



*Centar za građansko obrazovanje
Centre for Civic Education*



Ambasada
Savezne Republike Njemačke
Podgorica

EQUAL CHANCES FOR ALL MEDIA IN MONTENEGRO?



Podgorica, 2015

EQUAL CHANCES FOR ALL MEDIA IN MONTENEGRO?



Podgorica, 2015

Equal chances for all media in Montenegro?

Publisher:

Centre for Civic Education (CCE)



Centar za građansko obrazovanje
Centre for Civic Education

For publisher:

Daliborka Uljarević

Authors:

Ana Vujošević

Mira Popović

dr Jovana Marović

Tanja Maksić and BIRN team

Wanda Tiefenbacher

Design and production:

Centre for Civic Education (CCE)

Print

Studio MOUSE - Podgorica

Edition

300 copies

ISBN 978-86-85591-55-6

COBISS.CG-ID 26390544

This publication is a part of the project “Equal chances for all media“, implemented by the Centre for Civic Education (CCE), with the support of the Ministry of Foreign Affairs of Federal Republic of Germany



Centar za građansko obrazovanje
Centre for Civic Education



Ambasada
Savezne Republike Njemačke
Podgorica

The contents of this publication are the sole responsibility of the Centre for Civic Education (CCE).

CONTENT:

1. Introduction remarks	7
2. The importance of media in democratic societies	9
3. Media in Montenegro- between the spirit of the law and practice	11
4. Public procurement and media advertizing of public administration bodies	19
5. Public spending in the media sector in Montenegro for 2013	24
6. Comparative experience	75
7. Conclusions and recommendations	96
8. Annexes	98
9. Literature and sources	106

INTRODUCTION REMARKS

The aim of the project *“Equal chances for all media”* is to contribute to creating of clear mechanisms and control of state financing and state aid given to the media, in line with the regulations of the European Union and best international practices and standards.

Additionally, general goal of the project is to raise awareness of the public about responsible spending of the funds from State Budget of Montenegro, by pointing out to the relations public sector in Montenegro has towards the media through expenditures based on contractual agreements. Public sector, as a subject of a research, according to the Law on Budget of Montenegro, comprehends state bodies, municipalities (units of local self-government), independent regulatory bodies, public institutions and commercial enterprises where the state or municipalities own majority of shares, judiciary (courts and prosecutions), Protector of Human Rights and Freedoms and others.

In order to achieve those goals, Centre for Civic Education (CCE) from February to December 2014, in line with the Law on Free Access to Information, gathered data related to that to which media, public relations agencies, production houses and public opinion poll agencies, and in which amount have the public bodies transferred funds, either based on service providing agreements, specialized services or any other grounds. Besides these findings, the publication contains analysis of media legislative and institutional framework, comparative experiences in the region and member states of European Union, as well as recommendations on how to improve existing practices.

The project was based on previous work done by the CCE in this area, reflected in two annual reports for 2011 and 2012 titled: “How much and to who do the citizens in Montenegro pay for advertising?” Findings in these researches showed that there is a lack of clarity when it comes to financing of the media from the budget, and also that there is a need to bring order into this field. Tendency on the side of state bodies has been spotted to keep influence over media through selective and non-transparent financing, which directly makes the competition vulnerable through creating of non-equal conditions on the market, and also to “subtly” influence editorial policy. Lack of transparency in this process and (non)existence of proper criteria for allotment of the funds, accompanied with incomplete legislative framework has additional negative influence over already troublesome media scene in Montenegro.

Having in mind that state bodies and bodies of local self-government in 2011 spent **2,642,070.83 EUR**¹ on advertising, specialized media services and on other grounds, while on the other hand the overall

¹ <http://media.cgo-cce.org/2013/09/cgo-izdavastvo-koliko-i-kome-poreski-obveznici-u-crnoj-goric-placaju-za-reklamiranje-2011.pdf>, <http://media.cgo-cce.org/2013/09/cgo-izdavastvo-koliko-kojim-medijima-i-srodnim-agencijama-opstine-u-crnoj-gori-placaju-za-usluge-2011.pdf>

media advertising market is between **8-9 million EUR**², it is quite clear that in 2011 the state was big, if not the largest player on the market, which significantly influenced income of some media, and consequently their sustainability. In 2012 we noticed decrease of almost one million EUR for these expenses, so that the overall amount CCE team managed to find was **852.059.00 EUR**³, having in mind that this amount only includes spending of the Government and the Parliament, and does not include expenses of local self-governments as the report from 2011. However, the reduction of expenses was not result of following of recommendations and efforts made to bring order in this field, but mostly reflects limitations of financial capacities of state bodies.

These findings of CCE attracted the attention of relevant international actors. The European Commission in its Progress Report for Montenegro states: *“Concerns remain that the state is in breach of the law on the media, which prohibits the state from founding print media. Concerns persist also regarding possible state aid and advertising funding allocated to print media in 2012, which were not in line with public procurement rules and could jeopardize competitiveness on the media market.”*⁴ Also the report of the State Department on Human Rights in 2013 states: *“Private media claimed that government-owned enterprises openly discriminated in favor of the government-owned newspaper “Pobjeda” in the placement of advertising, despite the newspaper’s smaller circulation and more limited influence than its private competitors. On February 20, the NGO Centre for Civic Education reported that during 2012 “Pobjeda” received 93,000 EUR (\$130,000) from government institutions for advertising, compared with the combined total of 21,000 EUR (\$28,000) received by the three other private newspapers, “Vijesti”, “Dan”, and “Dnevne Novine”. The NGO concluded that there were no clear criteria by which government institutions chose media to advertise their activities, since the current selection did not appear to correspond to independent measures such as public trust, popularity, or the media companies’ pricing policies.”*⁵

In order to continuously monitor this area, there was a need to once again conduct extensive research that would gather data for 2013. The research would provide comprehensive and updated overview of distribution of public funds to media for that year through analysis of obtained information, as well as through comparative analysis having in mind previous reports. The additions to the survey are specific recommendations (by local and international experts) about how to ensure transparency and what kind of criteria should be considered when allocating public funds for the media in Montenegro, in order for this process to be in line with the *Acquis communautaire* in the field of freedom of expression, independence of the media, competition, state aid allocation and public procurement.

Without a clear mechanism for the allocation of state aid to media, the distribution of these resources has the potential to cause serious deviations in the media market and jeopardize the functioning of some media or to enhance the business of other media on discriminatory grounds and contrary to EU competition policy. It causes serious concerns when public funds are used for such purposes. Citizens, as taxpayers have a right to know how public funds are spent, and whether the method of distribution of these funds affects the impartiality of media coverage of state authorities and to which extent such distribution supports (or not) pluralism of the media.

This report indicates the existence of the mechanism through which control and the pressure against media can be exercised. It also offers recommendations how to end such practice, which denies citizens of Montenegro right to have free and independent media that are able to accurately and impartially report about activities of state authorities, political parties, other institutions, and also about issues of public interest.

2 IREX Media Sustainability Index-2012 available at http://www.irex.org/system/files/u105/EE_MSI_2012_Full.pdf, p. 107.

3 <http://media.cgo-cce.org/2013/09/cgo-izdavastvo-koliko-i-kome-poreski-obveznici-u-crnoj-goric-placaju-za-reklamiranje-2012.pdf>

4 http://ec.europa.eu/enlargement/pdf/key_documents/2013/package/mn_rapport_2013.pdf

5 <http://www.state.gov/documents/organization/220523.pdf>

THE IMPORTANCE OF MEDIA IN DEMOCRATIC SOCIETIES

Free and independent media are the basis of every democratic society. Namely, the media today, in addition to legislative, judicial and executive powers, are considered to be the fourth estate of democracy, since their role is to control the power on behalf of the public.⁶ The role of media in modern democratic societies is extremely important because they represent the principal source of information for citizens, shaping public opinion and influencing the support of public to public administration and implemented public policies. Media have the power to draw attention of the public to certain topics; to alert; to educate; as well as to affect shaping of public policies by mobilizing public pressure.⁷ Also, the importance of media is mirrored in the fact that the media are more and more becoming the generator of social consensus, which means that they are not solely its reflection. The media do not only show and represent reality, they have a power to interpret and create it.⁸

A precondition for the full affirmation of the role of media is the respect of the right to freedom of expression, as envisaged by the Article 10 of the European Convention on Human Rights.⁹ Respecting of this principle represents one of the requirements for all countries aspiring to become full-fledged members of the European Union. They need to respect and apply the standards which relate to freedom of expression and independence of media. European Union gives great importance to the role of independent and professional media in the promotion of democracy, human rights and rule of law, and for this reason this issues are an integral part of the Copenhagen criteria for EU membership.¹⁰

The role of media as a watchdog of public interest is widely accepted today, and it is particularly expressed in Montenegro. Montenegro is a young democracy and as such is characterized by weak and underdeveloped institutions of the system, which are often target of political pressure, and in cases when judiciary ceases to function, investigative journalism often remains the only tool in fight against the abuse of power.¹¹

6 <http://www.cameco.org/files/fome-4th-estate-complete-3mb.pdf>

7 Coronel, Sheila, "The Role of Media in Deepening Democracy", p. 4, available at: <http://unpan1.un.org/intradoc/groups/public/documents/un/unpan010194.pdf>

8 Dragan D. Štavljanin, Democracy and the media in the era of globalization, Belgrade, 2012

9 <http://conventions.coe.int/treaty/en/treaties/html/005.htm>

10 http://europa.eu/legislation_summaries/glossary/accession_criteria_copenhagen_en.htm

11 Maja Vujašković, Montenegro and EU: Role and importance of media in European integration process, Podgorica, 2013, available at: <http://media.cgo-ccce.org/2013/10/CGiEUmediji.pdf>

Under such conditions, it is particularly noticeable that without media, citizens would not be able to control the authorities, as they would not have adequate information about the decisions they are making.

There are various examples in Montenegro when the media, through investigative journalism, raised issues from different socio-political spheres about which the public would not have been informed otherwise. These cases have drawn the attention of both national and international public, showing the media are an important tool in fight against the abuse of political power.

However, in order for media to be able to carry out their watchdog role, they need to be politically and economically independent in their work, operate under clearly prescribed legal standards and be free from inadequate external political influence. The market they operate in should have clearly defined rules, which primarily relates to the part of funds coming from the public sector bodies. In this way the competition is defining the market, and not political influence.

Basically, freedom of expression and media freedom indicate to what extent is society democratic, free and open and they are a reflection of the state and the society. Consequently, they indicate the level of development of democracy and the rule of law in a community.

MEDIA IN MONTENEGRO – BETWEEN THE SPIRIT OF THE LAW AND PRACTICE

General overview

Media scene in Montenegro is pluralistic, with a large number of media outlets active on a small market, with population of only 625 226.¹² According to the data provided by the Agency for Electronic Media, there are 20 TV channels in Montenegro, 545 radio stations, 6 daily newspapers and 3 weekly magazines.¹³

All legal and natural persons are allowed to be founders of the media in Montenegro, with limitation as prescribed by the Article 7 of the Media Law: *“The Republic, local authorities or legal entity the majority share of which is owned by the state, or completely or in a greater part funded from the public revenues, shall not be the founder of media, except under the conditions prescribed by the Broadcasting Law”*.¹⁴ Under specially prescribed conditions set in the Law on public service broadcasters¹⁵, in Article 3, the state is the founder of Public Enterprise Radio-Television of Montenegro (RTCG). Under existing legislation, state cannot be founder or participate in ownership structure of any other media.

However, until recently, the state owned majority of shares (84.7 %) of daily newspaper “Pobjeda” thus directly violating the existing law. “Pobjeda” was sold on 14th October 2014, more than a decade later than it was envisaged by the law. Media Law stated that 24th November 2003 is the latest deadline for transformation of “Pobjeda”, which shows that the existing law was violated by the state for many years and that no one was held responsible because of this fact. During this period, “Pobjeda” received overall 5,748,170.00 EUR of state aid, according to information of the Commission for control of state aid.¹⁶ Overall debt of “Pobjeda” on the day of its sale was 10,500,000.00 EUR, most of it indebted to the state – 7,600,000.00 EUR. Together with the information that the Ministry of finances paid in September 2014 5.6 million EUR for loans that “Pobjeda” took from Societe General and Erste Bank, that during

¹² <http://www.monstat.org/cg/novosti.php?id=257>

¹³ www.ardcg.org.

¹⁴ Media Law of Montenegro, available at http://www.ardcg.org/index.php?option=com_docman&task=cat_view&gid=48&Itemid=26

¹⁵ Law on Public Service Broadcasting of Montenegro, available at: http://www.ardcg.org/index.php?option=com_docman&task=cat_view&gid=48&Itemid=26

¹⁶ <http://www.kkdp.me/index.php?IDSP=209&jezik=lat>

2011 and 2012 1.7 million EUR of state guarantees were activated by Society General Bank, and 2.8 million of EUR of the debts of this enterprise for taxes and contributions for the employees were taken over by the Government in 2013, overall number is over several tens of millions of EUR.

Legislative and institutional framework is mostly complete and in line with international recommendations. It guarantees right to freedom of expression, freedom and independence of media. Despite the existence of such legislative framework, media and journalists in their everyday work face with serious limitations of their rights and freedoms. Researches show that state of media freedoms is continually becoming worse in the last several years, and also that majority of journalists negatively assess the freedom of the media in the country. In the report of the OSCE Mission to Montenegro¹⁷, “Media, media freedoms and democracy”, which is based on the survey conducted among media professionals (editors, journalists), most common form of violation of media freedoms are: accusations and pressure political parties exercise against media; denying of the right to access to public information; accusations by the state authorities and other media. Also, according to this report the most responsible for violation of media freedoms are politically powerful individuals, authorities on state and local level, economically powerful individuals and political parties.

Furthermore, the European Commission Progress Report for Montenegro for 2014 states that “violence against journalists remains a serious concern¹⁸”. Other international reports and analysis indicate numerous problems media face in their work. The report of the State Department on Human Rights in 2013 cited as one of three key problems in this area, “a chilling effect on freedom of expression created by the continuing harassment of journalists and the failure to resolve several past cases of violence and threats against journalists and government critics”. Freedom House report from 2014 puts Montenegro on 78th place in the category of 197 countries, and Reporters without Borders in the Report for 2014 in Press Freedom Index positioned Montenegro on 114th place out of 180 countries. In these reports, it is noted that journalists in Montenegro are often the victims of threats and physical attacks, and that their safety is an issue that causes particular concern.

Legal and institutional framework

Currently in Montenegro, there is a set of legal and institutional guarantees of freedom of expression and media rights. The Constitution, Law on Media and Law on Electronic Media guarantee freedom of expression, freedom of establishment of media and editorial independence of the broadcaster from the state.

In late 2002, the Parliament of Montenegro adopted a set of laws governing the media field: Media Law, Law on Broadcasting and Law on Public Broadcasting Services Radio of Montenegro and Television of Montenegro. These three laws have been prepared in cooperation with the Council of Europe and the OSCE and are harmonized with European standards. In this way, the base for media pluralism, process of transformation of state-owned media, as well as establishment of independent regulatory agencies to further regulate this field, have been created.

Media Law did not go through considerable changes, whereas the Law on Broadcasting and Law on Public Broadcasting Services have been changed and amended on several occasions. Current is the ***Law on Public Broadcasting Services of Montenegro***, which has been adopted in December 2008.¹⁹

¹⁷ <http://www.osce.org/me/montenegro/84642>

¹⁸ http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-montenegro-progress-report_en.pdf, p. 44

¹⁹ http://www.ardcg.org/index.php?option=com_docman&task=cat_view&gid=48&Itemid=26

By the entry into force of this law, previously mentioned laws in this field have been declared null and void, but it should be noted that new changes and amendments of this Law are currently in the procedure.

Law on Electronic Media has been adopted in July 2010. It governs the rights, duties and responsibilities of legal and natural persons pursuing the activities of production and provision of audiovisual media services (hereinafter: AVM services); services of electronic publications by means of electronic communication networks; the competences, status and sources of finance for the Agency for Electronic Media; prevention of unlawful media concentration, promoting media pluralism and other matters relevant for AVM service provision, in line with international treaties and standards. The Agency for Electronic Media is an independent AVM service regulatory body. The bodies of the Agency for Electronic Media are the Council and Director. Members of the Council are appointed by the Parliament of Montenegro, on the proposal of the representatives of broadcasters, Montenegrin PEN Centre and non-governmental organizations, whereas the Director is elected on the basis of a public competition, which substantially completes the legislative framework for independence of the work of this regulatory body. Also, the Article 131 of this Law defines illegal media concentration, as a stimulus to media pluralism. It is stated that media concentration exists if one natural or legal person (broadcaster) has a share in the founding capital of another broadcaster exceeding 25% of the capital of voting rights.²⁰ Additionally, apart from supporting media pluralism, the Law also prescribes allocation of a share of games of chance revenues.

Law on Public Broadcasting Services of Montenegro governs the status of Radio and Television of Montenegro (RTCG), whose founder is the state of Montenegro. The Law defines rights and duties of RTCG, as well as program independence in relation to the founder. Article 13 of the Law defines that RTCG independently determines program scheme, determines concept of program producing and broadcasting, edits and broadcasts information on current events and organizes performing of the activities. Financing of RTCG is defined in Article 15 of the Law and it is stipulated that it shall be funded from: a part of general incomes of the Budget of Montenegro, in the extent of 1.2% of the current budget; production and broadcasting of advertisements; production and sale of audiovisual works; from sponsorship of program contents; through organization of concerts and other manifestations; from the Budget of Montenegro; and from other sources in line with the Law. In practice, this model has proven to be dysfunctional, as it failed to ensure economic sustainability of the public service. RTCG operates with losses and it is clear that the current allocations from the state budget are insufficient to provide for smooth operation of this media. On the other hand, the public often calls into question the respect of principle of independence and lack of plurality of opinions in public service, which the service should provide in accordance with its mission.

Furthermore, according to the Statute of RTCG, this public company is obliged to publish its adopted financial plans, reports and annual financial accounts on its website. In the financial report for 2013 it is stated that the total budget amounted to **11,938,329 EUR**, of which 7,468,449 EUR was allocated from the state budget of Montenegro. In addition to this amount, RTCG has accounted for extraordinary income amounting to 2,400,000 EUR. This amount relates to commitments of RTCG, in line with the Law on Budget of Montenegro for 2013 and the contract RTCG signed with the Ministry of Culture and Ministry of Finance about the takeover of debt.²¹ Thus, total allocations from the budget of Montenegro for financing of public service, on multiple grounds came to **9,848,449 EUR, which represents 82.5% of total revenues.**

²⁰ http://www.ardcg.org/index.php?option=com_docman&task=cat_view&gid=48&Itemid=26

²¹ <http://www.rtcg.me/rtcg/poslovanje.html>

Report of the State Audit Institution about the audit of the Draft Law on the Execution of the Budget of Montenegro for 2013 provides a detailed structure of RTCG commitments taken over by the State. According to this report, the Government took over payment of RTCG's debts in line with Article 11 of the Law on Budget of Montenegro for 2013 and Conclusions of the Government of Montenegro²² in the amount of **2,396,724.05 EUR**, and by this it took over commitments towards EUROPEAN Broadcasting Union in the amount of 1,100,000.00 EUR tax debt in the amount of 900,000.00 EUR and debt to Public Electric Power Company (Elektroprivreda Crne Gore) Nikšić in the amount of **400,000.00 EUR**.²³

European Union has on various occasions indicated that public services have more important role and responsibility in comparison to commercial media. "Public Broadcasters are obliged to address the democratic, social and cultural needs of society by guaranteeing pluralism of ideas and thoughts, including a cultural and linguistic diversity. In order to achieve its mission Public Broadcasters need to be free from political interference and pressure from commercial interests. This requires a sound legal framework clearly defining responsibilities and outlining an appropriate financing model which is in the interest of citizens who are paying for this service."²⁴, is one of the statements of the Head of EU Delegation in Montenegro, Ambassador Mitja Drobnič, which clearly reflects EU's position about this issue.

