

V THE DIGITALIZATION PROCESS

A transmitter of the experimental digital television network will be placed on the Avala Tower, the signal of which will be received by all Belgrade residents. The transmitter will be put into operation this year, the media have reported. In order to receive the digital signal, the viewers will need to install special adapters or more recent TV sets that may capture DVB-T2/MPEG-4 signal. Meanwhile, Vecernje Novosti has reported about the costs to be incurred by those citizens who are receiving their TV program solely via terrestrial transmission, in relation to digitalization. According to the report, the state will prepare an assistance package for 300 thousand of the neediest families, in order to enable them to purchase a decoder. However, the newspaper questioned the price of the decoder that the state used when calculating the costs of the subsidies. Citing anonymous sources, Novosti wrote that the price of the decoders would be fivefold compared to that announced by the Government. At the same time, technical equipment stores are already selling television sets supporting DVB-T2 and MPEG-4 standards, but these sets are among the most expensive on the market. Novosti also cited Jasna Matic, State Secretary in the Ministry of Culture, Media and Information Society, who said that Serbia would meet the deadlines for digitalization at the same time as the EU and countries of the region, as well as that digital signals from the region would not override our analog signals. Jasna Matic also reminded that experts from the BBC were already helping their Serbian colleagues to prepare and start broadcasting a trial signal next autumn, as well as that the EU had earmarked a 12.5 million Euros grant for digitalization in Serbia, along with 10 million Euros worth of valuable equipment. According to Matic, the rest of the equipment will be purchased with a loan, for which the Serbian government will issue a bank guarantee.

VI THE PRIVATIZATION PROCESS

The media have continued to publish stories of failed privatizations of local and regional media, as well as about the problems of still non-privatized media. In early April, for example, Radio Sombor announced that a solution had been found for the survival of that station, in coordination with the provincial authorities and local administrations of Sombor and the neighboring towns of Apatin, Kula and Odzak, as well as with the Public Broadcasting Service of Vojvodina. That solution involves a new 7.000.000 RSD from the budget. We remind that, after the annulment of the privatization, Radio Sombor was in the last three years managed by the state through the representative of state capital appointed by the Privatization Agency. The result of the above concept is liabilities exceeding fourfold the

assets of the station, Internet, telephone lines and electricity switched off due to unpaid bills and employees who have not received their salaries for one year. Accordingly, Radio Sombor is not broadcasting any program. Meanwhile, the temporary representative of state capital Anita Beretic said that, in view of the experience with the previous privatization, Radio Sombor had opted to work with the existing capacities as a small regional public service broadcaster of the Western Backa District. In the second example, the Privatization Agency has terminated the sales contract with TV Valjevo. The reason was non-compliance with the clauses on regular payment of salaries, the amount thereof and payment of dividends for the period when TV Valjevo declared profit. The public company TV Valjevo was acquired on an auction last February by businessman Slobodan Pavlovic, while the employees requested the cancellation of the privatization as soon as after three months. In mid-March, the station had stopped broadcast of its program for three days, because part of the equipment was seized by former journalist, Manager and Editor-in-Chief Aleksandar Rankovic. Rankovic is reportedly waiting for the enforcement of another two rulings against TV Valjevo. The majority of employees plan to file legal action in order to collect their salaries. In the third story of failed privatization, the Commercial Court in Leskovac has initiated pre-bankruptcy proceedings against another privatized media, "Nasa rec" (*Our word*), a weekly with a 67-year-long tradition. "Nasa rec" was purchased by the son of one of its longstanding journalists, but the privatization failed and 27 employees were left without a job. In the fourth example, in Smederevo, the employees in RTV Smederevo went on strike, requesting they be paid their salaries, due since the beginning of the year. The news program of RTV Smederevo began yesterday with news about the strike and the anchor said that it would be the only story in the news bulletin, Danas reported. "The employees in RTV Smederevo are forced to go on strike in order to protect their rights", the speaker read the press release, which also said that the employees were claiming their salaries as of the beginning of the years, meal allowance since last June, the holiday bonus for 2010 and the payment of travel expenses. On an auction in December 2009, the station was sold to Marko Lukic, son of a local politician and leader of the coalition "For a Better Smederevo" Milan Lukic. The Lukic family has later acquired the weekly "Nas glas" (*Our voice*) and in March this year they started broadcasting television program. Meanwhile, the Privatization Agency has announced the fourth consecutive auction on June 20 for the privatization of Radio Pirot. The station remains on the municipal budget and there were no potential buyers in the first three attempts to privatize it.

The agony of many media outlets only confirms the absence of any concept and responsible public policy in the media sector. The continued interference of the state and its control of the media through ownership are being represented as the sole sustainable model for the survival of especially local and regional broadcasters, but increasingly the press too. On the other hand, there are no proposals for sustainable models for the withdrawal of the state

from media ownership. Unfortunately, nobody is pointing to the fact that on a weak advertising market, non-transparent budget allowances that are typically awarded to government-friendly media are further killing competition and threaten to push the remaining healthy media to the brink of collapse.