

SERBIA



MEDIA SUSTAINABILITY INDEX 2019

Tracking Development
of Sustainable
Independent Media
Around the World



SERBIA

AT A GLANCE

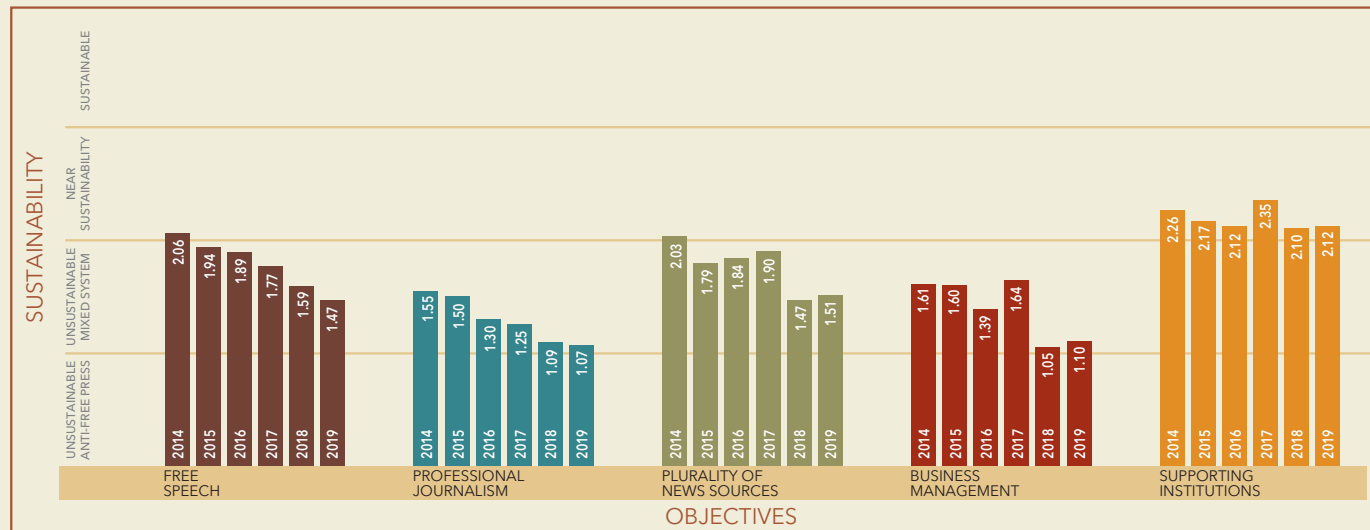
GENERAL

- **Population:** 7,001,444 (January 1, 2018 est. Serbian Statistical Office)
- **Capital city:** Belgrade
- **Ethnic groups (% of population):** Serb 83.3%, Hungarian 3.5%, Romani 2.1%, Bosniak 2%, other 5.7%, undeclared or unknown 3.4% (CIA World Factbook, 2011 est.)
- **Religions (% of population):** Orthodox 84.6%, Catholic 5%, Muslim 3.1%, Protestant 1%, atheist 1.1%, other 0.8% (includes agnostics, other Christians, Eastern religionists, Jewish), undeclared or unknown 4.5% (CIA World Factbook, 2011 est.)
- **Languages (% of population):** Serbian (official) 88.1%, Hungarian 3.4%, Bosnian 1.9%, Romani 1.4%, other 3.4%, undeclared or unknown 1.8% (CIA World Factbook, 2011 est.)
- **GNI (2017 - Atlas):** \$36,4 billion (World Bank Development Indicators, 2017)
- **GNI per capita (2017 - Atlas method):** \$5,180 (World Bank Development Indicators, 2017)
- **Literacy rate:** 98.8% (male 99.5%, female 98.2%) (CIA World Factbook, 2018 est.)
- **President or top authority:** President Aleksandar Vučić (since May 31, 2017)

MEDIA-SPECIFIC

- **Number of active print outlets, radio stations, television stations, Internet news portals:** Print: 916; Radio Stations: 326; Television Stations: 227; Web Portals: 736; Agencies: 26; Other: 17; Total: 2,248 registered media. (source: Serbian Business Registers Agency)
- **Newspaper circulation statistics:** Top three dailies by circulation: *Informer* (average daily sales in July 2018: 102,000), *Večernje Novosti* (49,000), *Blic* (47,000). (source: IPSOS)
- **Broadcast ratings:** TV: 72% of total population (daily reach); Radio: 57% (weekly reach) (Source: IPSOS)
- **News agencies:** Beta (private), FoNet (private); Tanjug (formally deleted from the register of economic companies but still active under government auspices and financing)
- **Annual advertising revenue in media sector:** €180 million–€200 million (estimate)
- **Internet usage:** Households having an internet connection: 72.9% (as of September 2018. Source: Statistical Office of the Republic of Serbia.). Top news Internet portals: (average daily real users): *Blic* 948,000; *Kurir* 913,000; *Espresso* 339,000 and *Telegraf* 327,000. (source: Gemius)

MEDIA SUSTAINABILITY INDEX: SERBIA



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.



The climate for journalists in Serbia deteriorated in 2018. Officials insult and even endanger journalists by calling them enemies of society or “foreign agents.” A media coalition broke off talks with the government last year after none of its demands for better conditions had been met. Compounding these issues, the number of quality journalism outlets is shrinking, and adapting to the digital era while maintaining credibility is a pressing question for conscientious Serbian media. Serbia’s overall score for the MSI dropped slightly this year, with scores in Objectives 1 and 2 (freedom of speech and professional journalism, respectively) showing losses, and it remains in the “unsustainable mixed” classification.