The attempt to achieve this is by amending the Law on Public Broadcasting Services of Montenegro, which would envisage a changed morel of allocation of funds from the Budget, in a way that in the upcoming period, for the realization of basic activities of RTCG allocated resources on the annual level would amount to 0.3% of GDP, the assessment of which would be determined by the Government by adoption of guidelines of macroeconomic and fiscal policy.²⁵ A limitation has been introduced according to which RTCG cannot use funds from the budget of Montenegro for financing of commercial audiovisual services (cross-subsidization). Also, the funds are conditioned by signing of agreement between the Government of Montenegro and RTCG. In this way funding from the budget would significantly increase, from an average of 7-8 million, to **12,700,000.00 EUR**²⁶, as it was planned by the draft Law on Budget of Montenegro for 2015.

However, domestic and international professional public does not support the proposed amendments of the Law and they point out that these changes would be a step back in terms of the independence of RTCG. Thus, Sandra Bašić Hrvatinić, PhD, in her comments drafted for OSCE Mission to Montenegro, states that proposed changes are not in line with European standards in relation to financing of public services. She emphasizes that „the Law does not provide adequate financial independence of the public service, nor does it specify what will happen after expiry of the three year funding period stipulated by the contract. Proposed level of financing (state budget as a dominant source of financing) exposes public broadcasting service to political influence. In other words, draft amendments to the Law puts in hands of the Government an important mechanism which can be used to establish control over the work of public service broadcasters“. Also, there is a justifiable concern regarding failing to sign the Contract, due to dispute between the contractual parties or other reasons. „Since the income is almost entirely connected to the state budget, failure to sign the contract would throw RTCG in a financial crisis, which would seriously jeopardize fulfillment of its public duties. Amendments and changes should include some safety mechanisms, in order to protect RTCG in case of lack of funds. This could be regulated by the act on self-regulation which would be adopted and temporarily implemented by

22 Number 08-1930/2 from 01/08/2013, number 08-1930/7 from 21/11/2013

23 http://www.dri.co.me/1/index.php?option=com_content&view=article&id=96&Itemid=128&lang=sr

24 <http://www.delme.ec.europa.eu/code/navigate.php?id=2416>

25 Draft Law on amendments to the Law on Public Radio-Broadcasting Services, available at: <http://www.gov.me/biblioteka/predlozi-zakona>

26 Draft Law on Budget of Montenegro for 2015, available at: <http://www.gov.me/biblioteka/predlozi-zakona>

the Council of RTCG. However, such act should not be contrary to the rules on the use of government subsidies for public broadcasting services.²⁷

As regards its operation in the media market, it can be concluded that RTCG is in a privileged position in relation to other commercial media, especially as regards the allocation of public funds for marketing services and advertising of public sector bodies. Findings of the research have shown that authorities allocate significant funds for public services on these grounds, in addition to regular annual budget allocation, which is more and more strongly expressed in editorial policy of RTCG, especially when it comes to informative programs.

Independence of media

Although the media system is pluralistic, having in mind large number and diversity of media and deep polarization within the media sector, there are no conditions for neither economic nor political independence from the state. Additionally, although there are no visible mechanisms of direct censorship and media control by the state, because of limitations prescribed by the Constitution and media laws we can speak about different kind of control, so called indirect (or soft) censorship.

Term indirect censorship was used for the first time in the report of Centre for international media support titled *“How Governments Around the Globe Use Money to Manipulate the Media”*²⁸ Namely, soft or indirect censorship, as stated in the report, can be defined as practice to influence media coverage through financial pressure against media houses that are considered to be critical towards the Government on one side, and by rewarding media and individual journalists for reporting positively about them. Also, there are very precise instructions, based on the analysis done on many countries in the world, on how to recognize this type of control and pressure against media. These are:

- 1) *Advertising of public sector bodies on national and local level in media that who are seen as “friendly to the government”. In countries in which there are no clear rules that regulate this area, sudden withdrawal of funds from specific media can jeopardize independence of their work and survival on the market.*
- 2) *Pressure by the government on public and commercial enterprises to advertise in certain media and not in others, depending on their assessment and affection.*
- 3) *Direct payments to journalists in exchange for writing articles conveying the government’s position on specific topics or promoting the agendas of politicians or companies.*

These mechanisms are visible in Montenegro too, as editors and journalists of certain media are consistently pointing out, as shown in the report of the OSCE Mission to Montenegro. Also, it should be mentioned that the same conclusion was reached by the researchers of the Centre for International Media Support, where Montenegro, together with Albania and Moldova was characterized as example of existing of indirect control by the state.

Financing of media in Montenegro

For media to be independent in their work they must be economically sustainable. In order to create

²⁷ http://www.ardcg.org/index.php?option=com_docman&task=doc_details&gid=1253&Itemid=26

²⁸ <http://cima.ned.org/publications/research-reports/soft-censorship-how-governments-around-globe-use-money-manipulate-medi>

conditions for economic sustainability, media market must be based on two principles: *market economy and rule of law*. These are two basic principles of modern democratic society, and their application is most visible in *protection of competition*, where free market collides with the function of the state to provide mechanisms to protect free market game from abuse from the state, and also from the abuse from competitors on the market.

Media in Montenegro are financed from private sources, sources of natural and legal persons on the basis of advertising, together with the existence of a mechanism for state aid, which is regulated by a special law. Considering the large concentration of media in a small space, with annual potential revenue source from 8-9 million on advertising market of Montenegro²⁹, it is clear that the existing funds are not sufficient for functioning and financing of all media. A separate problem arises if in the allocation of existing resources, some players are not taking into consideration criteria of viewership / readership / listenership media.

In most cases, the financial resources the state allocates to the media are to pay for advertising of public sector bodies, as well as resources state bodies transfer to media through budget lines “contractual services” and “specialized services” aimed at providing better information to citizens. In democratic societies the state should, and in the EU practice must, treat media fairly and in politically unbiased manner when deciding about allocation of direct or indirect state financial support. However, this is not the case in Montenegro. European Commission in Progress Report for Montenegro in 2013 stated that “Concern persist also regarding possible state aid and advertising funding allocated to print media in 2012, which were not in line with public procurement rules and could jeopardize competitiveness on the media market.”³⁰

There are no legal provisions that regulate allotments of budgetary funds to media. Legal and institutional framework in this regard is not completed and aligned with the rules of the European Union. Montenegro still does not have a specific law on prohibited media concentration which would additionally regulate transparency of the market and prevent monopolies as it is the case in the countries of the region, like Serbia and Croatia. Government insists that because Law on protection of competition is already in place in Montenegro, there is no need for adopting of special law that would regulate media. However, findings in the reports of Centre for Civic Education (CCE) show different picture.

Legal and institutional framework in the field of financing of the media from public funds

This field is regulated by two laws: *Law on Protection of Competition and Law on State Aid*

Law on Protection of Competition, which is in force since October 2012, is a basic law that regulates manner, procedures and measures aimed at protection competition in Montenegro. Law applies to all forms of preventing, limiting or jeopardizing of competition by market actors on the territory of Montenegro, as well as all acts and actions taken outside of Montenegro which aim or a consequence is disturbing of competition in Montenegro.

Law sets an independent body that performs duties and competences within the scope of this law, the Agency for Competition Protection of Montenegro. The Agency is an institution with public authority,

29 IREX Media Sustainability Index-2012 available at: http://www.irex.org/system/files/u105/EE_MSI_2012_Full.pdf

30 http://ec.europa.eu/enlargement/pdf/key_documents/2013/package/mn_rapport_2013.pdf

which performs administrative and professional activities in the field of protection of competition, which includes the assessment of agreements between participants in the market, the determination of abuse of dominant position and appraisal of legality of concentration of market participants.³¹

In this regard, the Agency is allowed to initiate administrative procedures in order to determine whether certain actions and procedures of commercial entities can result in significant disturbing, limitation or prevention of competition. The role of the Agency is to interfere with the market trends as little as possible, and its role has primarily corrective, not repressive character, which to some extent limits its work and the influence in this sphere.

The field of protection of competition in Montenegro is regulated in more detail by the number of decrees, decisions and ordinances adopted by the Government of Montenegro, and which are implemented by the Agency. Bylaws that have been adopted so far are fully aligned with the EU regulations. However, when making decisions within their competences, the Agency applies primarily Montenegrin regulations, and when legal gaps or dilemmas occur in their interpretation, it applies also as secondary criteria from the *Acquis*, including regulation and EU directives, but also decisions of the European Commission and other EU institutions.³²

Thus defined, the system provides a space for equal treatment of all market participants, in particular in the media sphere. However, the question arises to what extent the Law on protection of competition can protect or be a corrective in those situations when the state, through the expenditure of public funds for media services, directly contributes to financially strengthening some media, at the expense of other media in Montenegro. In this regard, Article 7 of the Law on protection of competition, in the part relating to the impairment of competition in the market, it states that following acts or actions impair the competition in the market: 1) agreements preventing, restricting or distorting competition; 2) abuse of dominant position; 3) concentrations preventing, restricting or distorting competition or free development of open market economy, and in particular, creation and/or strengthening of a dominant position in the market. However, the penalties prescribed by this law are pecuniary³³ and do not regulate the part that relates to the possible influence of political structures, government institutions and bodies to the market.

Law on Control of State Aid, defines “State aid shall mean expenditures, reduced revenues or reducing assets of the State or municipality that distort or may distort free competition in the market and that may affect the trade between Montenegro and the European Community or a member state of the Central European Free Trade Agreement (CEFTA) by conferring a more favorable market position on certain economic entities, products or services. Article 3 defines who in the system can be a grantor and who can be beneficiary of state aid. State aid grantor can be state administration body, local government bodies/authority and legal person that manages and disposes with revenues introduced by law and on the basis of law, while the beneficiary is legal or natural person, which in their business operations concerning production, trade in goods and/or provision of services on the market, use state aid.

Since the state aid can be a source of creating of unfair competition, the European Council and the European Commission underline the need to reduce the level of state aid as it can pose a threat to the smooth functioning of markets. In many cases, granting of state aid reduces economic growth and weakens competitiveness of business.

31 Law on Protection of Competition of Montenegro, available at: <http://www.azzk.me/1/index.php?lang=sr>

32 Report on the work of the Agency for protection of competition with end balance for 2013, available at: <http://www.predsjednik.gov.me/biblioteka/izvjestaji?alphabet=lat&pagerIndex=4>

33 Law on Control of State Aid available at: <http://www.sluzbenilist.me/PravniAkti>

Montenegro has, according to the report of the Commission for control of state aid in 2013 granted 100,301 million EUR. ***For culture and information sector this amount in 2013 was 4.9 million EUR, in 2012 3.5 million EUR and in 2011 3.95 million EUR.***³⁴ The funds were granted by the Ministry of Culture in line with defined programs. These programs in 2013 were: Cultural and artistic creativity, development of the culture in the North of Montenegro, cultural heritage, *support for media pluralism, public broadcasting service of Montenegro, transmission of the broadcasting signals on territory of Montenegro through broadcasting transmitters.*³⁵ Information available at the web site of the Commission for control of state aid does not provide the list of legal entities that were beneficiaries of the state aid. The reports provide general totals by categories, so the information about state aid to specific media in Montenegro is unavailable.

Influence of the state on media through non-transparent allotment of budgetary funds for different services

Legislative framework of Montenegro does not have specific regulations that would control allotment of the budgetary funds to media on the grounds of different services, including advertising. This opens significant space for direct influence of the state to work of media in Montenegro through non-transparent and arbitrary financial allotments of public funds. Abuse of public funds for political and personal promotion of state officials is allowed by the non-existence of rules that would regulate advertising of state bodies. Legislative framework does not recognize potential connection between state advertising and influence it has on media freedoms and economic stability of media, nor does it recognize the decisions about advertising as possible method to discriminate media and influence editorial policies. Also, no institution in Montenegro publishes data about overall amount of state funds that is annually spent on advertising, and there is no institution that controls allotment and expenditure of these budgetary funds. This information is not public and cannot be found at web pages of state bodies. Consequences of such practice can have a long term negative effect on media scene in Montenegro.

Pressure the state exercises against the media that are seen as critical towards the state policies and ruling parties through previously described mechanisms can lead to additional obstacles in their commercial activities and possibly to their termination. This endangers media pluralism, the freedom of the media, and right of the public to be accurately and timely informed. Therefore, all necessary steps should be taken in order to establish functional legal and institutional mechanism that would prevent state interference in media business or creation of media content.

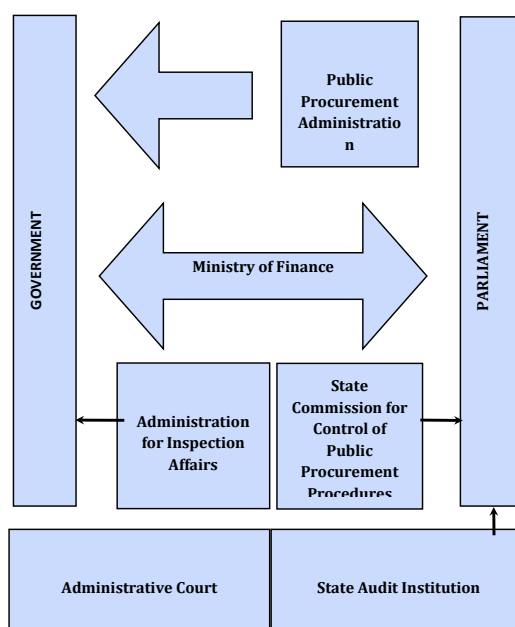
³⁴ Commission for control of state aid, <http://www.kkdp.me/>

³⁵ Annual report about granted state aid in Montenegro in 2013, available at: <http://www.kkdp.me/index.php?IDSP=217&jezik=lat>

PUBLIC PROCUREMENT AND MEDIA ADVERTIZING OF PUBLIC ADMINISTRATION BODIES

Legal and institutional framework

Public procurement system in Montenegro has been established in 2001, and it has been improved in 2006 in normative and institutional terms by the adoption of the new legislative framework. Complete separation of powers and positioning of institutions in the system has been achieved by the current Law on Public Procurement which was adopted in 2011. The law introduces some important novelties related to the increase of transparency by publishing of all plans, as well as calls for proposals and contracts on the Public Procurement Portal. However, this Law also includes some faulty provisions on anti-corruption rules and conflict of interest and does not fully harmonize the procedures with the Acquis, primarily in relation to the shopping method. Institutional framework includes Public Procurement Administration, which monitors the implementation of the Law, as well administrative and professional activities in the field of public procurement, whereas the State Commission for the Control of Public Procurement Procedures decides on the appeals of the participants in the process.³⁶



Graph 1: Institutional framework for public procurement in Montenegro³⁷

³⁶ The decisions issued by the Commission may be appealed in the administrative procedure. As of 2012, when the Law came into force, the State Commission submits a report on its work to the Parliament of Montenegro. Ministry of Finance proposes the Law, and approves the procurement plans, whereas the Administration for Inspection Affairs supervises public procurement procedures. The State Audit Institution controls if budget funds have been used in accordance with the Law on Public Procurement.

³⁷ "Towards a Better Parliamentary Scrutiny of Public Procedure", Institute Alternative, 2013, p. 14

Further harmonization of legislation in the field of public procurement with the EU Law has continued in 2013 and 2014, and changes of the Law primarily relate to public procurement in the field of communal services and security and defense³⁸. Amendments of the Law on Public Procurement bring about certain improvements in comparison to the existing solutions, of which we should stress the obligation to publish tender documents and all amendments and changes.

Proposed amendments revoke the jurisdiction of the State Commission for the Control of Public Procurement over supervision of public procurement procedures worth more than 500,000 EUR, and now Administration for Inspection Affairs (AIA) is fully responsible for control of public procurement. This solution requires modification of Act on systematization of AIA, since the Act envisages only three inspectors for public procurement (whereat only one systematized position is filled), which is insufficient in relation to the number of covered parties, i.e. number of annually concluded contracts.

**621 of
parties
covered by
the Law in
2014**

Characteristics of public procurement in Montenegro

In Montenegro over 5,000 public procurement contracts are signed annually, whereas the value of contracts in 2013 amounted to 277,001,460.50 EUR. The share of contracted value for public procurement was 8.30% of GDP³⁹. However, the estimates are that in 2014 this percentage would increase up to 15%.⁴⁰ The total number of contracts does not include those agreed by the use of direct agreement.⁴¹ There is no obligation to publish direct agreements, and the use of this, the least transparent procedure in Montenegrin system, remains unexplained and is often subject to abuse by state and local self-government authorities.⁴² Law on Public Procurement provides an opportunity to centralize procurement in certain areas, but still no significant progress has been made in this direction. Even though the number of parties covered by the Law is decreasing from year to year it continues to be high and is 621.

5,325 of concluded contracts on public procurement in 2013.⁴³

Problems in public procurement in Montenegro relate to:

- ✓ *Weak control over the implementation of public procurement contracts* which was recognized by the European Commission and defined as one of the preconditions for progress in negotiations process under Chapter 23 - Judiciary and Fundamental Rights. Proposed changes of the Law on Public Procurement give authority to the Administration for Inspection Affairs for control of contracts, which is not the best solution when taking into consideration the capacities and heretofore scope of activities of the Administration.⁴⁴ Of especial importance for improving the

38 On 10 December 2014, these amendments have still not been adopted, even though the Action Plan for Chapter 23 envisages December 2013 as a deadline for adoption of the Law on Amendments to the Law on Public Procurement. See: Action Plan for Chapter 23, September 2013, p. 99

39 Report on public procurement in Montenegro for 2013, Public Procurement Administration, May 2014, p. 46

40 Comment by the Minister of Finance at the control hearing before the Anti-corruption Committee held on 09 July 2014.

41 It is an immediate arrangement between a contracting authority and a bidder about the terms of public procurement without a public announcement or bidding procedure.

