

## VI THE PRIVATIZATION PROCESS

The privatization of the media, except in sporadic cases, has been completely brought to a halt, in the expectation of new media laws. Nonetheless, we want here to mention certain developments from August that are related directly or indirectly to that process. In late August, a two-month training course for journalists started in Sjenica for future municipal TV stations. According to the authorities, a prospective TV station would have to compete for a license and set up a broadcasting system for the signal, which, in the meantime, will be distributed through cable systems. This announcement actually shows to what extent the media system in Serbia is unregulated. Despite new media laws being in the works (which will confirm what is written in the current ones – that the state may not be the owner of media), certain local governments, taking advantage of the fact that the Law on Local Self-Government is in collision with the Law on Public Information and the Broadcasting Law, have clearly concluded they are still free to spend taxpayers' money by opening municipal TV stations, where they will appoint their political protégés to be the directors and editors, in order to control the flow of information. Particularly interesting is the question about how the RBA would act today if a state media were to apply to an open competition for a terrestrial broadcasting license; or if the RBA were to receive a request for the issuance of a cable terrestrial license. Unfortunately, experience has shown that the RBA has not issued licenses solely guided by the criteria prescribed in the Broadcasting Law and the regulations passed based on it. In support of that, we have the example with the current issuance of the license to the public company RTV Trstenik, a case we have written about in the part of this Report pertaining to the implementation of the Broadcasting Law. In another case, TV Vrnjacka Banja has not been broadcasting news program for more than a month, because the employees have not received their salaries. According to the Mayor, the salaries have not been paid, since the funds earmarked this year for public information in the municipal budget have been reduced and hence TV Vrnjacka Banja has received less money. On one hand, this situation exemplifies the incapacity of public local media to find on the market the money necessary to replace the funds from the budget that have been denied to them. It also shows that the reduction of funds for the media directly and primarily affects news and current affairs programs. In the case of TV Vrnjacka Banja, the effects are as such that news program is not aired anymore. At the same time, the reduction of the funds for information in the local budget could very seriously undermine the implementation of the project-based financing system, as provided by the Media Strategy and the draft media regulations, whose adoption is pending.

On the other hand, privatization of TV Smederevo has continued after the termination of the contract with the previous buyer. The local government recognized the need to privatize that station, since the current situation in it is untenable, particularly with respect to the poor programming. Namely, TV Smederevo has reduced its daily programming to 14 hours, of which 60% are reruns and rebroadcast of program purchased from other stations, with a minimum of own production, which often boils down to conveying the press releases of the police and the Mayor's Office.

Finally, the Deputy Culture Minister in charge of media, Dragan Kolarevic, announced in early August that the state news agency Tanjug would be transformed into the Government's Bureau for Communications, according to the model that existed in Germany. This could be construed as the Government's decision to transform Tanjug (instead of privatizing it) so as to dismantle it as news agency/media outlet.