Last year brought yet more upheaval to Serbia’s already-turbulent politics. In January, Oliver Ivanovic, a prominent Kosovo Serb politician, was gunned down in North Mitrovica, a majority ethnic-Serb enclave in Kosovo. Ivanovic had broken with Belgrade’s political machine and had accused Serbian security forces of involvement in Mitrovica’s rampant crime. In turn, top-ranking politicians had demonized him, and some Belgrade media had labeled him a traitor. Two police officers and an aide who worked in Ivanovic’s office have been arrested in connection with the killing.

Despite ongoing normalization talks between Serbia and Kosovo, relations between the two countries remain bumpy, as evidenced by three events in 2018:

- ▶ The presidents of Serbia and Kosovo discussed a possible land exchange: Serbia would get North Mitrovica in exchange for a predominantly ethnic-Albanian area east of the border with Kosovo. The idea sparked huge protests in the Kosovo capital, Pristina.
- ▶ Kosovo imposed 100-percent tariffs on imports from Serbia, accusing Belgrade of campaigning against Kosovo’s membership in Interpol.
- ▶ Kosovo’s parliament voted to create a national army, violating a constitutional provision that designates NATO troops as the only armed forces permitted to operate in Kosovo.

Serbia’s relations with neighbors Montenegro and Croatia also deteriorated.

In March, the ruling Serbia Progressive Party (SNS) won a plurality in elections for the Belgrade City Assembly. The year finished with mass demonstrations against President Aleksandar Vucic and his government, prompted in part by an assault on opposition politician Borko Stefanovic.

Major obstacles to Serbia’s development and prosperity include weak rule of law, lack of free media and independent courts, corruption, an inefficient bureaucracy, and weak property rights linked to the country’s post-socialist restitution process. Serbia’s growth has long trailed that of other Central and Eastern European countries. Gross Domestic Product per capita is among the lowest in the region, and the average salary is below €500 (\$565) per month. Though on the rise, the amount of foreign direct investment is well below remittances sent back by the diaspora, despite generous incentives the government offered to investors. On the other hand, Serbia has run a budget surplus in the past two years, and in 2018 it reversed earlier pension cuts.

Last year the head of a respected fiscal watchdog group publicly questioned the reliability of some official statistics, and the director of the statistical agency defended the agency’s methods and conclusions. The disagreement was significant because it jibed with widespread suspicions that the agency massages the numbers to the government’s benefit.

According to a survey of one thousand people by the Serbia 21 think tank, around one-fifth of Serbian citizens want to emigrate. Most of those are young people, and almost all want to go to the West.

**OBJECTIVE 1:
FREEDOM OF
SPEECH**

1.47

The Serbian constitution protects freedom of speech and the free flow of ideas and information. The existing laws on the media were passed in 2014, and some panelists said they were overdue for amendment. All panelists agreed, however, that the laws are often selectively applied and regulations ignored. For instance, the government is almost four years behind a second legal deadline—the first deadline was in 2005—to privatize the state-run Tanjug news agency. While two attempts to privatize Tanjug were unsuccessful, the government eventually shuttered the agency and all of its employees were laid-off. However, Tanjug still remains on the state registry as a company, is still funded by the government, and remains active, thus distorting the market. In another example, journalists from independent media are regularly denied access to public information, which under Serbian law should be available to them.

For two years the government has dawdled on a planned national strategy—addressing, in part, journalist safety, sustainability of independent media, and quality of content—to help Serbian media thrive. Frustrated by the process, representatives of a journalists' association said the government has shown no interest in resolving about a dozen issues critical to their work and security. Panelist Snežana Milivojević, who teaches media law and policy in Belgrade, said the delays show that the government does not see the health of the country's media as a priority. On the other hand, Đorđe Krivokapić, an expert on Internet freedom and digital rights,

said that pressure from civil society and abroad has helped Serbia's media and that media realities received more attention from the government in 2018 than they had in previous years.

Zoran Sekulić, owner and chief executive of the FoNet News Agency, disagreed. He said the government has made a show of taking these issues seriously without actually addressing them, noting the journalists' association's still-unmet demands and the worsening assessments of the country's media climate by international observers. Sekulić said the government had reactivated a working group on journalists' safety just before the European Commission released its annual report on Serbia's progress toward European Union membership in order "to show that working groups are active."

Krivokapić said important developments impacting freedom of speech in 2018 included a cabinet-level proposal for combatting "fake news" and an appeals court ruling overturning a lower court's judgment that *NIN* magazine had defamed Interior Minister Nebojsa Stefanovic in an article pinning responsibility for the controversial demolition of a Belgrade neighborhood on him. The day after the Media Sustainability Index (MSI) panel convened in November 2018, however, the country's highest court annulled the appellate court's decision.

In a survey of 177 media workers by the Slavko Curuvija Foundation—a media development organization honoring a journalist gunned down in Belgrade in 1999—24 percent of respondents said conditions are not conducive to free speech in Serbia, and another 50 percent said free speech faces serious obstacles.