42 More about this in: "Procurement in Montenegrin municipalities", Institute Alternative and Centre for Civic Education, 2013, p. 12

43 Number of concluded contract does not include direct agreements

44 Administration for Inspection Affairs currently has only one inspector for public procurement, and in 2013 the Administration has conducted only 84 inspections.

control over public procurement are activities of the State Audit Institution in the phase of implementation of the contracts.

- ✓ *Limited capacities of institutions competent for implementation of legislation in this field;*
- ✓ *Lack of accountability for violation of the Law*–in Montenegro the Law does not define all possible violations of public procurement procedures, and thus for example: the contracting authorities are not liable for submitting incorrect or incomplete information. Also, the annual report on public procurement provides a list of contracting authorities who failed to submit the report on public procurement, but there is no information if there will be legal consequences for violation of the Law. The report does not provide information which contracting authorities exceeded the legal limit on the use of direct agreement, although there are some gross deviations by some contracting authorities, as evidenced by individual reports on public procurement.⁴⁵ Criminal liability for irregularities in public procurement has still not been established, as there are no final court decisions for corruption in this field. Number of reports of corruption on the annual level is negligible. Public Procurement Administration has received no reports of corruption in 2013, and only three related to conflict of interest.⁴⁶
- ✓ *Lack of transparency*–even though there is a requirement to publish concluded contracts, not all of them can be found on the Public Procurement Portal. Direct agreements, as noted above, are not published on the Portal, or the website of the contracting authority. Coordination body for monitoring and implementation of the Strategy for Public Procurement System Development does not regularly adopt reports on work, even though it is obliged to prepare them on quarterly basis.⁴⁷

Financing of media outlets, advertizing and public procurement

There are four models of financing media outlets by public administration bodies:

- ✓ Subsidies to public enterprises;
- ✓ Direct contracting;
- ✓ Through the call for improving of public information programs;
- ✓ On the basis of the public procurement procedures.

Montenegrin Law on Public Procurement envisages the exemption from appliance of the Law in case of: *“procurement aimed at the acquisition, development, production or co-production of program material, intended for radio or television broadcasting”*.⁴⁸

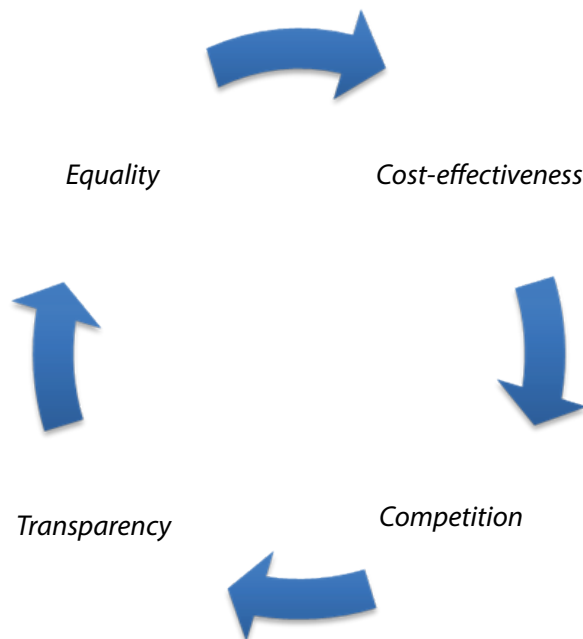
Procedures envisaged by Article 20 of the Law are: open procedure; restricted procedure; negotiated procedure with prior publication of a contract notice; negotiated procedure without prior publication of a contract notice; framework agreement; consulting services; contest; shopping method; direct agreement.

45 See: Institute Alternative: *Municipalities breaching the Public Procurements Law*, May 2014, available at: <http://institut-alternativa.org/saopstenje-opstine-krse-zakon-o-javnim-nabavkama/>

46 Report on public procurement in Montenegro for 2013, p. 35

47 Article 21 of the Rules of Procedure of the Coordination body for monitoring and implementation of the Strategy for Public Procurement System Development for the period 2011-2015, available at: <http://www.ujn.gov.me/wp-content/uploads/2013/12/poslovnik-o-radu-scan.pdf>

48 Article 3 of the Law on Public Procurement



Graph 2: The principles of public procurement

Law on Public Procurement then prescribes the key principles⁴⁹ for implementation of these procedures that should be applied when it comes to financing of media outlets and advertizing, and these are, primarily the principle of cost-effective and efficient use of public funds. Then, there is a principle of ensuring competition among the bidders, which entails providing conditions which would stimulate participation of large number of bidders and participants in the procedure. Increased competition directly influences reduction of the price, as well as increased quality. The principle of transparency means that the procedures are clear and known to all participants, and tender documentation complete, i.e. that is includes all necessary information. Finally, the principle of equality of bidders stipulates equal conditions for all bidders, therein including public announcement and conducting tender procedure wherever applicable.

As regards financing of media, public procurement should include financing based on the work for authorities, where media are service providers. The standard form of provision of services by media is advertizing. However, when Montenegrin public authorities are concerned, there was some advertizing contrary to the rule on advertizing prescribed by the Law on Public Procurement, and in the Progress Report for 2013 European Commission pointing this out: *“Concerns persist also regarding possible state aid and advertizing funding allocated to print media in 2012, which were not in line with public procurement rules and could jeopardize competitiveness on the media market.”*⁵⁰

Furthermore, the State Audit Institution for example states that advertizing of some ministries, and in particular Ministry for Information Society and Telecommunications is done through direct agreement, „even though these purchases are not included in the Public Procurement Plan for 2013, nor the plan envisages using of direct agreement for purchases.”⁵¹

Therefore, current most important problems are:

- ✓ Lack of implementation of the „adequate“, i.e. procedure stipulated by the Law on Public Procurement for that „threshold“ of purchase or providing of advertizing services;

49 Articles 5-8 of the Law on Public Procurement

50 Montenegro 2013 Progress Report, p. 58

51 Annual Report on performed audits and activities of the State Audit Institution of Montenegro for the period October 2013- October 2014, October 2014, p. 64

- ✓ Avoiding appliance of open competition and tender procedures through application of direct agreement (without public announcement), even though the Law limits the use of this procedure both in terms of the amount of the purchase and total percentage of application of this procedure;
- ✓ Inadequate planning- funds which are allocated for media services and advertizing on the annual level are not necessarily specified and included in public procurement plans.

Potentially problematic in Montenegro is the provision of the Draft Law on Amendments of the Law on mandatory advertizing of public procurement in one daily newspaper. Current Law on Public Procurement has revoked the obligation for advertising in print media by prescribing an obligation to announce the bids at the Public Procurement Portal, but this provision is again foreseen by Amendments of the Law that are currently in parliamentary procedure.

„The contracting authority shall information about public procurement procedure from Article 54 paragraph 1 of this Law announce in one daily newspaper which is issued and distributed in the whole territory of Montenegro, and which is available on the Internet, within three days from the day tender documents are published at the Public Procurement Portal.... Public procurement procedure initiated or implemented without announcement of the notice referred to in paragraph 1 of this Article shall be declared null and void.”⁵²

Advertizing defined in this manner may create a potential room for misuse as it allows the parties covered by the Law an opportunity to choose the print media in which they will announce their calls for proposals and tenders for participation in public procurement procedures. Especially, since during the earlier application of this provision almost all calls have been exclusively published in the daily “Pobjeda” where the state has a majority holding.

In this manner the principle of competitiveness has been infringed, but also it had an effect on decreased visibility of calls for public procurement, since the calls have not been advertized in the newspaper with the largest circulation. Moreover, the Draft Law on Amendments to the Law on Public Procurement changes (amends) Article 3 of the existing Law which refers to *exemptions from appliance* of the Law for: “procurement of services related to media announcement in public procurement procedures”.⁵³

Conclusion:

There is a need to ensure transparency and competition through consistent application of legal norms, when use of media services and advertizing are concerned. Public procurement in media is specific, but it needs to be conducted in line with the law and principles of public procurement procedure.

Therefore, it is necessary to ensure that procurement of marketing and advertising in media and using of media services are covered by Public Procurement Plans of the public administration bodies.

Furthermore, it is necessary to provide reaching of target population or „majority” of the public.⁵⁴In accordance with these objectives and specificities of media market⁵⁵ procurement procedure is selected.

⁵² Article 33 of the Draft Law on Amendments to the Law on Public Procurement

⁵³ Article 2 of the Draft Law on Amendments to the Law on Public Procurement

⁵⁴ %, as a criterion for granting of procurement

⁵⁵ Also including *media buying*

PUBLIC SPENDING IN THE MEDIA SECTOR IN MONTENEGRO FOR 2013

The aim of this research was to make available information about the investments in media in Montenegro from the Budget which is financed by taxpayers, as well as to give recommendations regarding prevention, or limiting to the minimum, of different forms of covert control of the media through potential targeted and biased use of budgetary funds, and consequently to prevent harmful effects to the freedom of the media.

Research methodology involved collection of information on the basis of the *Law on Free Access to Information*. The research was conducted in the period from February to December 2014, and during that time information about the expenditures of public funds by the public sector for advertizing services and advertizing in media have been collected, incurred on the basis of contracts for services, specialized services or on other grounds.

According to the Internal Public Sector Restructuring Plan⁵⁶, which stems from the Strategy of Public Administration Reform in Montenegro for the period 2011-2016, public sector includes:

Ministries
+ Administration bodies
+ Public institutions at the state level
+ Other bodies
= CENTRAL GOVERNMENT
Agencies exercising public authorities (regulators and independent bodies)
+ Local self-government units (local administration bodies and municipal PIs)
= GENERAL GOVERNMENT
+ Public enterprises (local and national)
+ The Parliament of Montenegro
+ Judiciary (courts, prosecutions and law enforcement bodies)
+ State Audit Institution
+ Audit Authority
+ Ombudsman
+ President of Montenegro
+ Public enterprises (local and national)
= PUBLIC SECTOR

⁵⁶ Internal Public Sector Restructuring Plan, Ministry of Interior of Montenegro, Podgorica, 2013

In the aforementioned period, CCE has encompassed 251⁵⁷ public sector bodies, and these are as follows:

1. State authorities⁵⁸

- ✓ 16 ministries, General Secretariat and Cabinet of Minister without portfolio,
- ✓ 22 administration bodies with ministries,
- ✓ 6 independent administration bodies,
- ✓ 2 Secretariats
- ✓ 6 Bureaus
- ✓ 1 Directorate
- ✓ 1 Agency

2. Municipalities (local self-government units)

- ✓ 22 municipalities

3. Independent bodies⁵⁹

- ✓ 17 Agencies
- ✓ 6 Funds
- ✓ 7 umbrella sports association

4. Public institutions and business entities in which the state or municipalities have a majority holding.

- ✓ 136 public institutions and business entities in which the state or municipalities have a majority holding.

5. Parliament of Montenegro

6. Judiciary (courts and prosecutions)

7. Protector of Human Rights and Freedoms

Separate subject of the research was the *Commission for allocation of the part of revenues from*

⁵⁷ Detailed list can be found in Annex 1

⁵⁸ <http://www.gov.me/organizacija>

⁵⁹ Montenegro does not have a unified legislative framework of the system and the position of organizations exercising public authorities. Absence of systematic law which would govern the area of agencies and other organizations exercising public authorities results in exceptional diversity regarding their status and functioning, as well as insufficient control over the legality and effectiveness of their work. The most common organizational forms for exercising public authorities are: *agencies, commissions, funds, bureaus, etc.*

games of chance, although it is not a separate body but operates within the Ministry of Finance. The reason for the decision to separately analyze the Commission can be found in the fact the Law on Electronic Media prescribes that in order to foster media pluralism, funds should be provided from a share of games of chance revenues. As this money comes from the Budget of Montenegro, in order to have all information, it was important to include the Commission.

On the other hand, the research has mapped 129 subjects, natural and legal entities, which have, based on providing marketing services, advertising, or other specialized services from this area, received funds in 2013. The subjects have been divided into the following categories:

1. Print media
2. Television
3. Radio
4. Portals and News agencies
5. Marketing agencies and production houses
6. Other (comprising natural or legal entities which cannot be classified in any of the above categories)

It is important to note that aforementioned bodies have not all submitted requested information in the same manner and that the quality of information provided was not at the same level, which has significantly influenced the length of the research and data processing. Out of **251** institutions which have been asked to provide information in line with the Law on Free Access to Information, we received positive response from **169 or 67.6%**.

Public sector bodies which have not submitted requested information, directly violating the provisions of the Law on Free Access to Information, can be divided into two groups.

The first group consists of those bodies which have decided to use the principle of administrative silence, where, in spite of months long efforts of the research team of CCE, demonstrated by repeating the requests several times, direct communication with responsible civil servants and heads of bodies, we have not managed to receive the requested information. On the **«black list» of non-transparent bodies**, which have decided to violate legal provisions and not provide requested information, are: Ministry of Agriculture and Rural Development, Capital city Podgorica, National Parks of Montenegro, Airports of Montenegro, National Postal Service of Montenegro, Railway infrastructure and many other public bodies and institutions with smaller budgets which have not been observed by the research team as major advertisers in Montenegrin media.

The second group consists of those bodies which refused the request, assessing it to be unfounded, which is a paradox, considering that most of other bodies regarded the same request as founded and provided the requested data. This method was predominantly used by public institutions and enterprises. Aforementioned points to the fact that even after years of implementing of Law on Free Access to Information, numerous training of competent civil servants and establishment of special services, there are still different interpretation of the law.

In both cases, it should be noted that it is *devastating that the institutions which are financed from the taxpayers money refuse to report on how they spend these funds, which certainly raises*

suspicion as to how, to whom and for what purpose have these funds been distributed.

Also, public sector bodies have proved to be slow, since many have violated legally prescribed deadline of 15 days. On average, response time was **180 days!**

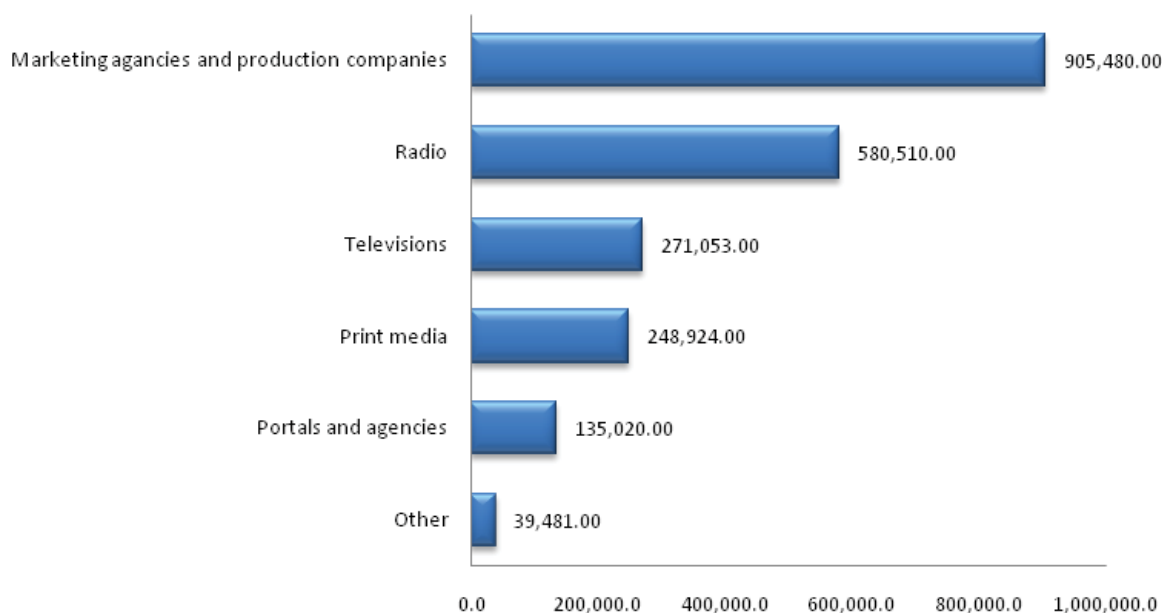
Total amount of funds these public sector bodies have spent in 2013, based on data collected that is kept in CCE, on media (print, electronic and radio), portals and news agencies, marketing agencies and production houses is **2,144,429.00EUR**.

Baring in mind that this amount includes only expenses of 67.6% of public sector bodies, which were the subject of research, it can be easily assumed that the entire amount would be considerably larger, if not even double. In support of this claim is the fact that Capital city Podgorica, as one of the bodies which has decided to hide information, consists of 38 bodies (4 professional services, 4 special services, 7 secretariats, 1 administration, 1 directorate and 20 public services), and it can be assumed that the amount of their expenses would significantly increase the total amount of allocations of local governments as well as the total amount of all public sector bodies.

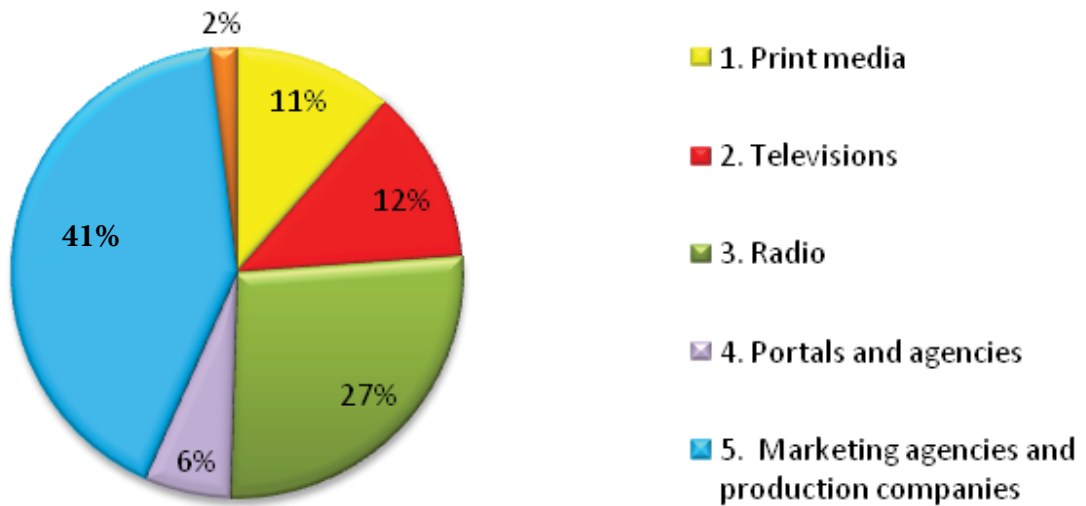
General results by the structure of service providers

The amount of **2,144,429.00 EUR** was spent in the following manner: allocation for print media amounted to **248,924.00 EUR or 11.42%**, for TV channels (including international and regional channels) **271,053.00 EUR or 12.44%**, for radio stations **580,510.00 EUR or 26.62%**, portals and news agencies **135,020.00 EUR or 6.19%**, whereas for marketing agencies and production companies it amounted to **905,480.00 EUR or 41.53%**. For items that fall into the category other totally allocated was **39,481.00 EUR or 1.81%**.

