

## **VI OVERALL CONCLUSION**

During the observed period pressure on media, aimed at hindering their operation, occurred on a daily basis, with the absence of suitable public reaction. The judicial processes that are conducted because of the assaults on journalists last too long and are sometimes actively obstructed. Also, media conduct campaigns against each other in an organized and systematic manner. The media participating in these assaults have extremely non-transparent ownership structure as well as non-transparent financing, which make it still more difficult to see who is behind those campaigns. The court proceedings against journalists are usually conducted for slander or damages for tarnished honor and reputation. Regardless of the fact that legal framework is mostly harmonized with international standards, the practice of indigenous courts often diverges from that of the European Court of Human Rights when it comes to the application of the Article 10 of the European Convention.

No major irregularities were observed in the implementation of the Broadcasting Law. However, the RBA Council is still incomplete since the Parliament has not yet elected new members for the vacant seats in this body, which surely casts a shadow on the Council's activities. Compared to other media relevant regulations, the implementation of the Personal Data Protection Law is seriously lagging behind. On the other hand, responding to sharp criticism coming from media industry, the Government proposed amendments to the Personal Income Tax Law. These amendments that were adopted and came into force on June 8<sup>th</sup> 2009 reduced the tax on authors' fees to a level that is much lower than the one previously in place. However, it failed to restore the prior tax level, the one before changes.

The Draft Law on Illegal Media Concentration and Transparency of Media Ownership, prepared by the work group of the Ministry of Culture, has still not entered the parliamentary procedure. Alteration of the Broadcasting Law, the Law on Free Access to Information of Public Importance, the Advertising Law, the Criminal Code and the Law on Copyright and Related Rights, has been announced. However, it is still to be seen what versions of this legislation will be adopted. On the other hand, the engagement of competent authorities in adoption of Digitalization Strategy is a step forward, as is transparency of this process and the participation of media industry representatives in it. It is encouraging, also, that public debates regarding the alterations of the laws are being held, and that requests by the media industry are duly taken into account, notably in the

case of the Law on Copyright and Related Rights. But, the general conclusion is that changes to media regulations are inadequate and slow, even though in the past period more intense activity of relevant ministries on drafting the amendments to existing laws and preparation of the drafts of new laws is noticed.

Regards to monitoring of competent authorities and organizations work, the main conclusion is that these bodies in charge have not yet managed to provide the favorable environment for functioning of electronic media. Inefficiency of regulatory bodies in closing the stations broadcasting illegally, the same as the too high mandatory fees, contributes to worsening the position of electronic media. Even though RBA has decreased its broadcasting fees in certain amount, the effect of this reduction is not identical for all broadcasters due to criteria for fees level and it does not sufficiently affect the improvement of economic situation of broadcasters. By amending the Personal Income Tax Law the parliamentary majority displayed a lack of understanding for the position of media and, by amending the Broadcasting Law it also managed to provide the mechanisms of absolute control over the election of RBA Council members, the sectoral regulatory body. At the proposal of the Ministry of Culture, on June 25 the Government adopted the regulatory measures to assist the media in crisis. Media experts judged these measures as insufficient and belated. It would be possible to assess the effect of these measures only after they are specified and put into practice. Collective societies did not reduce their rates, but Organization of Phonogram Producers of Serbia (OFPS) provided some payment relief. It is expected that both organizations will meet the demands of broadcasters and reduce the fees, in line with the recommendation of the Government.

No progress in media privatization was reported in the observed period. The laws relevant for this issue (Law on Public Information, Law on Local Self-government, Law on Capitol City and Law on Protection of Rights and Freedom of Minorities) remain unchanged even though they are in a mutual collision what contribute to continuance of status quo in this area. Also, media privatization processes suspended by Government Conclusion from December 27<sup>th</sup> 2007 and by acts of Agency for Privatization were not resumed. As the period of 180 days for permitted suspension is long overdue, the not yet privatized media are in legal vacuum. It makes them extremely vulnerable and dependable on political will and will of authorities. The Ministry of Culture unofficially announced that a media sector strategy will be adopted and it would include the privatization issue. Also, at some public meetings representatives of competent ministries expressed the willingness to harmonize the colliding provisions and continue

the media privatization process. On the other hand nothing of this was put into practice in the observed period.

This period is especially characterized by discontent of legal broadcasters with inefficiency of regulatory bodies in closing the stations broadcasting illegally. Authorized regulatory agencies, RBA and RATEL, did not clear the spectrum from pirate stations and did not enable to legal stations to use their right to broadcast without disturbance and in full range. According to statistic data, from identified 151 frequencies used without licenses, only one third of them (55 frequencies) were released, from September 1<sup>st</sup>, 2008 to April 2009. Pirate broadcasters, besides the creating of harmful interferences, directly economically endanger legal broadcasters by their dumping prices. This way they decrease expected advertising income of legal media outlets, which is especially negative at the time of financial crises. Pressured by the media associations, RBA has submitted official letters to state authorities, demanding changes of the laws in order to increase efficiency in closure of illegal broadcasters. Government will additionally support RBA and RATEL in disabling of pirate broadcasters, on urgent procedure, according to its regulatory measures. It is still to be seen how these measures will be specified. It would be possible to assess the effect of these measures in solving this issue only after they are put into practice.

The main conclusion of the monitoring is that state does not have a clear and consistent strategy for the development of the media sector. It results in the adoption of contradictory measures and regulations (especially in the area of privatization of public media) and creation of unstable environment for development of media and media market.