Only broadcast media must be licensed in Serbia, via a process that panelists criticized as opaque. Licenses are renewed automatically, with no review of media outlets' performance. The Regulatory Authority of Electronic Media (REM) has

had only six of its nine members since December 2015 and has been without a president for almost three years. Given the agency's reputation for passivity and the declining importance of terrestrial broadcasting licenses, panelist Slobodan Kremenjak, a lawyer in Belgrade, wondered if Serbia still needs it.

But Tamara Skrozza, a journalist with *Vreme* magazine, noted that there had been signs of life from REM last year. She recalled that one REM member openly violated the regulator's rules on impartiality by criticizing opposition politicians and by defending the legality of an advertisement for

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.

the ruling party that ran outside the election season, which is the only time political ads are permitted to air in Serbia. “Her actions finally showed even the skeptics that REM is nothing but ... a ruling-party branch office,” Skrozza said.

Neither REM nor the Republic Agency for Electronic Communications regulates cable or Internet media.

The pressure to keep silent is stronger today than ever,” Sekulić added.

Formally, the conditions for market entry and the tax structure are comparable to those of other industries. In practice, however, authorities use the tax laws to punish critical media, panelists said. In one notorious case, the *Južne vesti* news website was fined more than RSD 1 million (\$9,560) after prolonged scrutiny by tax inspectors. *Južne vesti* said inspectors found no irregularities but improperly subjected the website to rules governing public-sector employment by ordering it to pay several years’ worth of back taxes and social contributions for the editor-in-chief.

“As the owner of a radio station, I have to pay income taxes every month on the 15th,” said panelist Milorad Tadić, owner of Boom 93 Radio in the eastern city of Požarevac, “If I don’t pay, my accounts will be frozen.” Meanwhile, he said, the government-friendly TV Pink has tax arrears of €5 million (\$5.65 million) and operates freely.

Physical attacks on Serbian journalists are not uncommon, and the authorities’ response is slow and halfhearted, panelists said. By contrast, threats against politicians tend to be solved speedily. “Journalists in Serbia continue to face attacks and threats, as well as an inadequate response from the authorities, and the pro-regime media continue to campaign against independent editorial offices and

journalists,” Human Rights Watch wrote in its annual report on Serbia in 2018.

In the fall, an issue of the partly state-owned *Ilustrovana Politika* magazine appeared with a cover picture of a snarling Rottweiler, background images of media critical of the government, and the headline “The Hounds Have Been Released.” Many took this to be a threat to independent media. The president’s media adviser, Suzana Vasiljevic, sat on the magazine’s supervisory board but resigned amid the furor over the cover story. Then in December, attackers burned down the house of Milan Jovanovic, a journalist for the *Žig Info* website who had covered corruption in local government. The perpetrators of this attack also opened gun fire to the front of the house, but Jovanovic and his wife were able to escape through a back window. Reporters Without Borders called it “one of the gravest” attacks on journalists in Serbia in recent years. On December 30, someone tried to break into the apartment where Jovanovic and his wife had moved after the fire. President Vucic’s dismissal of the crime as “just a burglary attempt” drew swift condemnation from the international reporters’ group.

Two influential political cartoonists came under attack from the authorities last year. A planned exhibition of their caricatures to mark the International Day Against Fascism and Antisemitism, which was to be held at a library in Lazarevac (a municipality of Belgrade), was cancelled at the last minute—something not done even during the communist era. The library director said the exhibition had become politicized because members of opposition parties planned to attend the opening and because it was sponsored by *Danas*, a credible, independent newspaper.

Panelist Ilir Gaši, a freelance journalist in Belgrade, said authorities investigate crimes against

journalists typically in response to international pressure rather than pressure from the Serbian public. “The public is becoming increasingly sensitive to the security issues of journalists, but they’re still passive about their protection,” he said.

Public broadcasters’ editorial independence is questionable because they receive money from the state budget and because their board of directors is chosen by REM, which, in turn, is under the control of the ruling party.

As part of the budget process late last year, parliament approved an increase in the annual public broadcasting fee per household from RSD 150 (\$1.43) to RSD 220 (\$2.10). Before the hike, subscription income brought in €40 million, with another €20 million (\$22.6 million) from the state budget and €24 million (\$27.2 million) from advertising. This funding structure, which was intended to be temporary, has been in place since 2014, as have a hiring freeze and limits on advertising time. Milivoje Mihajlović, assistant general manager of Radio Television of Serbia (RTS), said cable operators should be forced to pay for carrying the public channels.

The RTS program council has ceded its responsibility to ensure that the channel’s programming serves the public interest to the station’s managing board, which is appointed by the politically controlled REM and contains only one media expert.

Although journalists no longer face a prison sentence if found guilty of libeling someone, libel lawsuits have become commonplace. Court practices in Serbia often do not reflect those of international tribunals, although some judges have started to take into account decisions by the European Court of Human Rights before rendering their verdicts. Politicians still do not accept the fundamental principle of libel law, which says that they should show a higher tolerance for critical

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press coverage than ordinary citizens. In one example in 2018, a reporter for *Južne vesti* was called to the police station and asked to disclose his sources for a series of critical articles he had written on local government officials. Although the reporter refused and nothing more came of the incident, police questioning a reporter over his sources is of wider concern.

The case of Interior Minister Nebojsa Stefanović and *NIN* magazine is a good example of journalists' treatment at the hands of courts and politicians. In 2016, Stefanović sued *NIN* as a private individual for damage to his honor and reputation after the magazine blamed him for the police's failure to respond to urgent calls to stop the nighttime demolition of a Belgrade neighborhood. The first-instance court ruled for Stefanović and ordered *NIN* to pay him RSD 300,000 (\$2,867). An appeals court overturned that verdict, but the highest court sent the case to retrial in late 2018.