The difference in relation to the total amount appears due to public bodies which submitted information about total amounts, without specifying to whom and on what grounds they paid, and therefore they cannot be a part of the tabulation.

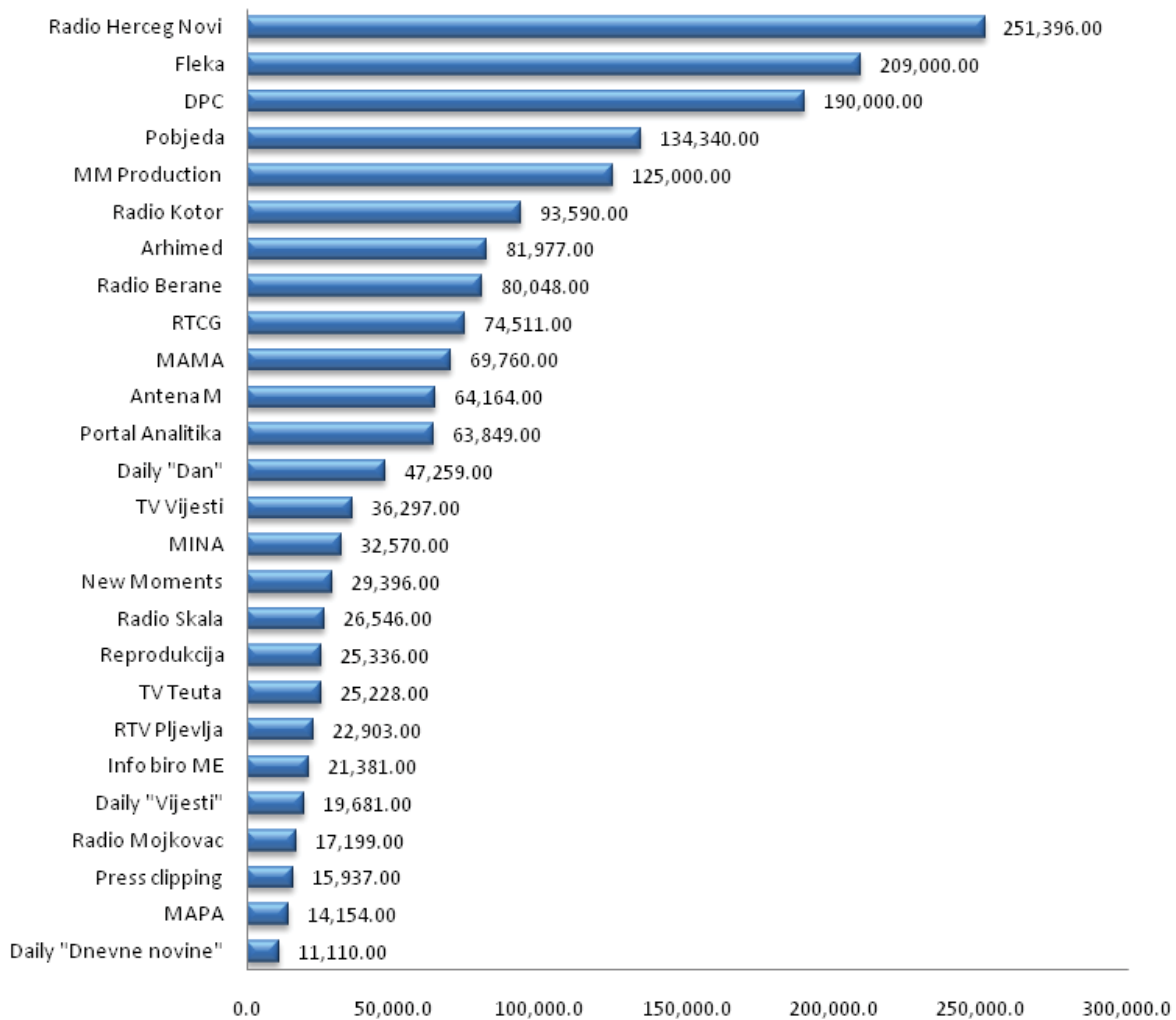


Graph 3: Breakdown of total expenditures by categories in EUR amounts

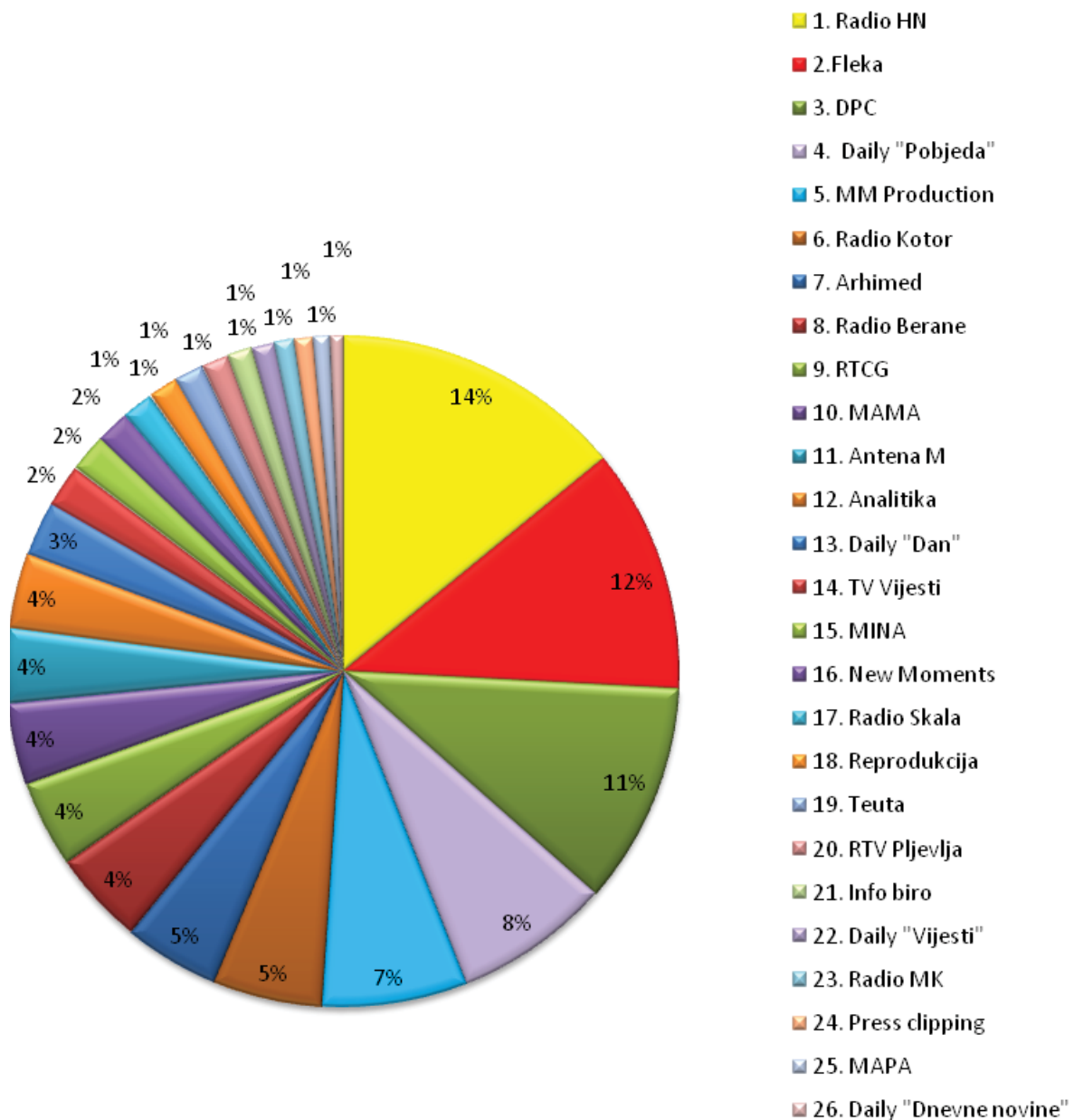


Graph 4: Breakdown of total investments by categories expressed in percentages

Taking into account all 129 subjects who have in different forms and on various grounds been engaged to provide services to public sector bodies, it is important to specify those who have earned the most in total from all public sector bodies together. All subjects who have received more than 10.000,00 EUR have been included.



Graph 5: Breakdown by the biggest individual beneficiaries in EUR amounts

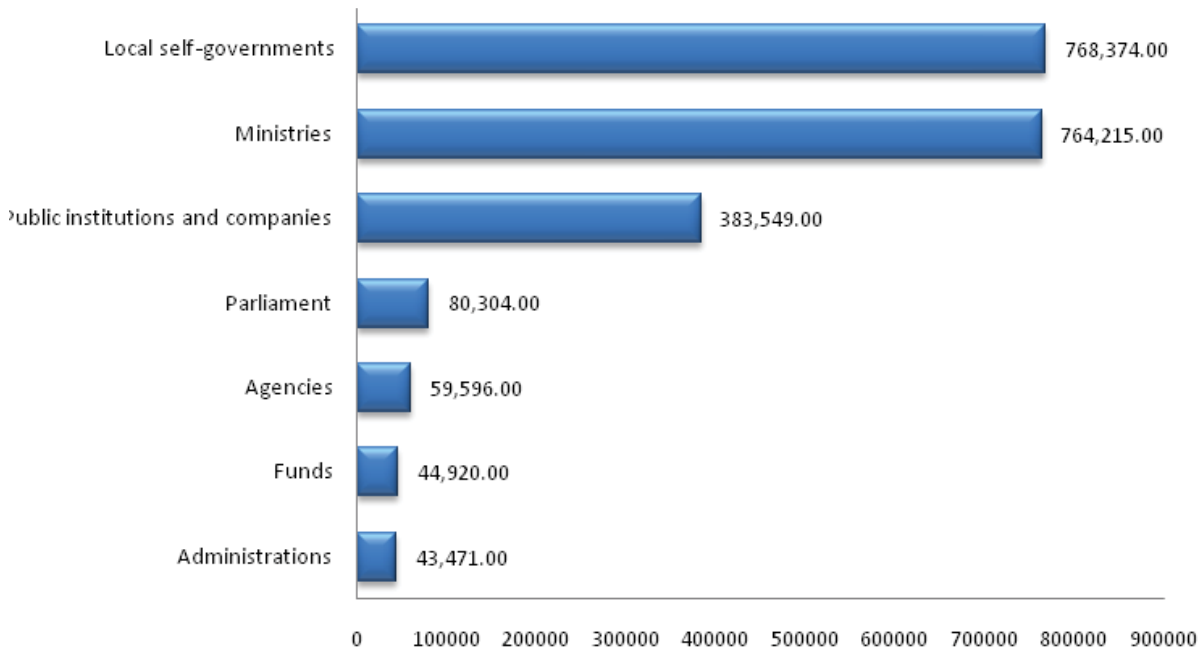


Graph 6: Breakdown by largest individual beneficiaries expressed in percentages

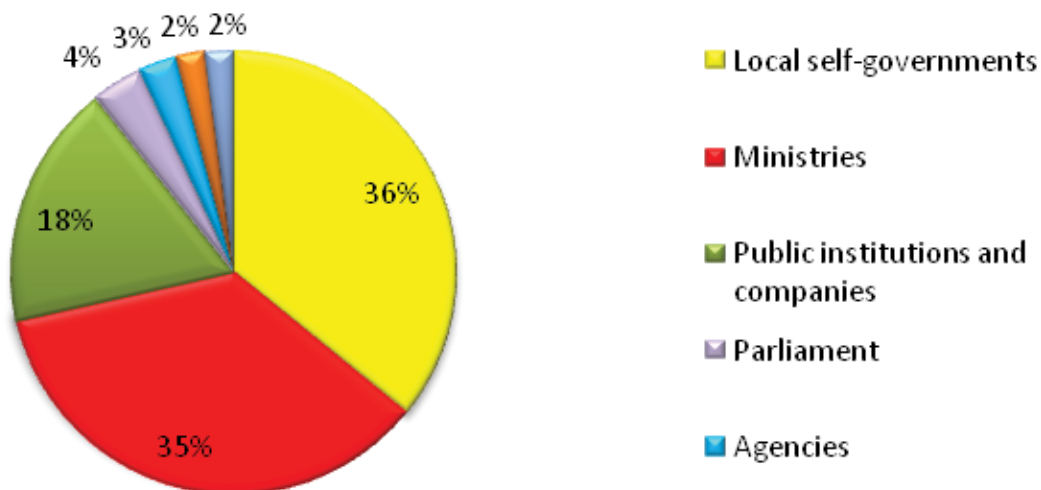
A more detailed analysis of received information gives an insight into the structure of public sector bodies, which have paid money to subjects presented in tables. Thus, Radio Herceg Novi as media outlet which has received the most resources in 2013 received the total amount from the Municipality of Herceg Novi. The company „Fleka” received 209,000.00 EUR and total amount was paid by the Ministry of Sustainable Development and Tourism. The grounds for payment have not been disclosed, and even though this information was requested, it has not been submitted. Also, the same Ministry paid a total amount earned by DPC, which places them at the third place of the overall list with earnings amounting to 190,000.00 EUR. Out of print media in Montenegro, traditionally the biggest amount went to daily “Pobjeda”– 134,340.00 EUR. Payments have been made by the most public sector bodies, and predominantly by the ministries and local self-governments. As all other subjects received payments from more bodies, the structure will be shown in separate tables below.

General results by the structure of public sector bodies

In relation to the total amount, the biggest consumers are local self-government with the amount of **768,374.00 EUR or 35.8%**, followed by the ministries with expenditures amounting to **764,215.00 EUR or 35.6%**, then public institutions and business entities with majority holding by the state or municipality with **383,549.00 EUR or 17.8%**, Parliament of Montenegro with **80,304.00 EUR or 3.8%**. At the bottom of the list are the Agencies with the amount of **59,596.00 EUR or 2.8%**, state funds with **44,920.00 EUR or 2%** of total expenditures and Administrations which have allocated **43,471.00 EUR or 2%** for advertising purposes.



Graph 7: Breakdown by the biggest consumers expressed in EUR amounts



Graph 8: Breakdown by the biggest consumers expressed in percentages

Therefore, in relation to public administration bodies the biggest consumers are local self-governments with **768,374.00 EUR**. This is important to note, especially taking into consideration total debt of local self-governments for 2013, which have amounted to **214.7 million EUR** in December of 2013. If we also take into account a fact that total revenues of local self-governments for the first nine months amounted to 148.45 million EUR or 81.29%, we can conclude that municipalities are in difficult financial situation⁶⁰. Considering this bad financial situation it is questionable how rational it is to allocate significant amounts for costs of advertising and related marketing services that include media, etc.

The ministries follow with expenditures amounting to **764,215.00 EUR**. If the data are compared with results from the research CCE conducted in 2011 and 2012 noticeable is a continuing trend of high expenses on this basis. Having in mind public commitment of decision makers to reduce public expenditures, it seems it was estimated not to cut costs in this field.

Separate results by the structure of service providers

When it comes to service providers, marketing agencies and production companies are dominantly present, which indicates to the process of centralization of resources allocated for marketing services and advertising in media, on the bases of the contract for services, specialized services or other basis, in comparison to 2011 and 2012, which makes it difficult to track further spillovers to media or other related subjects.

When looking at the types of service providers, in relation to the total amount of funds public sector bodies spent in 2013, and in line with predetermined methodology, we can get a more complete overview of the dynamics, in relation to previous results of researches conducted by CCE in 2011.⁶¹ and 2012.⁶²

The total amount of **2,144,429.00 EUR** has been spent in the following manner: allocation for print media amounted to **248,924.00 EUR or 11.42%**, for TV channels (including international and regional) it was **271,053.00 EUR or 12.44%**, for radio stations **580,510.00 EUR or 26.62%**, for portals and news agencies **135,020.00 EUR or 6.19%**, while marketing agencies and production companies received **905,480/00 EUR or 41.53%**. For items that fall into the category other total expenditures amounted to **39,481.00 EUR or 1.81%**.

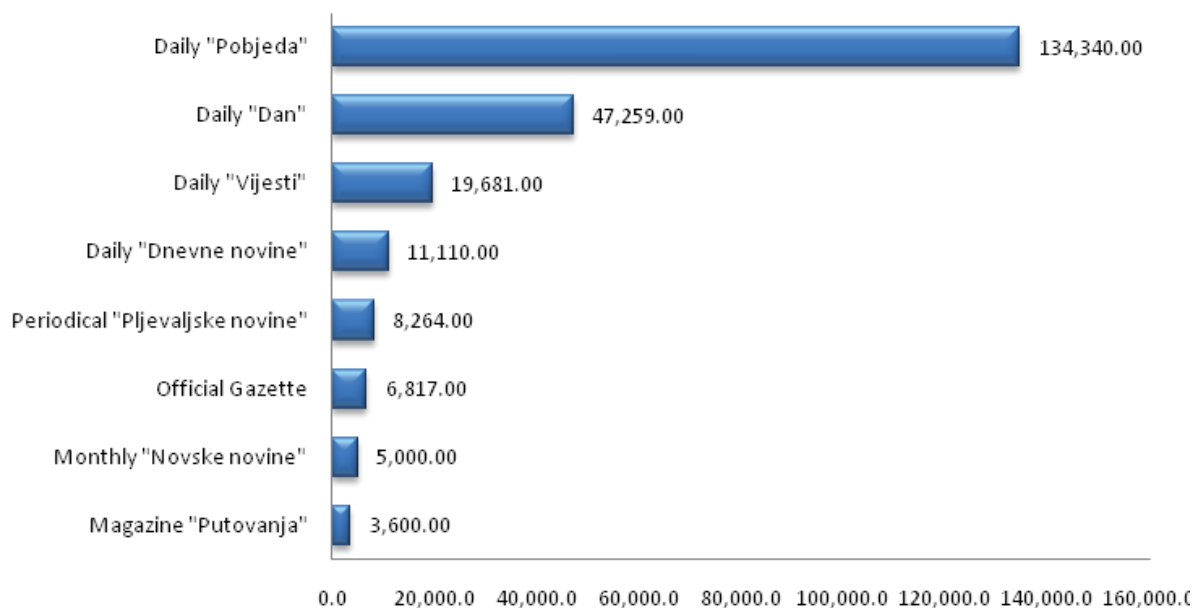
60 <http://portalanalitika.me/clanak/125484/opstine-u-kolapsu-dug-i-neizmirene-obaveze-opstina-214-7-miliona-eura-primici-budzeta-svega-81-3-odsto-od-plana>

61 See: <http://media.cgo-ccc.org/2013/09/cgo-izdavastvo-koliko-i-kome-poreski-obveznici-u-crnoj-goric-placaju-za-reklamiranje-2011.pdf> i <http://media.cgo-ccc.org/2013/09/cgo-izdavastvo-koliko-kojim-medijima-i-srodnim-agencijama-opstine-u-crnoj-gori-placaju-za-usluge-2011.pdf>

