertising market lacks transparency and is, to a large extent, manipulated by the major players.”

According to Cheresheva, “Many media are increasingly dependent on government and EU funds for communication projects, yet there is no clear, objective criteria on how this money is being distributed among the outlets. The disbursement of public money for the media is not decided based on media’s quality and adherence to professional standards. The Association of European Journalists has suggested to consecutive governments that they introduce such criteria, but this still has not happened.”

As Ognyanova said, “The funds from European programs are directed to media with a pro-government orientation, and public resources are allocated in a way that restricts freedom of expression. A prominent example is state support for tabloid media, even those with anti-European publications.”

While the EU Cohesion Funds are the source

of the money and are intended to help poorer countries such as Bulgaria catch up in their economic development with the rest of the EU, the money is given to and controlled by the Bulgarian government, and the EU has no means of, and has not expressed an interest in, overseeing how the communication money for these funds is being used.

Regional media access to this money is slim to none. According to Lipovanski, “In 2017, there was a reduction in the flow of funds from European publicity and visualization projects into local media, making their financial situation even more unstable. The audience receives mainly propaganda leaflets instead of high-quality, objective information about the EU support to Bulgaria.”

Market research on the Bulgarian media market remains problematic. Bulgaria is one of very few countries with two competing people-meter organizations, each working with one of the two large television channels. The two agencies sometimes show drastic differences in the ratings of the same programs, leaving the door wide open to speculation over the integrity of the results. “The problem with the people meters is acute and unresolved,” Ognyanova said. “There is no independent reporting of ratings yet. There is no data on print circulation; that is one of the best kept secrets. Even in the decisions of the Commission for the Protection of Competition, we read that the commission does not have relevant data on print publications and their dissemination.”

Antonova pointed out that the solution should be in the hands of the advertisers: “If they lead such a discussion, there might be positive change, but nothing has happened so far. On the print market, circulation is unclear. The advertisers prefer to spend on the online editions of the print media, where all is measurable and leads to impressions.”

On the regional level, the situation is even worse. “For years, no sociological, marketing, or rating survey

has been made in Russe about the positioning and audience of local media,” Lipovanski said.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

1.91

The significant divisions among Bulgaria’s segmented media have weakened the trade and professional associations representing media owners and journalists. On the print side, two opposing publishing associations represent the Peevski media group and the remaining mainstream national dailies. On the broadcast side, the Association of Bulgarian Broadcasters, which will turn 20 years old in 2018, encompasses the majority of radio and television stations in Bulgaria, and offers a platform for joint representation of the broadcast owners’ interests. The Association of Bulgarian Broadcasters is involved in contacts with the government and the regulatory bodies on legislative issues. On occasion, it also issues public statements and declarations in support of its members and journalists under pressure, but its range of support services to members is relatively limited. An association of cable and telecommunication operators exists as well; it represents the major telecom companies and a number of small local operators. The regional media also have an association to protect and promote their interests, but like everything else for this overlooked segment of the media market, it can only offer limited member services.

Overall, journalism unions and associations in Bulgaria are quite weak. Outside of the public media, the official Bulgarian trade union has a very limited

number of members. Daskalova said, "There is no professional and legal protection within the media; effective trade unions exist only in the public media and especially BNR, Bulgarian public radio."

Alternative journalism associations with wider representation do not exist. Georgieva commented, "In Bulgaria, the journalists are easy victims of pressure and control by the media owners. There is no universal, trustworthy, and reliable trade union that they can join and be protected." While there are no restrictions on union membership, the majority of working journalists do not see the point of joining a union, do not participate in professional associations, and cannot benefit from union protection or joint representation.

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.
- ▶ Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- ▶ Sources of newsprint NGOs support free speech and independent media.
- ▶ Quality journalism degree programs that provide substantial practical experience exist.
- ▶ Printing facilities are in private hands, apolitical, and unrestricted.
- ▶ Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.
- ▶ Information and communication technology infrastructure sufficiently meets the needs of media and citizens.

Several NGOs actively protect free speech and support the development of independent media. The Association of European Journalists-Bulgaria, a member of the pan-European network of the Association of European Journalists, carries out research, organizes campaigns in support of journalists under pressure, implements training programs, and provides information services to its members and to all journalists in the country. The Media Democracy Foundation is also engaged in research and monitoring of the media environment. The Access to Information Program (AIP), a Bulgarian NGO, is highly acclaimed both for its work in the legislative development of access to information and because of its significant support of investigative journalists and media in their search for information. AIP's legal team is working with reporters on a permanent basis and provides legal advice and representation to journalists seeking to obtain information from public institutions. In general, the NGO sector supporting free speech is very unstable and totally dependent on project and donor funding.