Public officials in Serbia play favorites with the media. For example, while all might be welcome at a press conference, only journalists from favored outlets will be permitted to ask questions. Likewise, officials tend not to return phone calls or provide public information to critical media, accusing them of being one-sided.

As a signal of an overall deteriorating environment, government bodies frequently refuse to provide public information, in violation of Serbia's freedom of information law. When the government refuses to provide information according to Serbian law, journalists and citizens can turn to the Commissioner for Information of Public Importance and Personal Data Protection. In 2018, the Commissioner received 4,828 requests for intervention (monthly average in 2018 was 402 requests in connection with freedom of information). However, in spite of Serbian law and

the oversight function of the Commissioner, the national government does not release information on major public contracts. State-owned companies often opt to pay fines for not complying with the law instead of releasing information, even after the Commissioner makes a ruling. The government has also proposed excluding the National Bank of Serbia and state-owned companies—a notorious nexus of corruption—from the new public information law, and it has drafted the right for all state institutions—including agencies and ministries—to launch court challenges to any decision the Commissioner makes,

Zorica Višnjić, editor-in-chief of *Lozničke novosti* newspaper in the western city of Loznica, said the problem is especially acute for media outside the major cities. "If you ask for information from the local water management inspector, he has to get permission from the regional inspector, and the regional inspector has to get permission from Belgrade to provide it. The directors of public companies or local agencies never reply to our questions for two reasons: They're throwing their weight around, but they're also afraid of saying the wrong thing in public," Višnjić said.

There are no legal restrictions on publishing international news, but domestic media are choosy about which reports to use, generally avoiding anything about Serbian foreign policy. "There are no formal obstacles, but critical pieces on Serbian policy or society are never published. There have even been cases where articles from foreign sources undergo certain revisions," Gaši said. "The pressure to keep silent is stronger today than ever," Sekulić added.

Anyone can become a journalist in Serbia, and no license is required. For years, politicians in the ruling party and some journalists have argued that the profession of journalist should be defined in law and be licensed.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

1.07

Serbians' confidence in their media has been declining for years, according to European Broadcast Union research. In an upside-down version of the rest of Europe, Serbians trust online information and social networks more than traditional media.

The country has two parallel media scenes. On one side are major media practicing shoddy journalism backed by the authorities. On the other side are smaller professional outlets that have received multiple international and domestic awards. The polarization is clear, and public officials treat professional and scrupulous journalists as enemies of the state.

"Media scenes are polarized everywhere, but ours has asymmetric polarization," Milivojević said. She said alternative reporting, critical thinking, and independent journalism are marginalized, giving way to media extremism. She suggested that rather than assessing the overall professionalism of Serbia's media, the real question is about the impact of the dominant, divisive media versus the smaller, more-professional outlets. "Much more time is spent arguing about the quality of journalism than about systematic media problems, and it should be vice versa," she observed.

The number of quality journalism outlets is shrinking, and adapting to the digital era while maintaining credibility is a pressing question for conscientious Serbian media in a time when facts seem to matter less.

Serbia has a sound ethical code for journalists. However, most journalists likely do not know about it, and few obey it. According to the Press Council—a

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self-regulatory body of media owners, publishers, and employees—eight daily newspapers in Serbia last year violated the code a total of 3,615 times. Most offenses were committed by dailies close to the authorities. *Alo* had 929, *Serbian Telegraph* 769, *Kurir* 701, *Informer* 600, *Blic* 307, and *Večernje novosti* 216. *Politika* and *Danas* committed the fewest violations, with 36 and 57, respectively. Most violations concerned the presumption of innocence for the accused, concealed advertisement, or the rights of victims or children.

Mihajlović lamented the “tabloidization” of the media, noting that tabloids have the biggest circulation and press releases are printed verbatim.

“Fake news gets distributed everywhere, while maybe one-tenth as many people will see a denial of it,” Tadić said.

Višnjić said only journalists and a few civil society groups defend media professionalism in Serbia: “That’s not a strong-enough front, and we need to get citizens involved in the battle.” She said media literacy is falling and that serious journalism is under threat outside the cities. “But citizens don’t defend local media, although they trust them. If you as a local journalist write or report the truth, you become essentially a kamikaze,” she noted.

In a survey of media professionals (journalists, editors, editors-in-chief, freelancers, etc.) by the Slavko Curuvija Foundation, 34 percent of respondents said there is more self-censorship than five years ago, and 37 percent said it is harder to resist external pressure—for example, from advertisers—than it was five years ago (seven percent said it is easier). As far as pressure from media owners or editors, 26 percent said it is harder to withstand than it was five year ago. Journalists have few good choices on the job market in Serbia, so most cannot defy their bosses or quit.

“Self-censorship is almost ubiquitous,” Gaši

said, “Many journalists have no idea that their job is to report impartially and in the public interest. Instead they follow their editors’ orders unquestioningly, participating in a false representation of society with no foundation.”

But Milivojević said self-censorship is not the real problem and that the concept itself is unfair. “It’s difficult to investigate the legal, political, and economic pressures that are far more responsible for the collapse of professional standards than self-censorship,” she said, adding, “Self-censorship is becoming an excuse for shifting the blame onto journalists.”