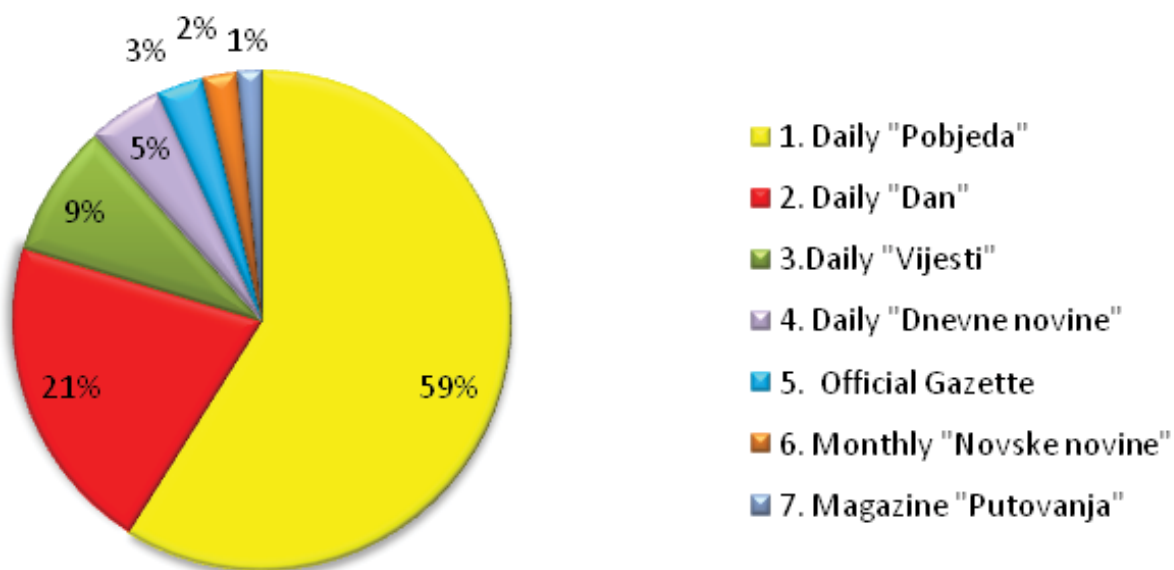
62 See: <http://media.cgo-ccc.org/2013/09/cgo-izdavastvo-koliko-i-kome-poreski-obveznici-u-crnoj-goric-placaju-za-reklamiranje-2012.pdf>

Print media

Total amount spent for print media was 248,924.00 EUR. The structure by subjects is as follows⁶³:



Graph 9: Breakdown of payments to print media expressed in EUR amounts

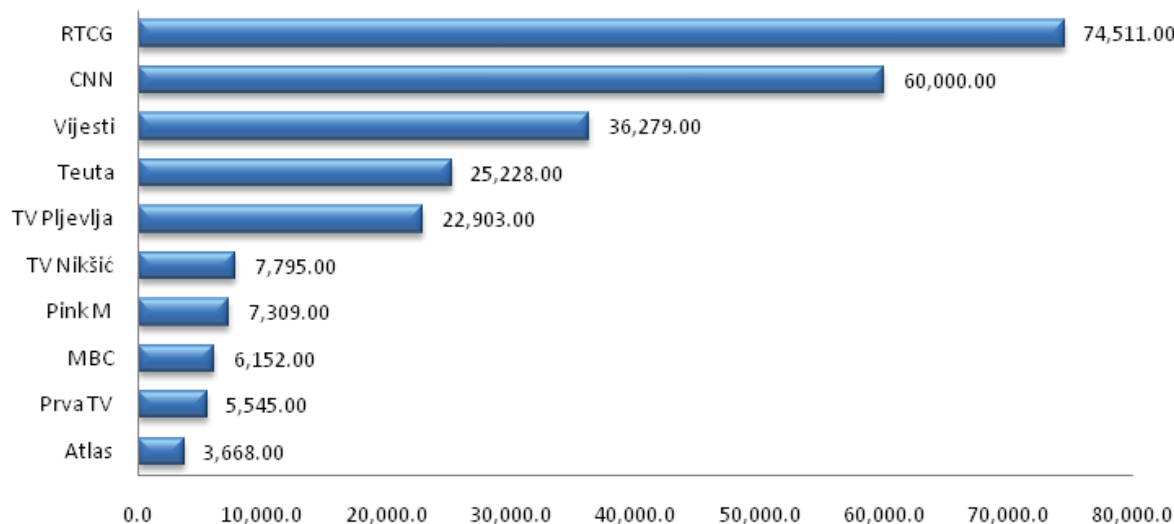


Graph 10: Breakdown of payments to printed media expressed in percentages

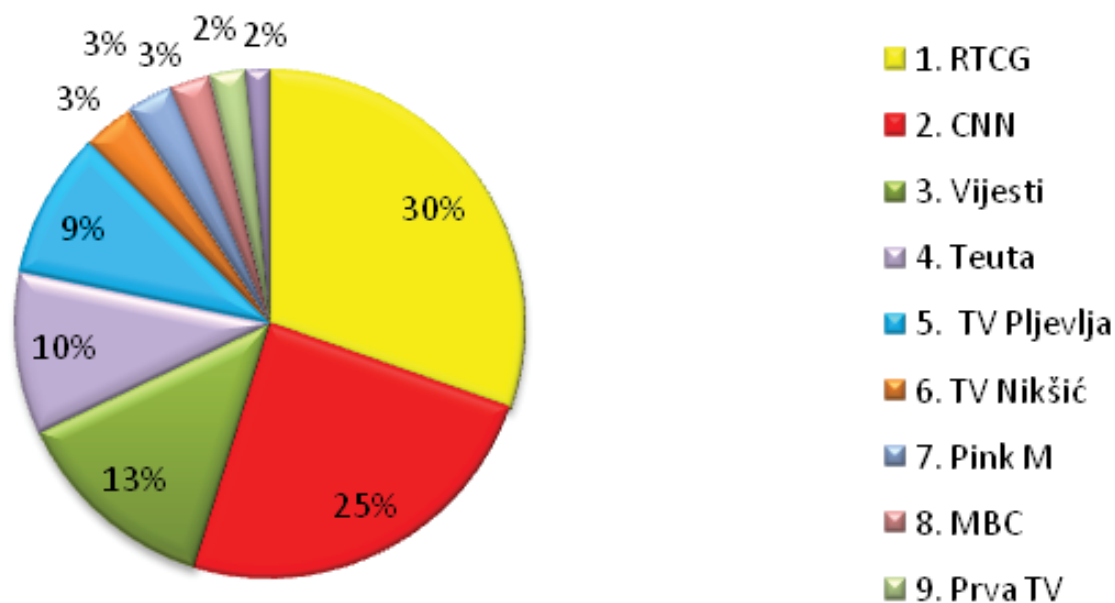
⁶³ Note: The subject of the research was only those print media which received more than 1.000 EUR, annually.

Television

Total amount spent for TV channels (including international and regional channels) was **271,053.00 EUR**. The structure by subjects is as follows⁶⁴:



Graph 11: Breakdown of expenditures for TV stations expressed in EUR amounts

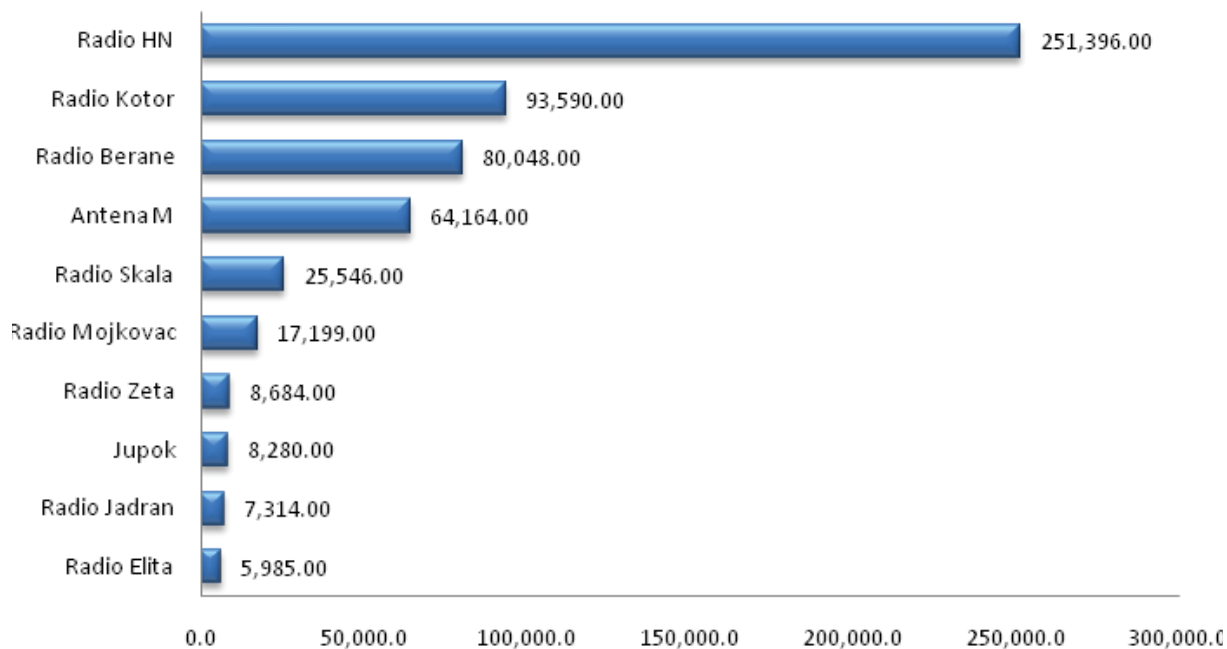


Graph 12: Breakdown of expenditures for TV stations expressed in percentages

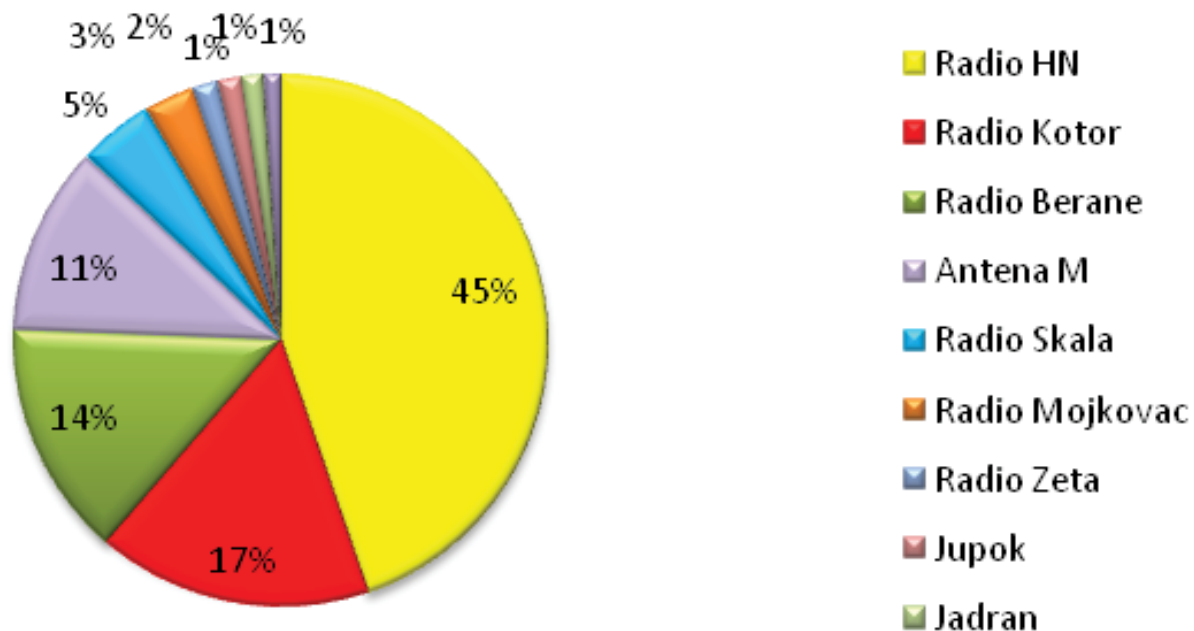
⁶⁴ Note: The subjects of the research were only those TV stations which received more than 1.000 EUR, annually.

Radio stations

Total amount spent for radio stations was **580,510.00 EUR**. The structure by subjects is as follows⁶⁵:



Graph 13: Breakdown of payments to radio stations expressed in EUR amounts

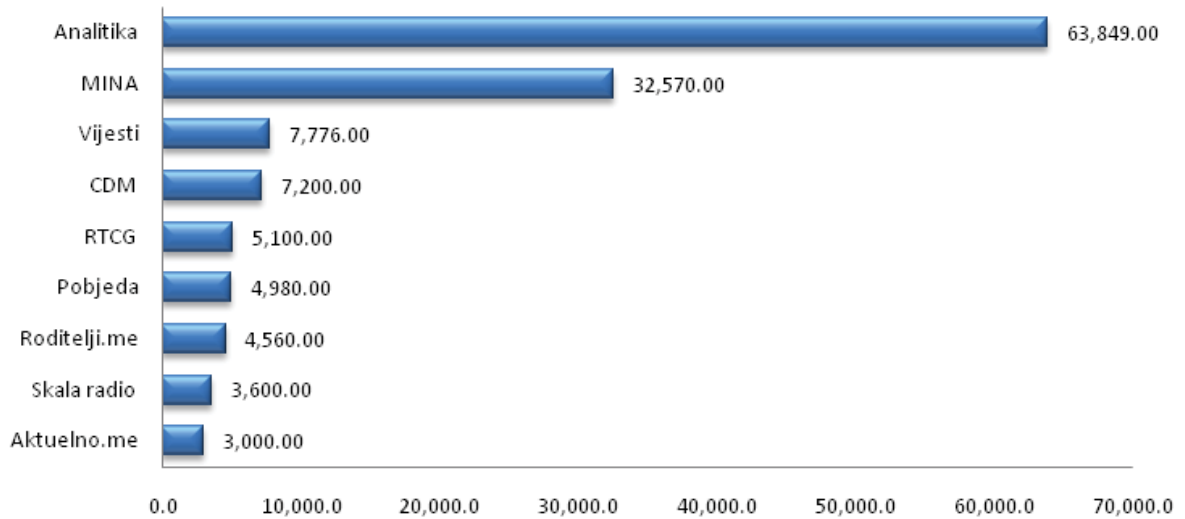


Graph 14: Breakdown of payments to radio stations expressed in percentages

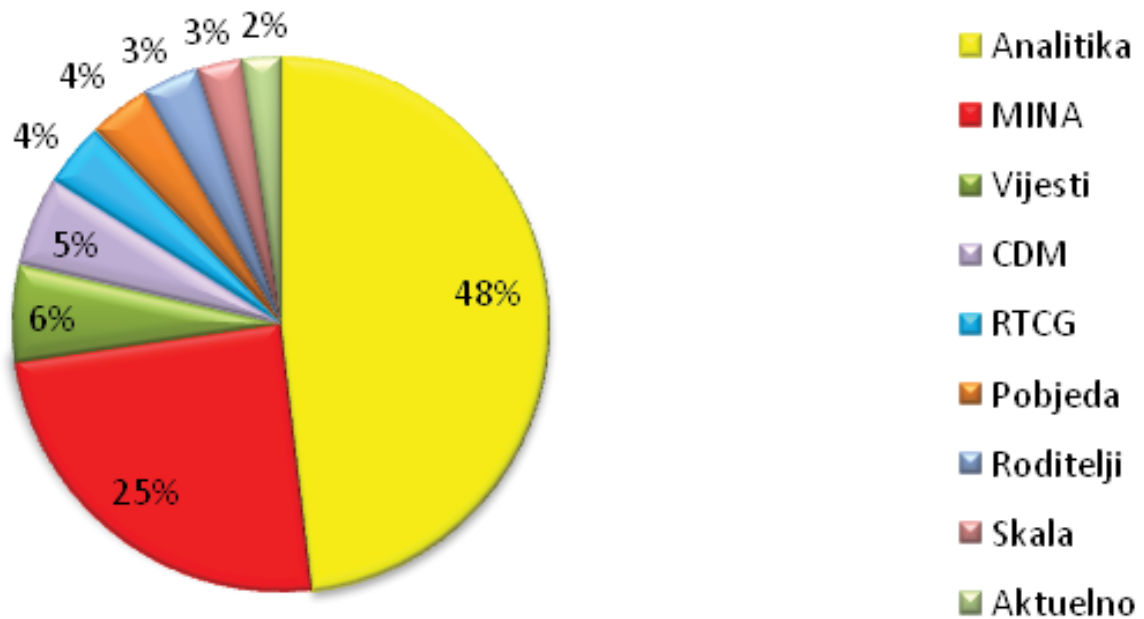
⁶⁵ Note: The subjects of the research were only those radio stations which received more than 5.000 EUR, annually.