Academic programs for journalists are available at Bulgarian universities, but according to Ognyanova, journalism training programs (both private and public) need to be seriously updated. "Cross-border academic training for journalists is limited, mainly under the Erasmus program. Students do not prefer a professional career in their country, and journalists often turn to other professions in the field of communications. Student media exist such as Radio Reaction at Sofia University and a radio station at the American University. At Radio Reaction, students control content (both journalistic and editorial)," she said.

There is no strong link between the journalism faculties and the media industry. In many cases, journalism graduates prefer to start a career in public relations, which pays better. The majority of

young people starting work in the media do not have a formal journalism education, increasing the need for on-the-job training and short-term training programs for working journalists. These, however, are in very short supply. After the withdrawal of international donors, the number of training programs for working journalists has decreased significantly. The main three television channels have limited internal training programs, mainly aimed at acquainting new staff with the technical side of newsroom work, but quality reporting programs are not being provided. The other media have even less access to professional training. Despite the low professional quality and the obvious need to work on professional skills, the interest in professional training is limited.

Georgieva commented, "In Bulgaria, the journalists are easy victims of pressure and control by the media owners. There is no universal, trustworthy, and reliable trade union that they can join and be protected."

According to Nedeva, "The media's interest in professional training is minimal. After international donors stopped funding journalism training, this became a blind spot." At the same time, journalists have a great need for this sort of training.

"Funding for professional training of journalists is extremely low," Atanasov said. "The NGOs and other institutions should realize that the level of professional journalism, especially in the local media, is declining drastically."

Not everyone is convinced, though, that professional training may have a beneficial effect on media quality. According to Georgieva, "Journalism training programs are of dubious benefit, as trained journalists working in a media outlet under political

BULGARIA

control cannot apply professional standards, or worse, their newly acquired skills are being used to serve manipulation and propaganda.”

The media distribution infrastructure poses another significant obstacle to the development of independent media. As Ognyanova explained, “The channels for distribution are politicized and monopolized—particularly for print media and the digital distribution networks. The business monopoly on distribution creates difficulties for independent publishers and civic journalism, as demonstrated by the problems with Komarnicki’s *Prass-Press*. Hristo Komarnitzki, a cartoonist with a very critical series of cartoons targeting the prime minister, the general prosecutor, and MP Peevski, started a weekly newspaper in March 2017. The much-anticipated first edition of the newspaper did not reach its audience. According to Komarnitzki, more than 9,000 copies of the total circulation of 10,000 vanished on their way to the press booths, which the Peevski group controls. Since then, *Prass-Press* has only sold at designated places in several of Bulgaria’s biggest cities.”

For the electronic media, such restrictions do not exist, and there have not been any cases of refused access to online distribution platforms, although online media have been the subject of hacking attempts and distributed denial of service (DDoS) attacks.

Bulgaria’s telecommunications infrastructure is generally sufficient to meet the needs of the media and to ensure that its citizens receive unhindered access to the media, although compared to other EU member states, there is a need to improve both quality and penetration. According to Ognyanova, “Bulgaria ranks last in the EU on important indicators related to Internet access. There is a significant gap in infrastructure and technological provision between cities and rural areas.” There are

also huge disparities in the access to the Internet by occupation: white collar workers, school-age children, and university students account for 65 percent of the usage of the Internet in the country.

The panel discussion was convened on December 17, 2017.

List of Panel Participants

Yassen Boyadjiev, editor, Mediapool, Sofia

Assen Yordanov, investigative reporter, Bivol.bg, Bourgas

Ivan Atanasov, editor, *Sakar News*, Harmanli

Stoyana Georgieva, editor in chief, Mediapool, Sofia

Irina Nedeva, chair, Association of European Journalists, Sofia

Vessislava Antonova, reporter, *Kapital*, Sofia

Maria Cheresheva, journalist, Balkan Investigative Reporters’ Network, Belgrade

Nicoletta Daskalova, researcher, Media Democracy Foundation, Sofia

Petko Georgiev, director, BTC ProMedia, Sofia

The following participants submitted a questionnaire but did not attend the panel discussion.

Dimitar Lipovanski, director, Arena Media, Russe

Nelly Ognyanova, professor, Sofia University St. Kliment Ohridski, Sofia

Moderator

Bistra Ivanova, project coordinator, BTC ProMedia, Sofia

Author

Petko Georgiev, director, BTC ProMedia, Sofia