In addition to self-censorship, other forms of censorship are prevalent in Serbia. In one example, Sekulić said his agency lost a subscriber and advertiser after it published an accurate story the advertiser did not like. “There’s no official censorship, but a media outlet is on its own when deciding when to risk running a story.” He said Serbian news is full of staged events presented as newsworthy. “Those aren’t fake news; they’re fake narratives and fake perceptions.”

Moreover, government officials or editors sometimes prevent journalists from reporting on certain topics, such as the talks with Kosovo, crime, economic development issues, environmental disasters, corruption, and improper pressure on the courts. Some events that the media do not cover are covered on social networks.

Tadić said few media criticize the government. Most local media play it safe and copy-paste local news—from other outlets or agencies, for example—and many just paraphrase posts from Twitter. “The media don’t report on events of public interest. Most of them just use some spin and/or fake news pushed by the authorities,” Skrozza further noted.

Journalism is among the lowest-paid professions in Serbia, and most journalists must

work at several outlets to cobble together a living wage. At the end of 2018, the average monthly salary for a journalist in Serbia was RSD 40,521, or about US \$387. Despite repeated conferences and studies on the status of journalists, panelists said most

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).

Serbians do not realize how dire the situation is.

Skrozza said many journalists do not have jobs or even freelance work. Additionally, she noted that many employers do not pay their national health insurance contributions, so their employees do not get those benefits, and freelancers have practically no way to access medical care. “All this make journalists’ situation untenable, and it definitely affects the quality of their work and their vulnerability to corruption,” Skrozza said.

Gaši agreed that journalists’ plight is critical, adding that many reporters work on temporary

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contracts, and even those with jobs are often paid late or irregularly. “However, in my opinion, the position of a journalist isn’t bad enough to justify abandoning your ethics,” he said.

“Fake news gets distributed everywhere, while maybe one-tenth as many people will see a denial of it,” Tadić said.

Višnjić said that in her 35 years as a journalist she does not recall ever being paid well: “Now I’m a co-owner of a newspaper that has seven local journalists, but our financial state is poor. The only media that have money outside the big cities are those that make shady deals with officials for positive coverage. In those areas, average salaries are extremely low, and the chances to get another job are nonexistent. A journalist’s social position is not only dramatic, it’s also humiliating.”

Quality newscasts and investigative journalism are overwhelmed by entertainment and reality programming available on Serbian televisions. In fact, entertainment is overshadowing information programming, as networks have begun using their entertainment programs to promote and humanize politicians. Serbian President Vucic is a frequent guest on extended entertainment programs, which can last two or three hours. Some channels run multi-hour programs devoted to discrediting opposition politicians, including making extensive use of fake news.

Mihajlović said the highly rated public broadcaster RTS offers a sufficient diet of news, but entertainment programs are catching up.

Access to technology is improving in Serbia’s newsrooms, but investment is still inadequate. “There’s a lack of modern equipment, but that’s not the main reason for the low quality of reporting

in the country,” Tadić said, hinting at editorial interference in news reporting.

There is little specialized reporting in Serbia, and some beats—such as the economy, the environment, and foreign policy—are largely ignored. Serious investigative journalism exists, albeit mainly online. Some highly professional websites that conduct investigations include Insider, KRIK, the Balkan Investigative Reporting Network, and the Center for Investigative Journalism of Serbia, complemented by several regional media portals, such as Južne vesti, Boom 93, and Ozon. Investigative reporters are often harassed or pressured by tabloids and politicians.

Tadić noted that investigative journalists in Serbia often win international awards. He said that although there are some specialized reporters, investigative journalism does not exist in the country’s mainstream media. Further, he said, some outlets do not publish the results of their investigations because they are convinced that they will make no difference.

OBJECTIVE 3: PLURALITY OF NEWS

1.51

The media are exceptionally polarized into pro-government and opposition camps. Pro-government media ignore opposing viewpoints or marginalize news about citizen protests or actions as well as opposition activities. As media ownership becomes more concentrated, especially in regional media and as regional media outlets continue to close, pluralism and diversity are under further threat.

“Most editors in public broadcasting see themselves as independent, but there are a lot more people

from the government than from the opposition in their programs,” Mihajlović said. He added that television remains the dominant medium in Serbia, although the number of online media is growing. Because many consider social networks a serious source of information, “the authorities use teams of bots to manipulate social networks and to produce disinformation,” he said.

Mainstream media, especially nationwide television and radio, squelch the expression of different viewpoints or information that comes from other news sources. Most media broadcast or print the same news, typically from government sources, with no attempt to find opposing, or even corroborating, sources.

No law restricts people’s access to domestic or international news via any medium. Foreign media are available through cable television—which according to the Republic Agency for Electronic Communications and Postal Services (RATEL) reached 1.7 million Serbians in 2017—but there is little cultural pluralism and the selection of cable channels tends to be narrow and parochial. A huge number of channels is no guarantee of pluralism.

“Cable operators discriminate against regional media,” Tadić said. He said his station was kept off cable even though it had the proper licensing, even as Pozarevac has access to 80 unlicensed music radio stations via cable.