Portals and news agencies

The total amount spent for portals and news agencies was **135,020.00 EUR**. The structure by subjects is as follows⁶⁶:



Graph 15: Breakdown of payments to portals and news agencies expressed in EUR amounts

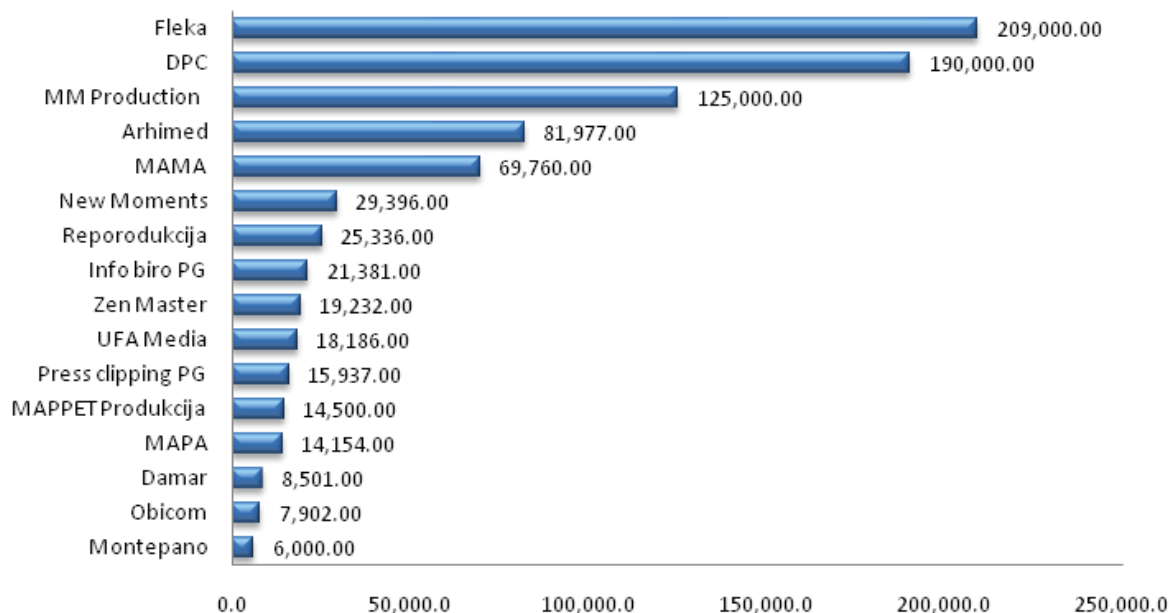


Graph 16: Breakdown of payments to portals and news agencies expressed in percentages

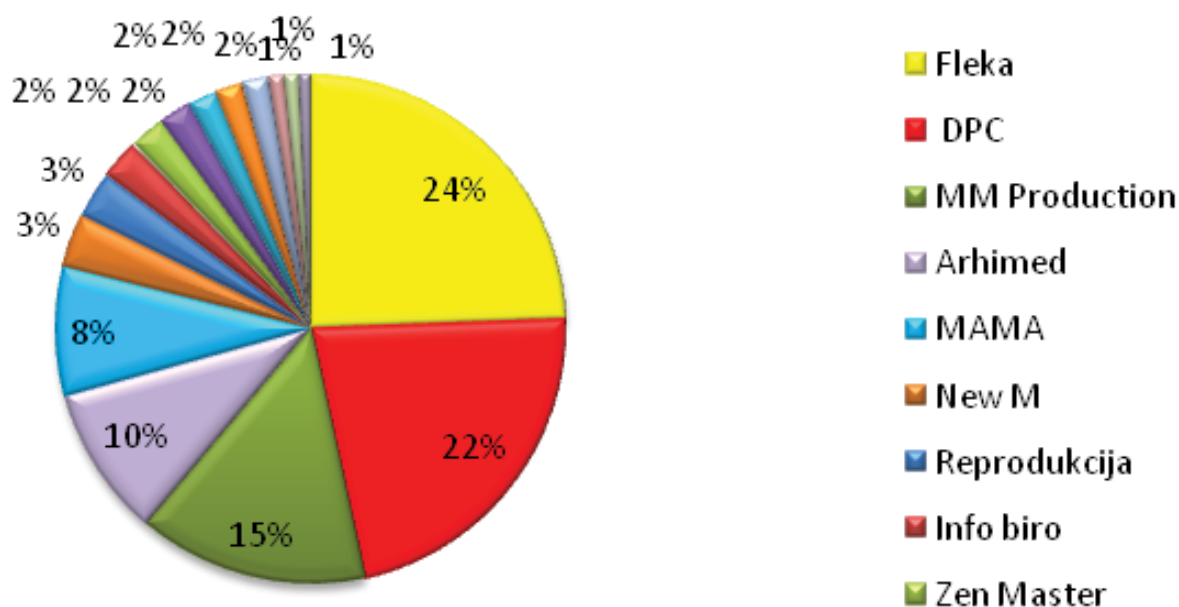
⁶⁶ Note: The subjects of the research were only those portals and news agencies which received more than 1.000 EUR, annually

Marketing agencies and production companies

Total amount spent for marketing agencies and production companies was 905,480.00 EUR. The structure by subjects is as follows⁶⁷:



Graph 17: Breakdown of payments to marketing agencies and production companies expressed in EUR amounts

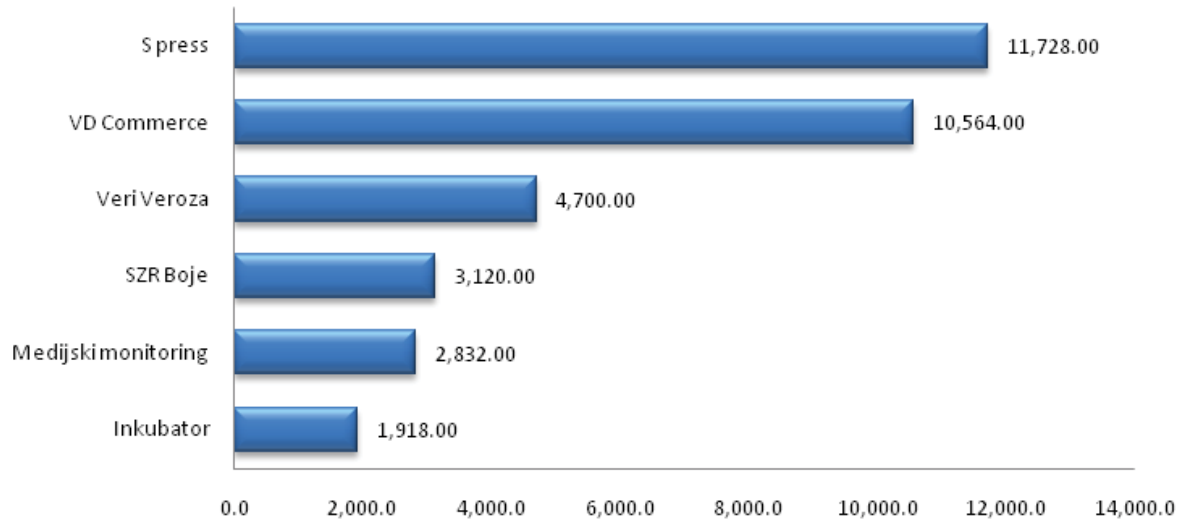


Graph 18: Breakdown of payments to marketing agencies and production companies expressed in percentages

⁶⁷ Note: The subjects of the research were only those marketing agencies and production companies which received more than 5,000 EUR

Other

For the items from the category other totally allocated was **39,481.00 EUR**. The structure by subjects is as follows⁶⁸:



Graph 19: Breakdown of payments to other subjects expressed in EUR amounts

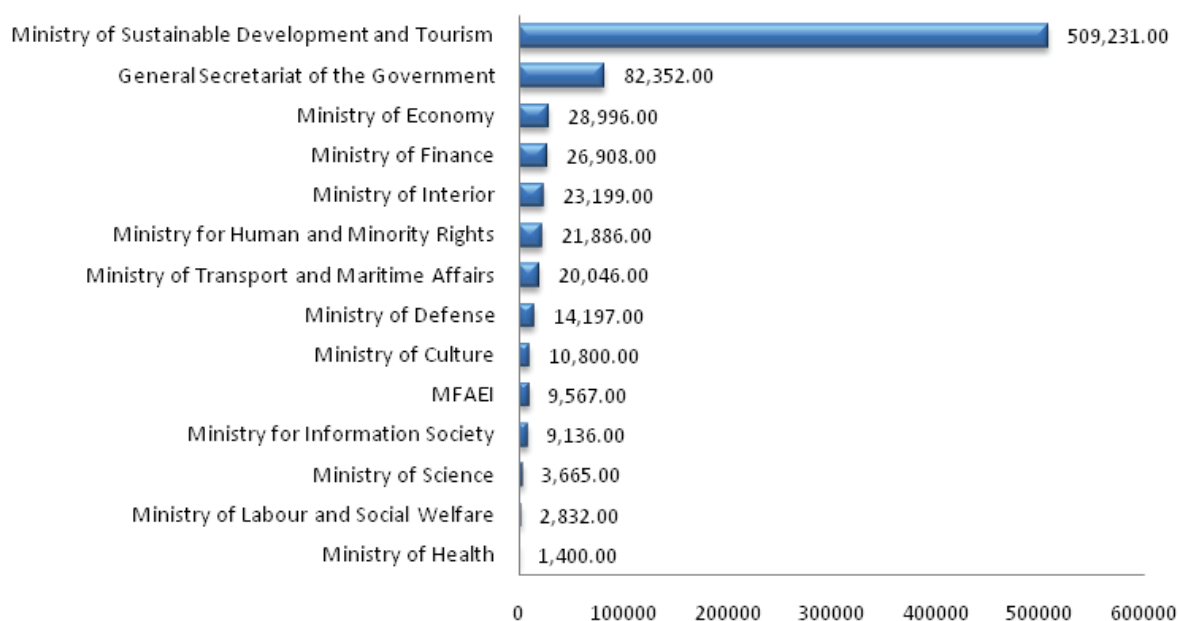
⁶⁸ The subjects of the research were only those subjects that received more than 1.000 EUR

Separate results by the structure of public sector bodies

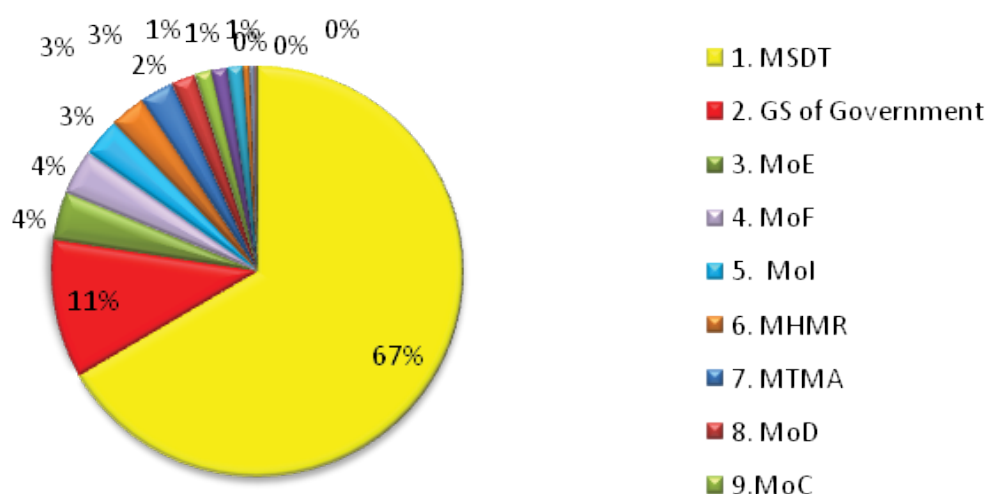
Detailed analysis of the data will be presented by the amount of expenditures of public administration bodies, and not by their position and importance in the system.

Ministries

As it was already mentioned, ministries are some of the biggest consumers with expenditures amounting to **764,215.00 EUR or 35.6%** of the total amount spent by all public sector bodies in 2013. Individually the biggest amount was spent by the Ministry of Sustainable Development and Tourism-509,231.00 EUR, whereas Ministry of Justice, Ministry of Education and Sport, and Cabinet of the Minister without portfolio, according to submitted data, did not incur expenses on these grounds during 2013.

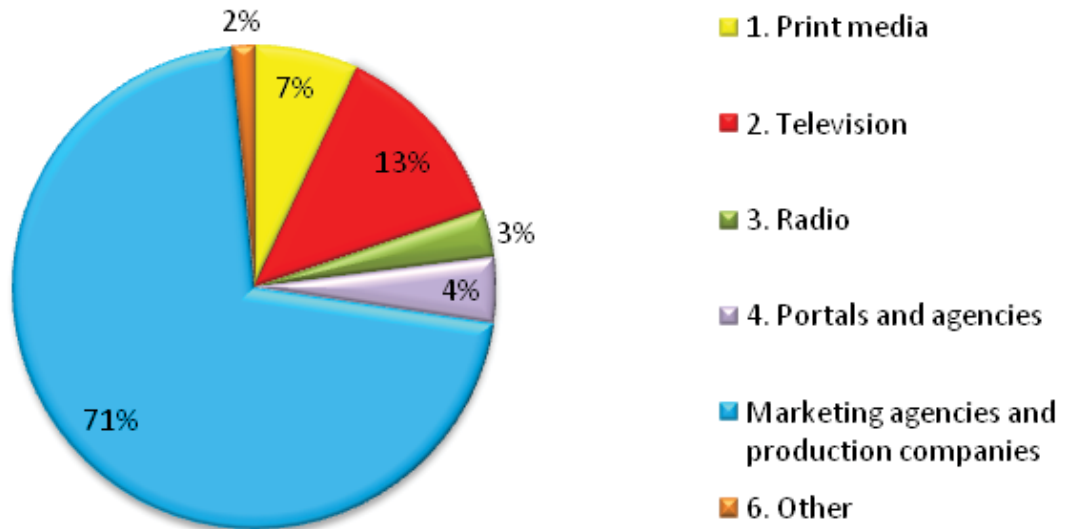


Graph 20: Breakdown of individual expenditures by the ministries in EUR amounts



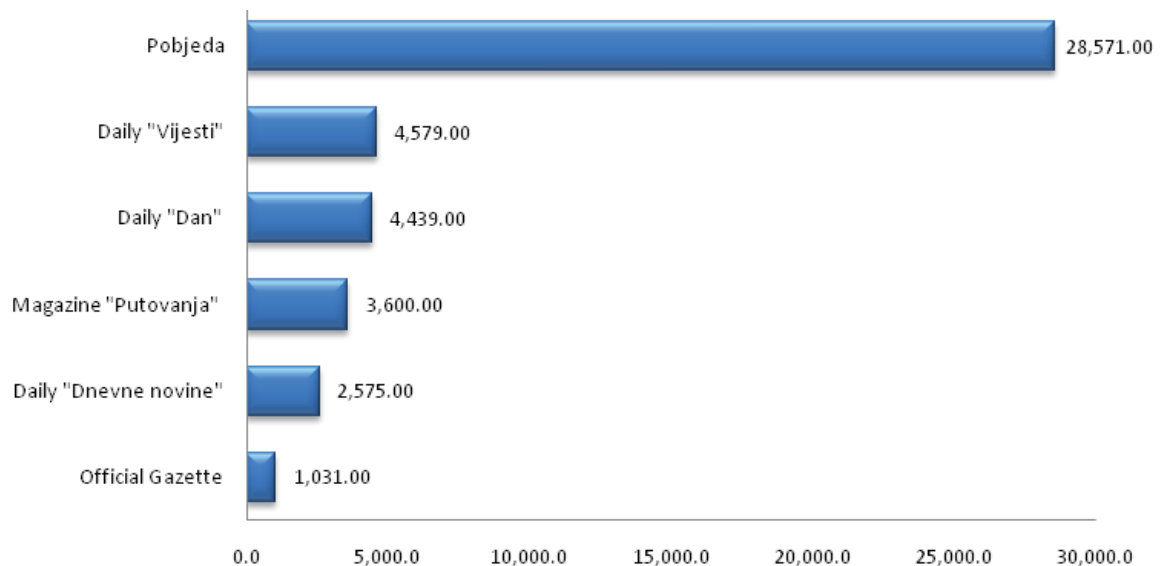
Graph21: Breakdown of individual expenditures by ministries expressed in percentages

Aforementioned amount was spent in the following manner: allocation for print media (international and regional) amounted to **53,575.00 EUR or 7.01%**, for TV **98,181.00 EUR or 12.8%** (the amount for national TV stations was **31,511.00 EUR**, and for international and regional TV stations **66,670.00 EUR**). Amount allocated for radio stations was **24,254.00 EUR or 3.1%**, for portals and news agencies **33,169.00 EUR or 4.3%** whereas for marketing agencies and production companies expenses amounted to **543,546.00 EUR or 71.1%**. For items in the category of “other” total expenses amounted to **11,490.00 EUR or 1.5%**.

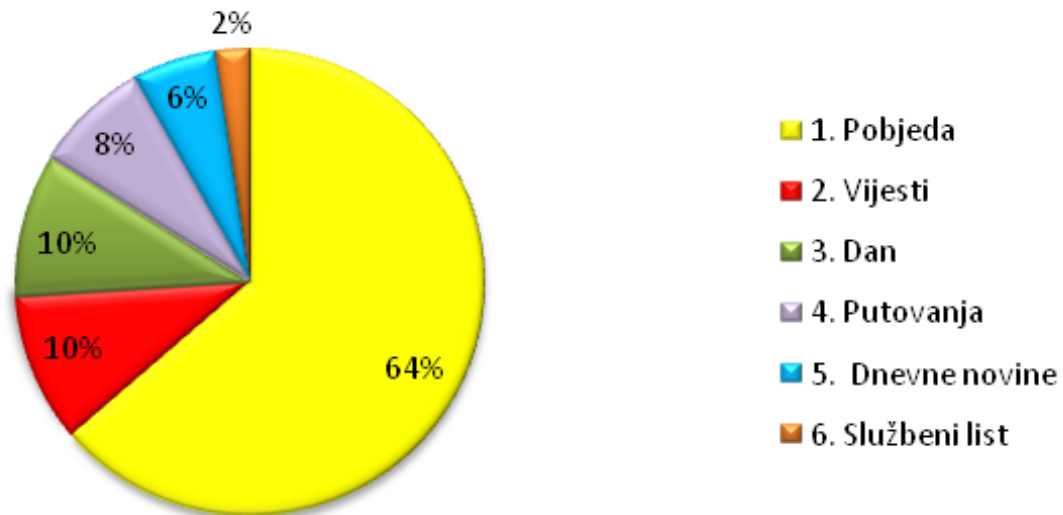


Graph 22: Breakdown of expenditures by categories expressed in percentages

By the structure of paid subjects, the national print media received **44,794.00 EUR**, out of totally spent **53,575.00 EUR**.



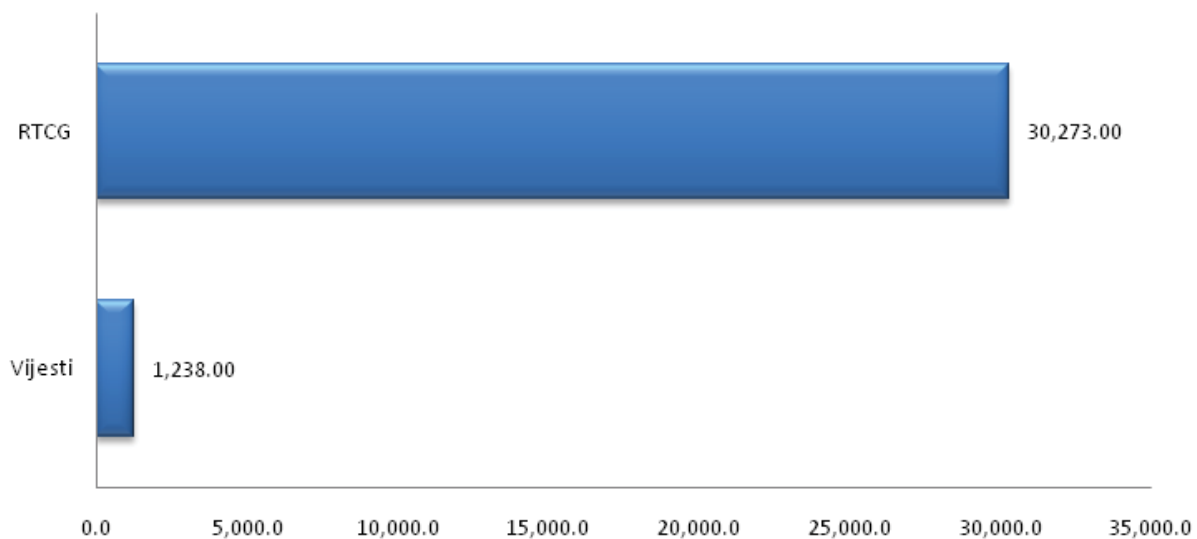
Graph 23: Breakdown of payments to print media by ministries in EUR amounts



Graph 24: Breakdown of payments to print media by ministries expressed in percentages

To be more precise, it should be noted that Ministry of Economy paid to foreign print media the amount of 8,781.00 EUR in the following way: to *Financial Times* (London) 4,644.00 EUR and to *Economist* (London) 4,137.00 EUR.

