

V THE DIGITALIZATION PROCESS

On May 20, 2010, the Association of Independent Electronic Media (ANEM) held a workshop for its members on the topic of the pending digitalization and its implications for local and regional broadcasters. The intention of the workshop, which was attended by the representatives of the Ministry for Telecommunications and Information Society, regulatory bodies (RBA and RATEL), and the Public Company “Broadcasting Equipment and Communications”, was to inform the broadcasters about their obligations, as well as the new possibilities, attached to digitalization of television broadcasting. The joint conclusion of the workshop was that implementation of the action plan to accompany the Digitalization Strategy is already late, but the deadlines defined in that act, including April 4, 2012 as the date envisaged for final closing down of the transmitter network, are still plausible, under the condition that full operability of the Public Company “Broadcasting Equipment and Communications” is ensured without delay, namely, under the condition that the Government appoints the Manager of this public enterprise and confers full powers to him without delay. Namely, the absence of a functional operator and partner in making preparations for digitalization places TV stations into a situation where they find it impossible to plan their obligations in the transition process. After the workshop, ANEM forwarded the Government of the Republic of Serbia a statement containing an appeal to have this appointment made without delay.

VI THE PRIVATIZATION PROCESS

In May, media reported about the consequences of several disputable media privatizations. Employees of Televizija Valjevo, which was sold at an auction in mid April for 147.000 dinars to Slobodan Pavlovic, owner of “Plus” Company, Obrenovac, claimed that they had not received their salaries for three months and that, because the electricity bill was not paid, this station was left without the terrestrial signal and was accessible only through cable. Before the privatization, the main funding source of this television was the town budget. The employees state that the new owner announced that erotic content and hot lines would be introduced as program items that would provide funds this television station needs to survive.

In Krusevac, after the termination of the sale and purchase agreement with the Bulgarian “Media svjat” company, the Share Fund appointed Dragoljub Antic, journalist of that media

house a temporary asset administrator in the Publishing Company “Pobeda”. Antic qualified the situation in the Publishing Company “Pobeda” as difficult. Since the employees did not receive eight salaries and taxes or contributions were not paid, the debt of Publishing Company “Pobeda” amounts to about three million dinars on this basis only, while the amount of one million dinars more is owed to other creditors.

In RTV Vrnjacka Banja, 45 employees announced that they would start a strike because the new owner had not disbursed salaries for March and April, or paid the accompanying contributions. Snezana Milicevic, Director of this media house, says that the employees are distorting the truth. According to her, RTV Vrnjacka Banja is still registered as a public enterprise, considering that, although three months have elapsed, the Business Registers Agency has still not issued a decision to enter the new ownership structure in the Register. Therefore, the municipality paid the employees their March salary, at the level of 90 percent of its full amount, and the full amount of contributions to the Pension and Disability Insurance Fund for the said month. The new owner paid the first installment at the amount of 100.000 dinars to the Electricity Company to repay the debt amounting to 1.000.000 dinars incurred before the privatization, as well as 350.000 dinars to SOKOJ for the outstanding copyright fees. Miodrag Radovic from Belgrade, the new owner of RTV Vrnjacka Banja, believes that, instead of threatening to go on strike, the employees should work harder and more effectively.

In Kraljevo, after the failed privatization and bankruptcy, the sale of “Ibarske novosti” was announced in May. “Ibarske novosti” has not been published for months, and radio and TV program is maintained at the minimum, namely only to ensure that regional television frequency is kept. These, together with the viewers and listeners that were acquired, are the only assets of “Ibarske novosti” since, after the failed privatization this company is in debt, does not have business facilities of its own, while its equipment is old. Some seventy or so former workers were beneficiaries of a social program and most of them are now looking for a new job having little hope that even a part of outstanding salaries will be reimbursed and that their pension contributions will be ensured for those two years in which no contributions were paid. The expected privatization did not take place, however, even though a buyer finally appeared. Namely, on May 20, “Kemo” Company, owned by the son of a famous Kraljevo businessman Dragan Cicic, offered 12 million dinars, slightly falling short of the announced price of 21 million dinars. Since the offered price was below the announced one, the consent of creditors was required for the company to be sold. Such consent was denied by the Tax Administration. Dr Ljubisa Jovasevic, Mayor of Kraljevo, blames the local Democratic Party Tax Administration Board for the denial of the consent. The President of Kraljevo’s Board of the Democratic Party, Milan Vukovic, refutes this and, in his statement

for “Politika”, says that it was not only that the democrats did not influence the decision of the Tax Administration, but they were not even informed about the attempted sale of “Ibarske novosti”.

All this, and particularly the situation with the sales of “Novosti”, which was described into more detail in the section of this Report dealing with implementation of the Law on Public Information (although “Novosti” was privatized in accordance with the regulations that were in force at the time, the takeover of this company’s shares held by small shareholders and the government threatens to become an unprecedented scandal, if it has not already), additionally complicate the status of both privatized media and those in which privatization is still pending. Still, there is a complete lack of any proposals which could provide systemic solutions for the issues that are obviously arising in connection with media privatization, so as to protect media pluralism and freedom of public information.