Despite the presence of six nationwide television channels that include two public broadcasters, Serbia’s television news coverage is increasingly uniform and in lockstep with the government, a clear indication of stepped-up pressure from Belgrade. The resulting mix of self-censorship and external pressure means public broadcasters will not reflect the views of the whole political spectrum. “In addition to being under state control because they’re financed from the

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS

- ▶ A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- ▶ Citizens' access to domestic or international media is not restricted.
- ▶ State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- ▶ Independent news agencies gather and distribute news for print and broadcast media.
- ▶ Independent broadcast media produce their own news programs.
- ▶ Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- ▶ A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.
- ▶ Broadcast ratings, circulation figures, and Internet statistics are reliable.

state budget, public broadcasters as a rule avoid serious topics in their programs and are not open to alternative views or comments," Tadić said, "Big public media and state-owned media and most private media also spent by far more time on the activities of the authorities and the president than on the opposition."

Mihajlović said that despite all the criticism public broadcaster RTS receives, it still has the highest-rated program in the country. "That says more about other networks than about the public service," he observed.

The market for news agencies in Serbia has long been distorted by the presence of the Tanjug agency, which was supposed to be shuttered in 2015

but still operates with funding from the government. With that steady income stream, it can afford to undercut competitors by charging little to nothing for its services.

Mihajlović said of the three major agencies, the two private ones, Beta and FoNet, are highly professional, while Tanjug is a mouthpiece for the government. Access to information from international news agencies is affordable only to a few better-off outlets.

Most of Serbia's 2,300 media outlets do not produce their own news and instead poach it from other sources, including unverified news and information from social networks. "An extremely small number of private media produce their own information programs that are different from those on public or state-controlled media," Tadić said, "Regional private media invest in efforts to produce their own information programming focused on local news."

More and more local towns in Serbia are deprived of local information, as regional media lack the political or financial clout to stand up to the considerable pressure from local governments and businesses.

Media ownership is opaque, as owners find ways around a disclosure law that requires them to register with a government agency. In 2018, a new development regarding media ownership in Serbia occurred. Under a privatization law, the state is required to sell off its stakes in all media except the public broadcasters. However, in 2018 the state expanded its media ownership, indirectly, when subsidiaries of state-owned Telekom Serbia formed a partnership with the publisher of the *Kurir* newspaper, and Telekom itself bought the Copernicus cable operator.

In their service to the government, most of Serbia's major media skip over difficult social issues.

Further, public-affairs programming has been almost abandoned by national broadcasters, including the public networks. Tadić said some topics—including issues of gender, ageing, ethnicity, religion, and sexual orientation—receive only occasional coverage.

Mihajlović said most minority-language programming is on privately held media. In the northern province of Vojvodina, mostly under the auspices of national councils that represent the interests of ethnic minorities, 22 print media in eight languages are active, and public service broadcaster RTV airs content in as many as 15 languages. Serbia has about 75 online media outlets and one daily newspaper in minority languages. RTS has the country's only Romani-language programming.

There are no legal or technical obstacles to providing complete news coverage in Serbia, and there are plenty of newscasts. Rather, the obstacle is the extreme polarization that encourages rigid editorial loyalties and policies. Critical issues are left unexamined by government-friendly media on the state, provincial, and regional level. The few independent media at all levels cover touchy issues, despite being pressured and threatened.

"There are local media that report on local situations, but their news profile depends on the owner's political orientation or economic interest," Mihajlović said.

"Most editors in public broadcasting see themselves as independent, but there are a lot more people from the government than from the opposition in their programs," Mihajlović said.

**OBJECTIVE 4:
BUSINESS
MANAGEMENT**

1.10

The media business in Serbia becomes less sustainable by the year, except for media with foreign owners. Management and business functions are well developed only in major national media. Business plans and financial and accounting practices that meet international standards are of little use anyway in Serbia's unpredictable, Wild West of a market. Further, a country of seven million people cannot reasonably support 2,300 media outlets, especially the smaller, regional ones.

Every government, of any political persuasion, tends to place its advertising through two agencies whose chief executives are politically connected. The agencies spend that money according to incomprehensible criteria, panelists said. "The money flows aren't determined by the market, and the money goes to media outlets according to political criteria, with a clear bias toward media that back the authorities," Gaši said.

Media projects in the public interest—co-financed by local, provincial, and state governments and geared towards providing content that serves the broader interests of Serbians—are big business in Serbia. Local governments and the national and provincial agencies for culture and information last year published a combined 161 calls for bids. The Journalists' Association of Serbia (UNS) found that 35 municipalities and the City of Kragujevac announced no competitions for co-funded media projects in 2018, a violation of the law. In February 2018, the Culture Ministry announced eight bids for co-financing and then established a commission to review the bids but did not disclose

the makeup of the group. The failure to publicize the members of the commission and the controversial distribution of money in 2018 prompted protests from journalists and media associations, and many withdrew from the process.

In another example, the Ministry of Culture chose a company called Essentis from a large field of candidates to work on a lucrative co-financed documentary project. Essentis does not produce media content, has no employees, and pays no social insurance contributions. Additionally, in a violation of the rules on co-financing, prospective co-funded contracts in the 2018 round of bidding were also awarded to media that Press Council monitors said had repeatedly violated the profession's formal ethics code in 2017. At the end of November, the Belgrade city government awarded money to the *Alo, Informer*, and *Serbian Telegraph* tabloids, which consistently violate the journalism ethics code. Several media that received co-financing in 2017, but did not account for their spending, again received money in 2018.

"This year the media project co-financing system is brazen and looks like a joke," Višnjić said, "None of the prescribed criteria are applied."