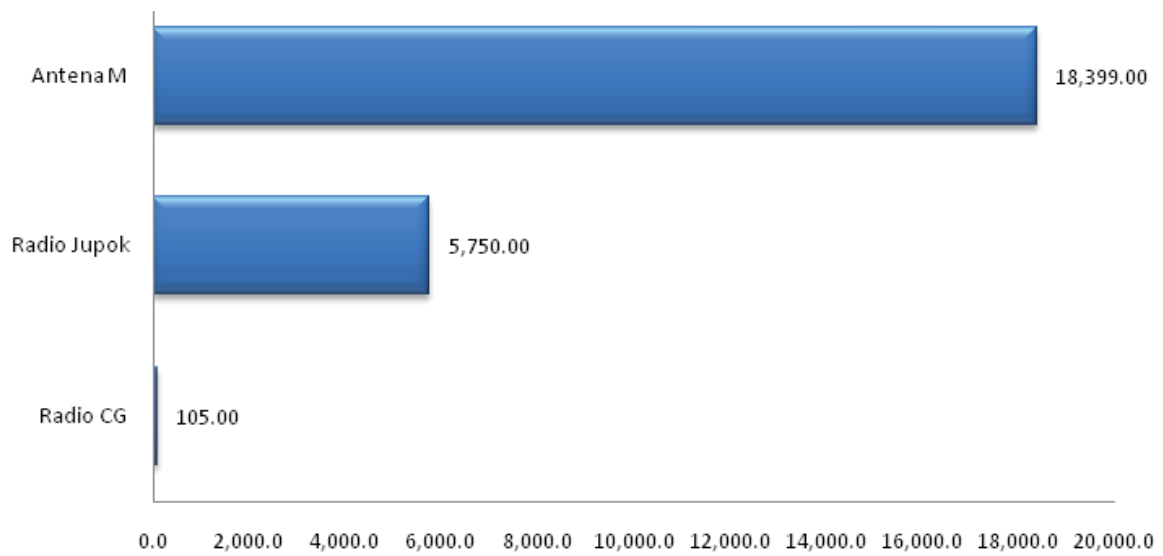
The ministries paid to national television stations 31,511.00 EUR.



Graph 25: Breakdown of payments to TV by ministries in EUR amounts

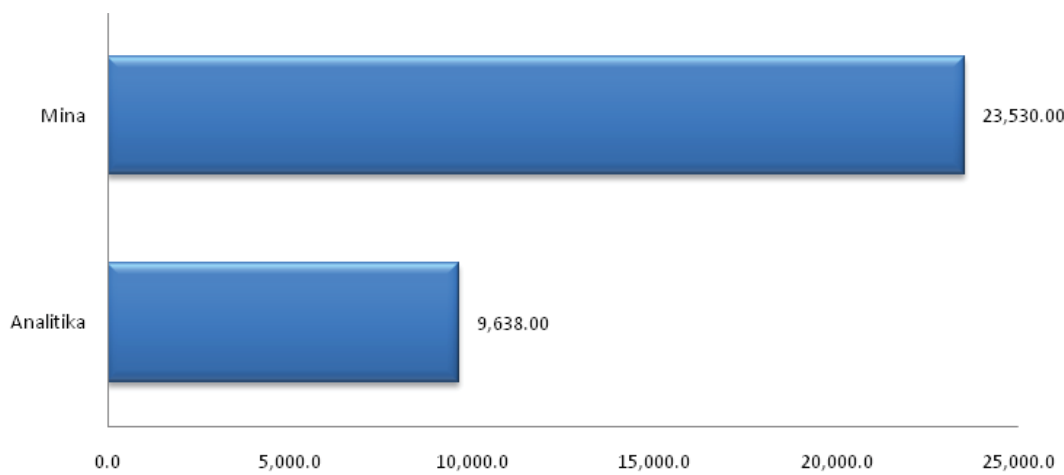
When it comes to international TV stations, the Ministry of Sustainable Development and Tourism paid 60,000.00 EUR to CNN.

The total amount paid to radio stations was 24,254.00 EUR.



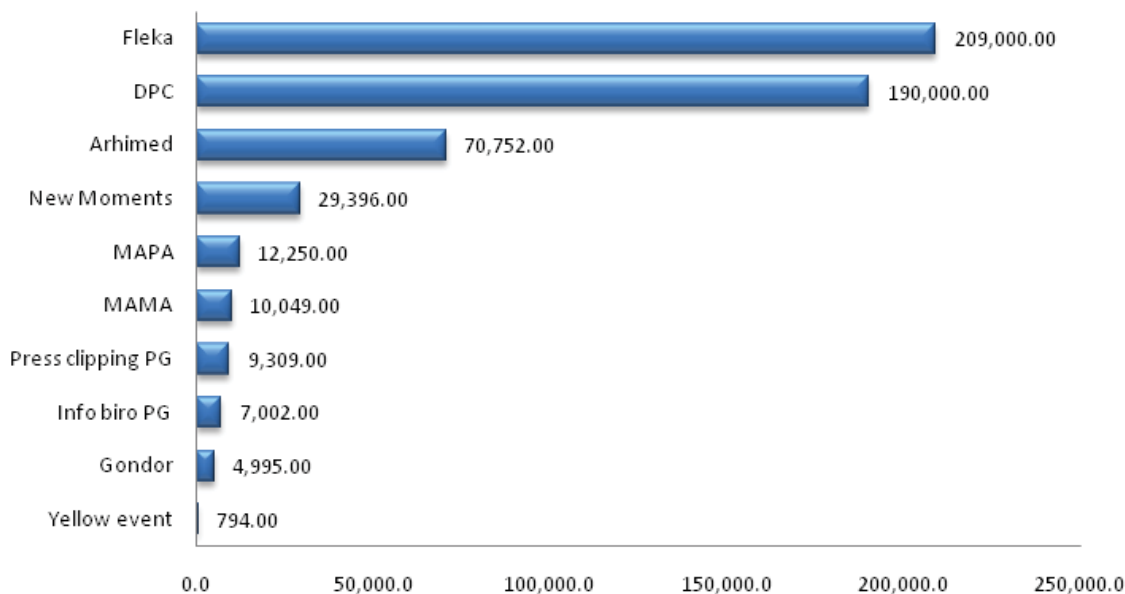
Graph 26: Breakdown of payments to radio stations by ministries in EUR amounts

Portals and news agencies have earned 33,169.00 EUR from providing services to the ministries in 2013.

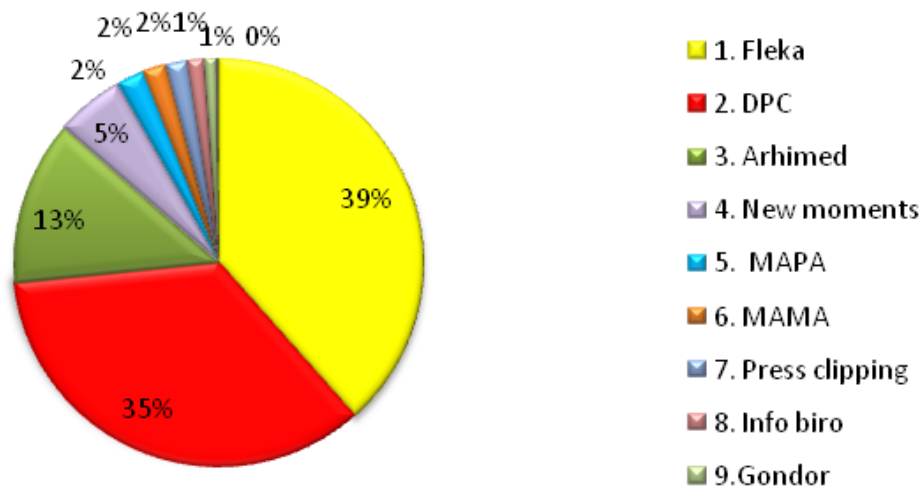


Graph 27: Breakdown of payments to radio stations by ministries in EUR amounts

When it comes to marketing agencies and production companies, total expenditures amounted to 543,546.000 EUR.



Graph 28: Breakdown of payments to marketing agencies and production companies by ministries in EUR amounts

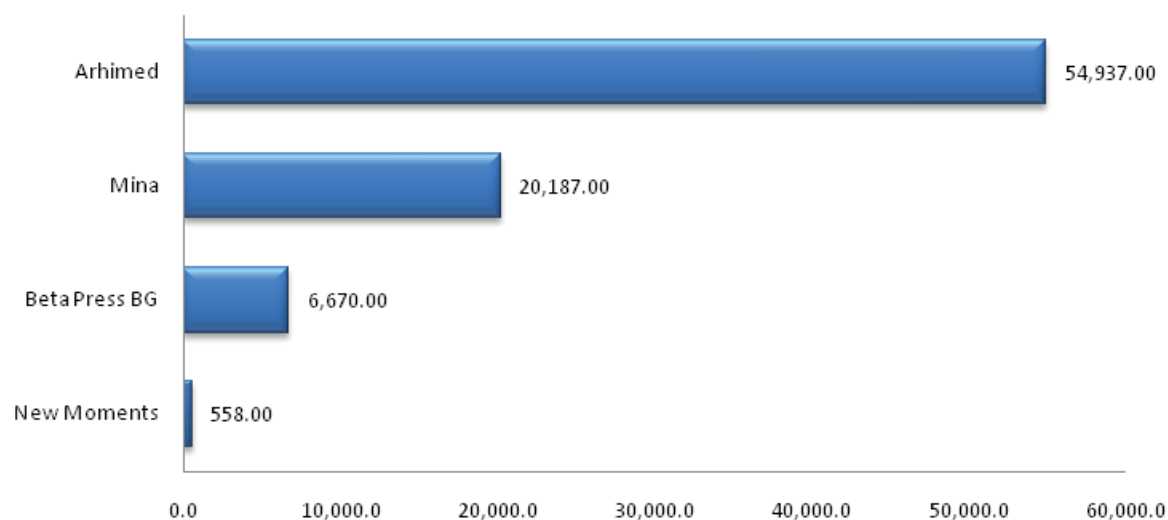


Graph 29: Breakdown of payments to marketing houses and production companies expressed in percentages

Category “Other”- consists of natural and legal persons who could not have been classified in any of the above categories, according to information submitted to CCE or publically available information. For example, ministries have spent 11,490.00 EUR for this category in the following manner, company S press PG was paid 8,658.00 EUR, whereas Media Monitoring received 2,832.00 EUR.

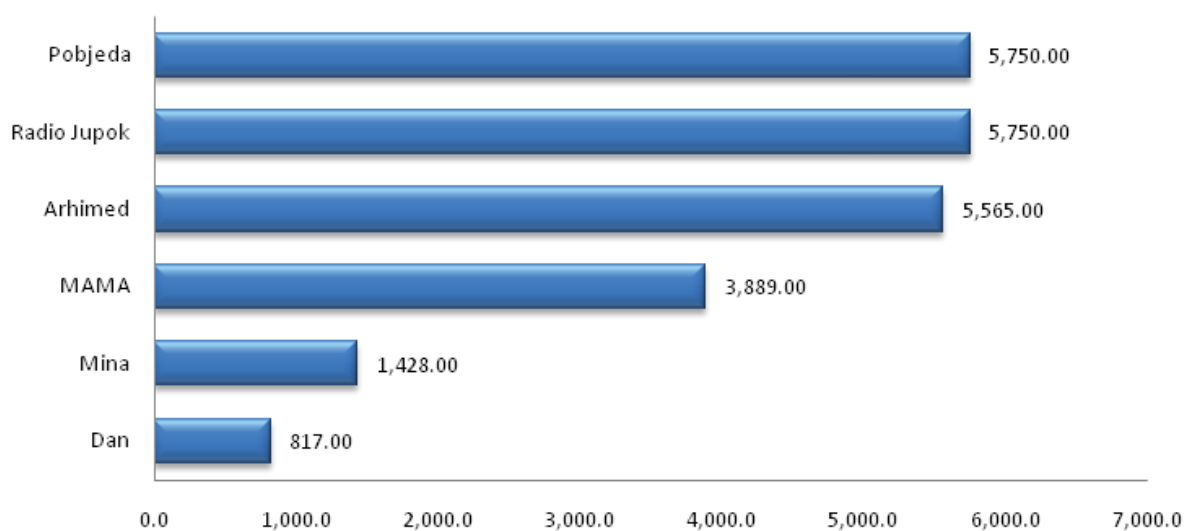
Having in mind the importance of the Government and ministries as executive authorities and policy makers, and the fact that according to the research it is the biggest consumer in the system, total expenditures and cost structure of the ministries will be thoroughly analyzed and presented.

Total expenses of the **General Secretariat of the Government** amounted to 82,352.00 EUR.



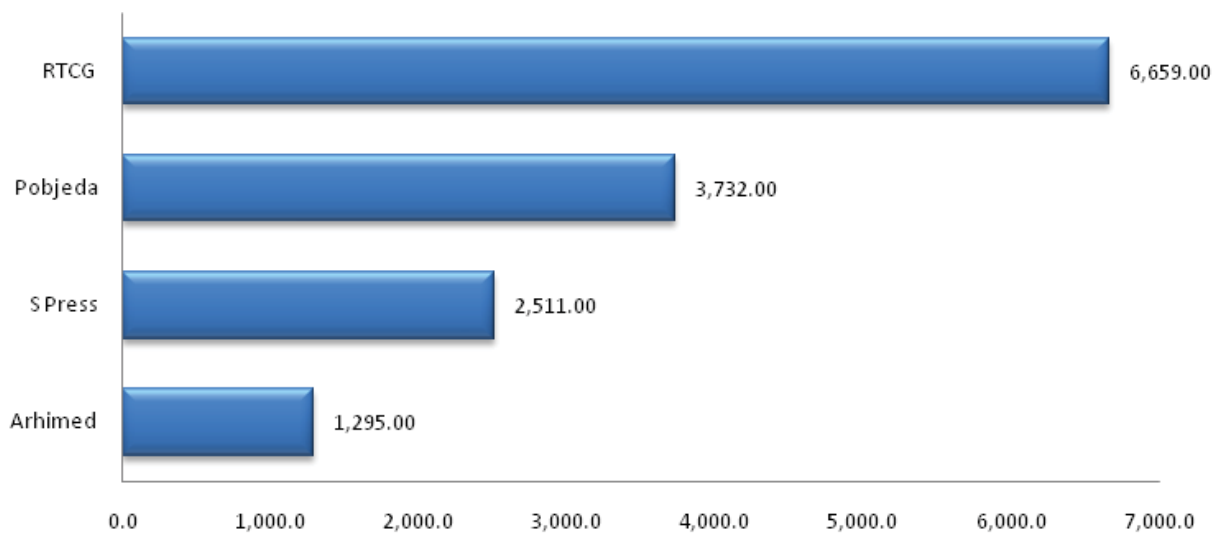
Graph 30: Structure of expenses of General Secretariat of the Government in EUR amounts

Ministry of Interior has spent 23,199.00 EUR in total.



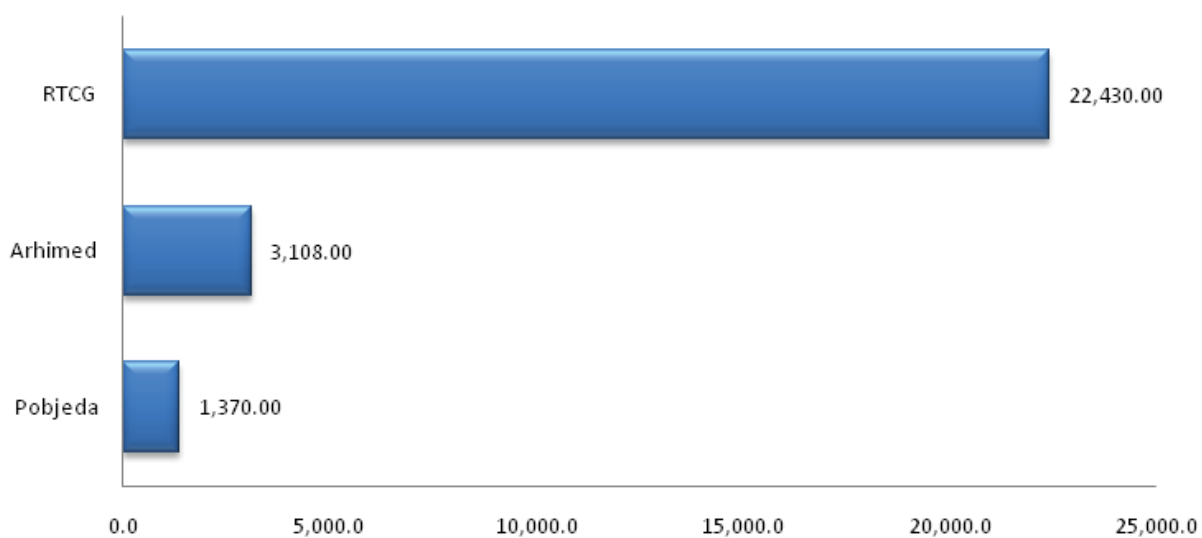
Graph 31: Structure of expenses of the Ministry of Interior expressed in EUR amounts

Total expenses of the **Ministry of Defense** amounted to 14,197.00 EUR.



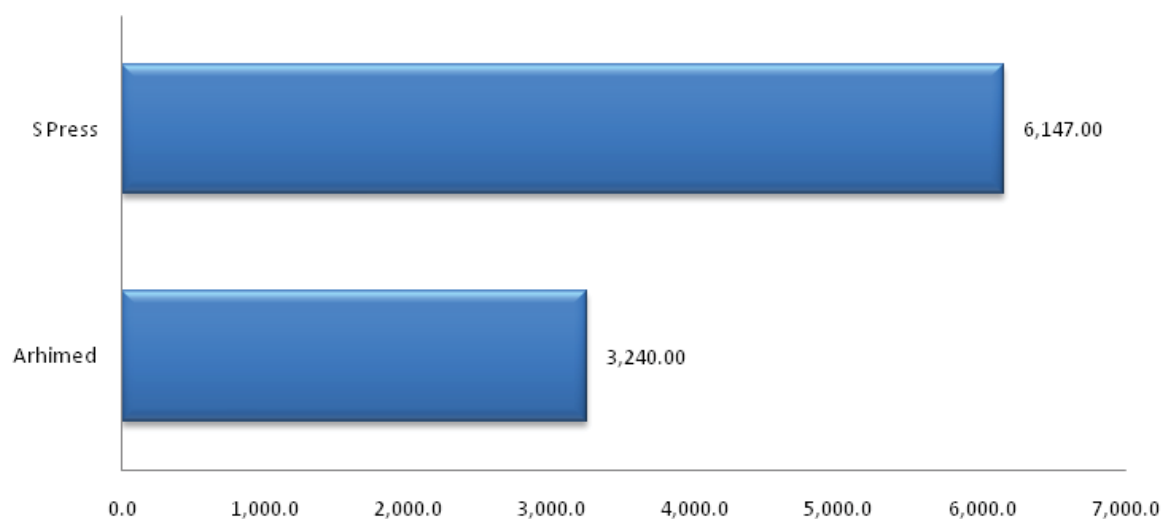
Graph32: Structure of expenses of the Ministry of Defense in EUR amounts

In 2013, **Ministry of Finance** spent 26,908.00 EUR for this purpose.