The ad hoc journalists' group that broke off talks with the government over the media strategy last year released a statement in October slamming officials for shovelling "extremely large amounts from the budget to the media," in an opaque and discriminatory way. The group alleged that co-financing has long been plagued with irregularities and that officials use it to finance friendly media and self-promotion instead of obeying the law, which requires that money be parcelled out by "media experts delegated from journalists' and media associations" in the public interest.

Serbian officials distort the market in other ways as well. For instance, the country's *de minimis* rule caps the amount of revenue any media can receive

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.

from public procurement at RSD 23 million (\$220,000) over three years. Just before the Belgrade City elections last year, this cap was lifted for television stations, putting other media at a disadvantage. As another example, the national government bypasses the public procurement process when funding promotional video or film projects. In addition, the Tanjug news agency, of which the state is legally required to divest itself, has been taken off the list of legal companies but still operates as a state news agency—some call it a phantom agency. It is heavily financed by the state budget, although there is no specific budget line for it, and it handicaps its private competitors by charging low prices for subscriptions. Officials have even ordered state agencies to subscribe to Tanjug.

"The economic environment for the media will remain unsustainable until a few outlets are no longer

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able to dominate the market,” Milivojević said, “There’s an obvious need to end the criminalized system of project co-financing. ... The two main pillars of media funding are controlled by the state, which then determines the conditions for media functioning.”

The advertising market is highly concentrated and politically tied. Most of advertising revenue and public funding sources are essentially controlled by the same people. “The advertising industry is not an autonomous industry,” Milivojević said.

Independent sources of funding, such as subscription and international donations, make up a small percentage of funding and do not begin to counteract the imbalance in the market. New models of funding, such as crowdfunding, are slow to take root because media are not nimble enough to use them and audiences lack the disposable income to contribute and are not comfortable or familiar with them.

Mihajlović said public broadcasters get 25 percent of their revenue from advertising, 25 percent from the state budget, and the remaining 50 percent from subscription fees paid by everyone with a television. Private media rely largely on advertising and state funding for co-financed public-service projects, which, as discussed previously, is deeply problematic.

Mihajlović noted advertising time is limited by law for all broadcasters, but there are no serious consequences if a station exceeds the limit, as often happens.

Gaši said few media can get advertising, and it is especially difficult for online and regional outlets. Still fewer can get foreign contributions. Gaši added, “Other sources of revenue, such as subscription or crowdfunding, are negligible.” Tadić said banks refuse to extend credit to Serbian media and foreign donations are dwindling.

Figures for the size of the advertising market

are only estimates, but over the past decade and as measured by Nielsen Media Measurement, it stagnated around €160 million–€180 million (\$181 million–\$204 million) annually. Agencies say they had an uptick in 2018, so €180 million–€200 million (\$204 million–\$227 million) last year is a reasonable educated guess. The big media outlets get the lion’s share of advertising dinars.

Tadić said that although Serbia has several advertising/media buyin agencies, several dominant ones—including Direct Media United Solutions, Media House, Universal Media and Initiatives—dictate prices and rules, selectively place their ads, and focus on the capital city and several bigger Serbian towns.

Reliable figures do not exist, but most analysts believe the national government is the largest advertiser, opening the door to undue pressure and corruption. Aside from the government, supermarkets, telecoms operators, and pharmacies were the most frequent advertisers on television.

State funds—especially for co-financed projects, rather than advertising—are critical to the survival of many Serbian media. Advertising in local and online media is minimal. Most online advertising goes to foreign-owned platforms accessible in Serbia, such as Facebook, Instagram, YouTube, and Google. Advertising time in broadcast media is limited by law to 12 minutes per hour, but television networks often exceed that, given the pressure to scrape more money out of advertising. Nonprofit and civil society-owned media are allowed to earn money through advertising but are limited to six minutes per hour, as is public service, which also tends to exceed its limits.

The national government is one of the biggest benefactors to Serbia’s media. Government advertising contracts go to friendly media in an opaque manner, and government grants are likewise distributed selectively. The total amount of state aid and state advertising funds given to media is not

made public, but only 20 percent of state funding to media outlets is awarded through competitive processes, according to Reporters Without Borders’ 2017 Media Ownership Monitor report.

“The lowest mark should be given to this indicator [government subsidies and advertising are distributed fairly, governed by law, and neither subvert editorial independence nor distort the market], especially for the state advertising process, which is clearly used as a way to control the media,” Krivokapić said.

Reliable market research has a long tradition in Serbia. Research agencies use such methods as focus groups, surveys, desk and field research, and online polls to look at audience makeup, demographics, and customer preferences. However, only the largest media outlets, companies, advertising agencies, and political parties can afford such research, which they use to tailor content or messages and guide their business. Left behind are the smaller, local media, which ad agencies frequently overlook.

“The money flows aren’t determined by the market, and the money goes to media outlets according to political criteria, with a clear bias toward media that back the authorities,” Gaši said.

Broadcast ratings data are collected, but verifiable print circulation figures have long been unavailable. Online media use analytics to tailor their content and develop an audience. Major media use Nielsen Audience Measurement, which advertising agencies and electronic media accept as credible.

Tadić cast doubt on the reliability of this data, noting that agencies that measure audiences or circulation are under pressure from larger media

outlets, the government, or interest groups. He said only a handful of media can afford these services.

**OBJECTIVE 5:
SUPPORTING
INSTITUTIONS**

2.12

Publishers’ associations work to protect the interests of their members in all types of media. Among the issues the groups deal with are media independence and professionalism, the national media strategy, and journalists’ safety. Milivojević observed, “Interest groups for advertisers, media owners, publishers, and Internet providers have bigger and better lobbying operations and get more results than journalists’ associations.”

Several journalists associations work to prevent attacks on reporters and provide training, advice, and legal support to journalists. They have also been involved in preparation of the national media strategy. There are no legal prohibitions on the activities of these organizations, but they are often in conflict with the authorities.

These associations actively cooperate with their international counterparts, but they struggle for funding. There is no serious union to represent the interests of reporters or editors.

“The three largest journalists’ associations monitor most of the key factors affecting freedom of the press in Serbia, albeit with limited success due to funding problems, lack of capacity, lack of engagement with their members, and a lack of influence on politics and the market,” Gaši said.

Skrozza said the Press Council almost stopped working in 2018 for lack of funds and members of the Council’s committee that reviews ethics complaints, on which she sits, worked for free.

In the past few years, Serbia’s civil society has become increasingly concerned with protecting free speech and a free press. It provides significant support by rallying the general public and by establishing civil society (community) media, although Tadić said this is truer for big cities than elsewhere.

Serbia has offered university-level education for journalists since 1968, which Milivojević said is unusual for Central and Eastern Europe. The country has a dozen study programs for would-be journalists and offers a doctoral degree in media. However, panelists differed on the question of how well the country’s formal journalism education prepares students for the real world. Milivojević said the standardized and theoretical nature of the curriculum allows future journalists to adapt to a range of specializations. In contrast, Gaši and Tadić said the curriculum is too theoretical and outdated to be of use on the job.

Tadić said the lack of student media also robs students of a practical education. Milivojević observed that journalism education shares a problem with other fields in Serbia: Granting illegal doctorates by private schools. The government recently decided to recognize 1000 of these schools by giving them formal recognition.

Training opportunities are proliferating for Serbian journalists. They are offered by domestic and foreign organizations, such as the Novi Sad School of Journalism, Balkan Media Team, the Journalists’ Association of Serbia, Akademija Oxford, the Color Press Group, and the Council of Europe, among others.

Still, some small media cannot spare any of their employees for the few days these classes usually last, and Gaši said many local media lack young employees itching to learn new skills, complicating those outlets’ attempts to stay on top of

changing technology.

Some major media and civil society groups organize in-house trainings for their own journalists and editors. The most popular courses deal with media literacy, spotting fake news, video journalism, foreign languages for journalists, web journalism, court reporting, and how to adapt to technological change.

There are no restrictions on the supply of any media equipment.

Media use mobile technology, such as SMS alerts or MMS content, and have equal access to mobile networks. Internet service providers do not block media from using certain networks. Online media outlets and bloggers are free to choose software and platforms.

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.

S E R B I A

The authorities, political parties, and state-owned companies use their control of the means of distribution to pressure individual outlets. The methods include keeping a local television station off cable or placing a certain newspaper at the back of the rack. One newspaper kiosk attendant confirmed to the author of this MSI chapter that her boss ordered her to put certain newspapers in the front and hide others behind them.

“The authorities are obviously influencing the business policy of cable and other distributors,” Tadić said.

In Serbia, the technological infrastructure exists to bring journalism into the digital age—it is the business plans that are lacking.

“The three largest journalists’ associations monitor most of the key factors affecting freedom of the press in Serbia, albeit with limited success due to funding problems, lack of capacity, lack of engagement with their members, and a lack of influence on politics and the market,” Gaši said.

In the second quarter of 2018, Serbia had 5.6 million broadband subscribers, about 80 percent of the population. Internet coverage reaches most of the country. Also in the second quarter last year, there were 1.7 million subscribers to media content distribution (cable more than 50 percent).

The telecommunications market has been consolidating, with cable operator and Internet service provider SBB’s 2017 purchase of IKOM and the state-owned Telekom Serbia’s purchase of cable operator Copernicus Technology in 2018. Telekom expanded its fiber-optic network to end-users throughout the year.

Some panelists said technology was sufficient and up-to-date, but Tadić said that with the new media offerings of digital broadcasting, Internet streaming for audio and video, podcasts, and content for mobile phones, slow Internet speeds and overloaded mobile networks have become a problem. “The capacities differ among towns and among rural areas,” he said.

List of Panel Participants

Ilir Gaši, freelance journalist, Belgrade

Slobodan Kremenjak, lawyer, Belgrade

Đorđe Krivokapić, president, SHARE Foundation board; director, Open Society Fund, Belgrade

Milivoje Mihajlović, assistant general manager, RTS Public Service, Belgrade

Snežana Milivojević, professor of media law and policy, Faculty of Political Science, Belgrade

Dragan Petković, program director, Južne vesti online daily, Niš

Zoran Sekulić, owner and chief executive, FoNet News Agency, Belgrade

Tamara Skrozza, journalist, Vreme, Belgrade

Milorad Tadić, owner and chief executive, Boom 93 Radio, Požarevac

Zorica Višnjić, president, The Press Council board; chairwoman, Local Press Association board; and editor-in-chief, Lozničke novosti, Loznica

Moderator and Author

Goran Cetinić, independent media analyst

The panel discussion was convened on November 8, 2018.