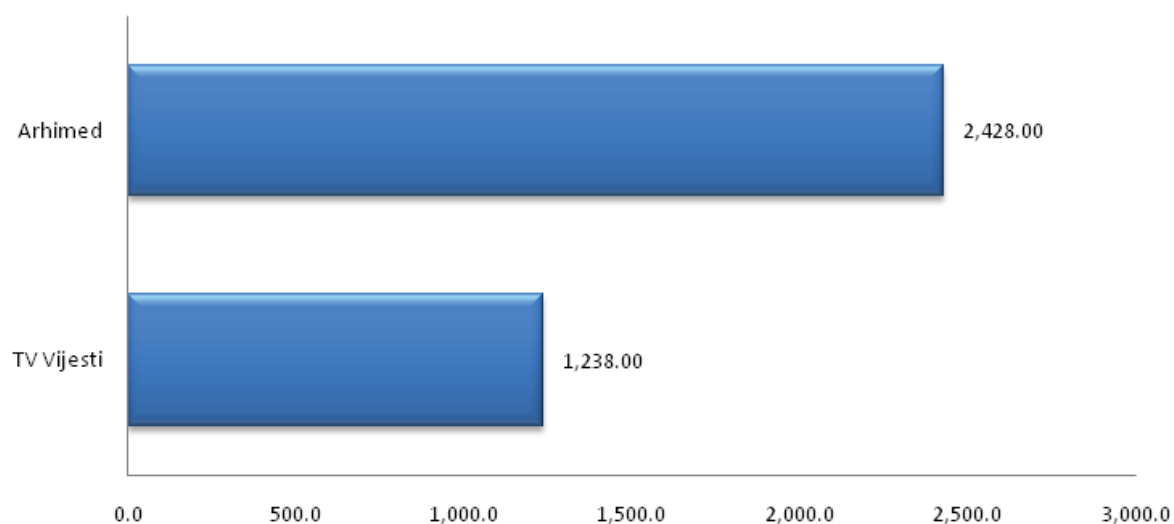
Graph 33: Structure of expenses of the Ministry of Finance in EUR amounts

Ministry of Foreign Affairs and European Integration (MFAEI) has allocated only 9,567.00 EUR during 2013.



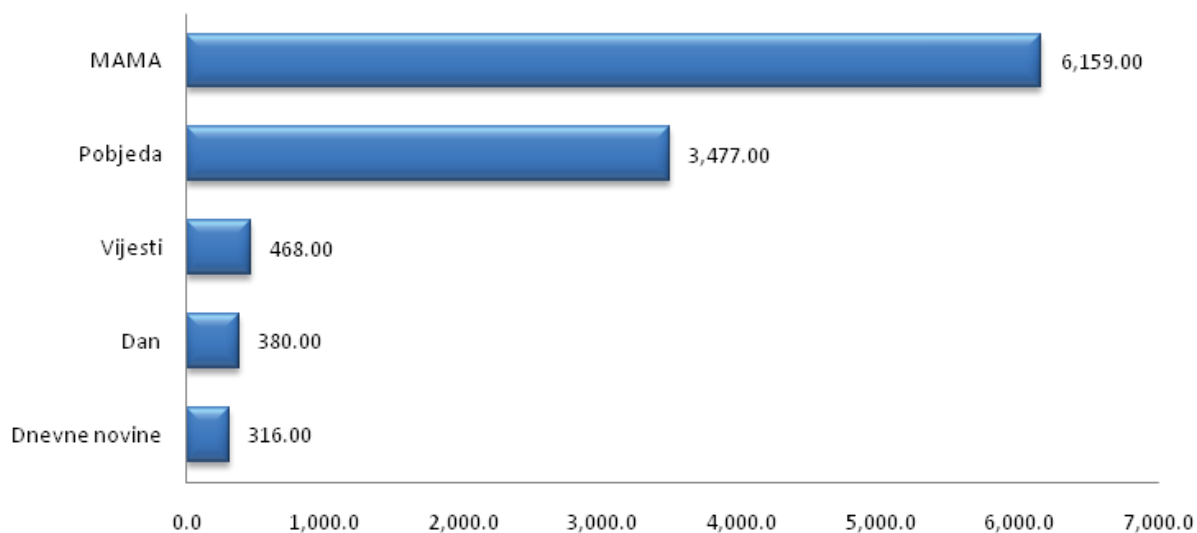
Graph 34: Structure of expenses of MFAEI in EUR amounts

Total expenses of the **Ministry of Science** amounted to 3,665.00 EUR.



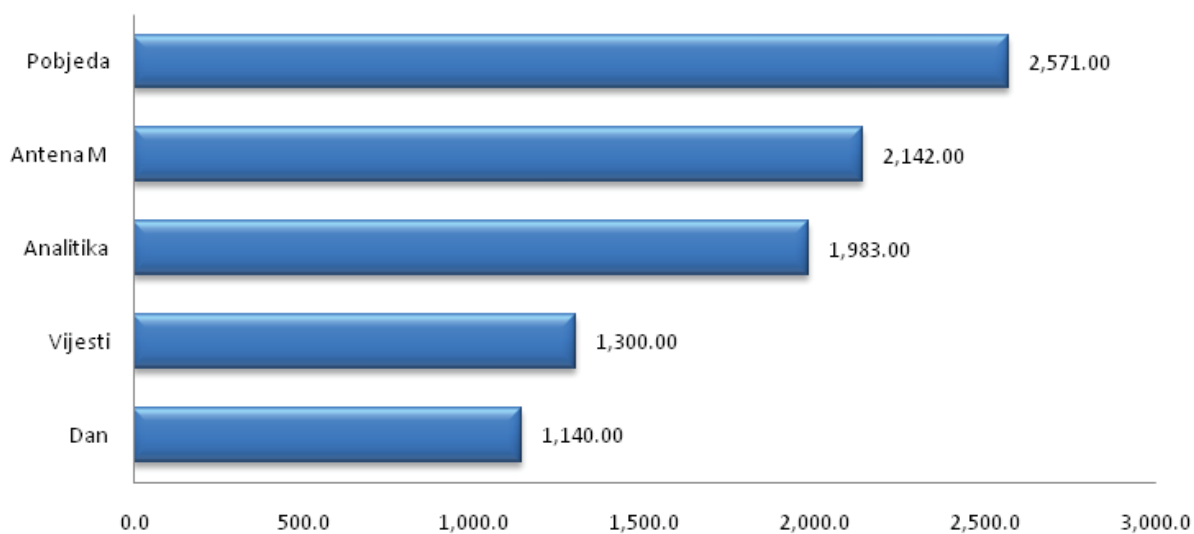
Graph 35: Structure of expenses of the Ministry of Science in EUR amounts

The total amount **Ministry of Culture** allocated in 2013 was 10,800.00 EUR.



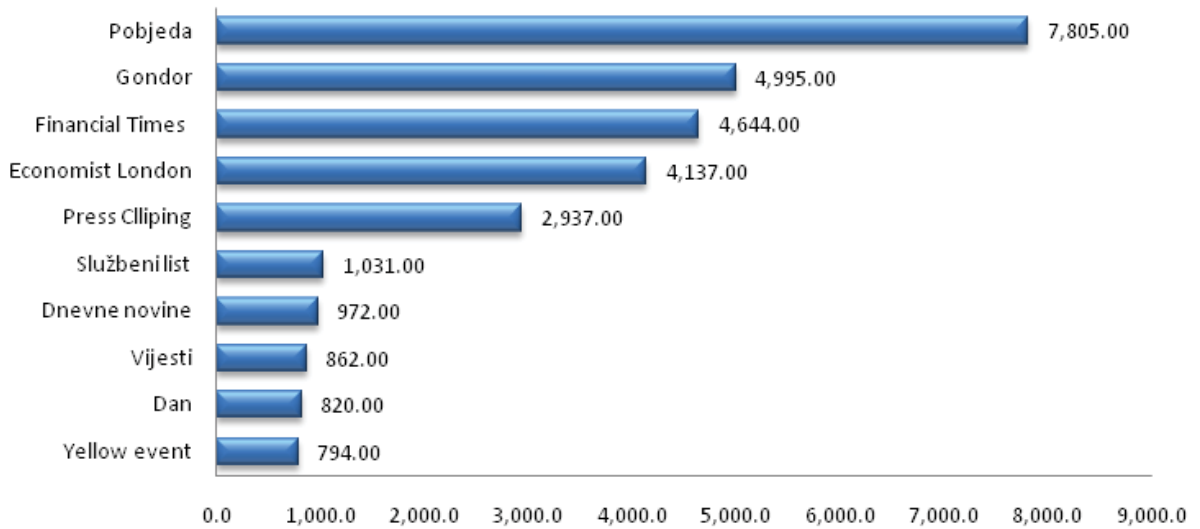
Graph 36: Structure of expenses of the Ministry of Culture in EUR amounts

Total amount spent by the **Ministry for Information Society and Telecommunication** was 9,136.00 EUR.



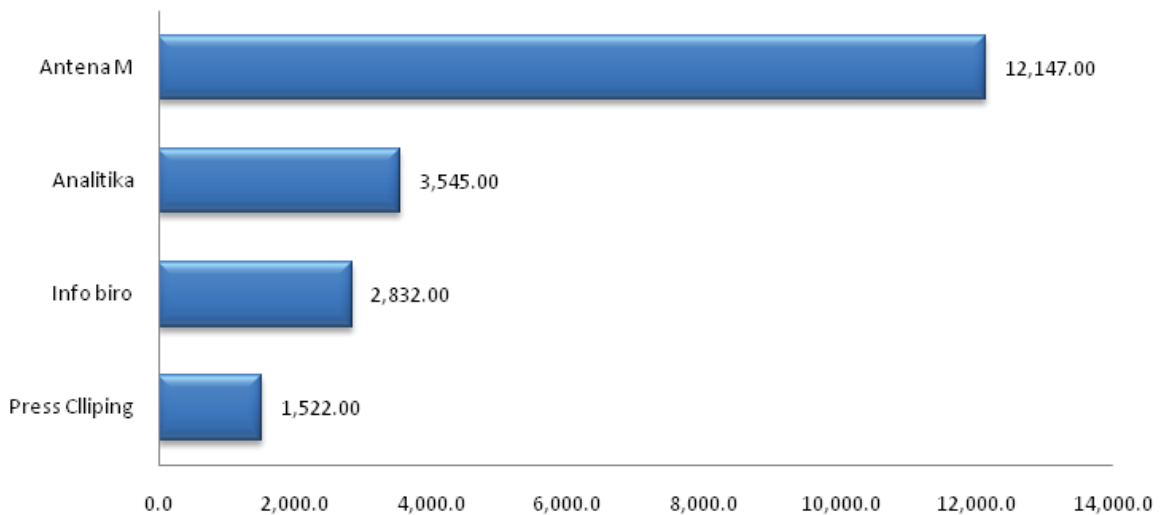
Graph 37: Structure of expenses of the Ministry for Information Society and Telecommunication in EUR amounts

The total amount **Ministry of Economy** spent for media, news agencies and portals, marketing agencies and production companies was 28,996.00 EUR.



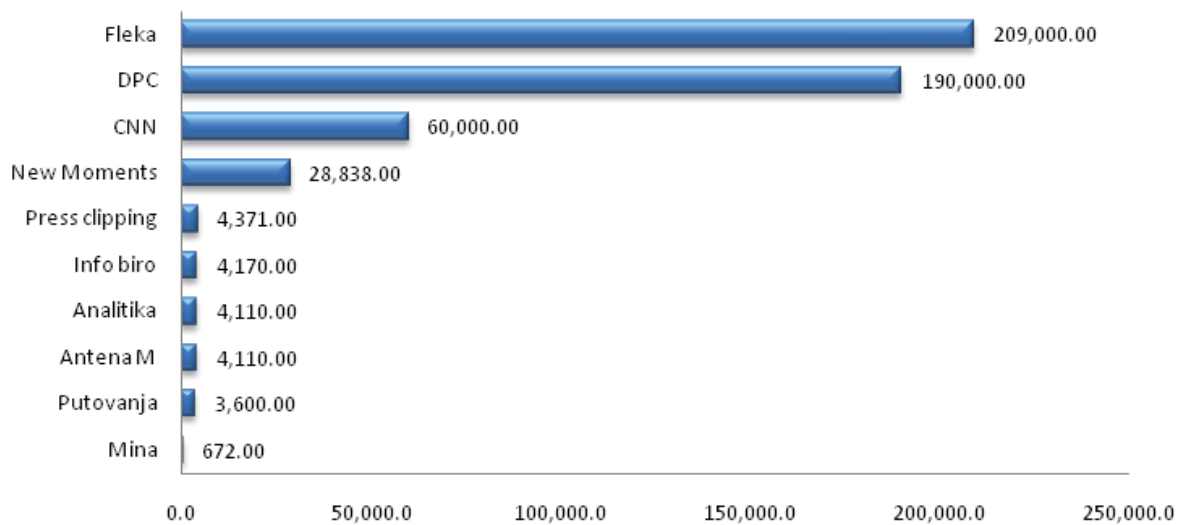
Graph 38: Structure of expenses of the Ministry of Economy in EUR amounts

The total expenses of the **Ministry of Transport and Maritime Affairs** were: 20,046.00 EUR.



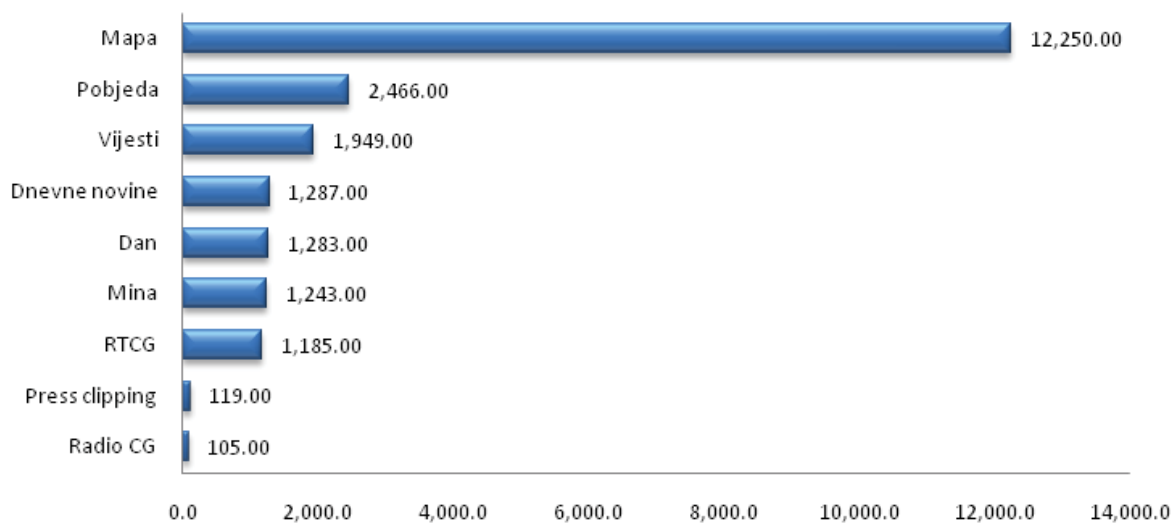
Graph 39: Structure of expenses of the Ministry of Transport and Maritime Affairs in EUR amounts

As in previous years, in 2013 the **Ministry of Sustainable Development and Tourism** had the largest expenses for this purpose in the total amount of 509,231.00 EUR.



Graph 40: Structure of expenses of the Ministry of Sustainable Development and Tourism in EUR amounts

Ukupan iznos uplaćen medijima, informativnim agencijama i portalima, marketinškim agencijama i produkcijskim kućama od strane Ministarstva za ljudska i manjinska prava je 21.886.00 EUR.



Graph 41: Structure of expenses of the Ministry for Human and Minority Rights

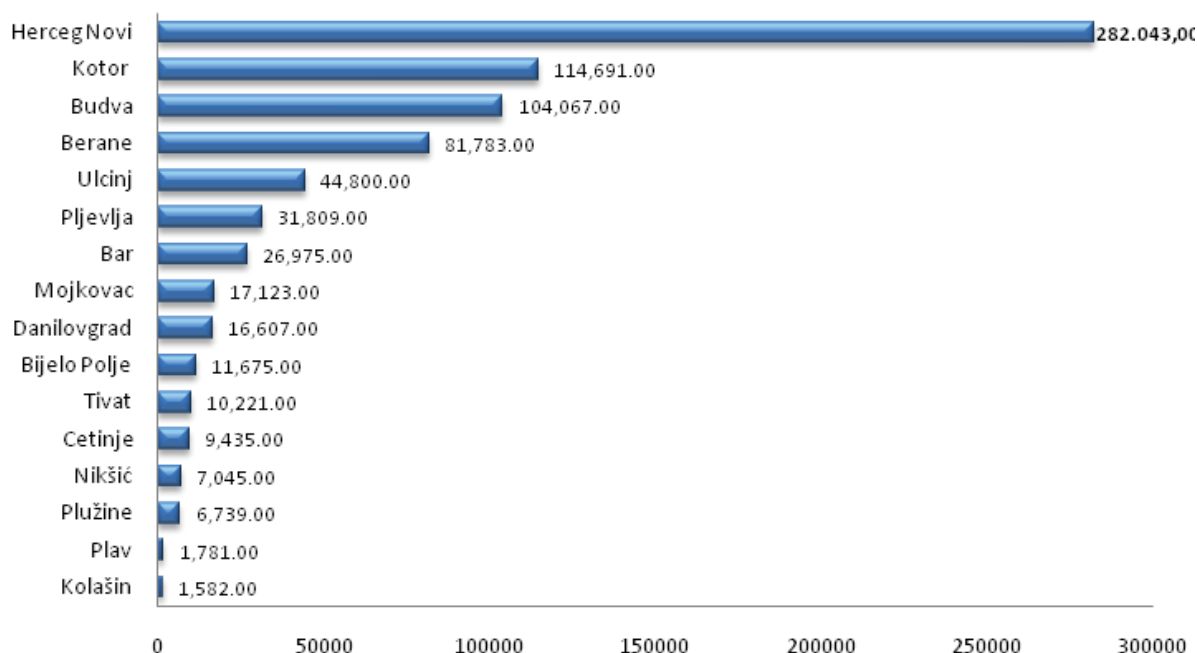
The Ministry of Health has spent only 1,400.00 EUR and the entire amount was paid to daily “Pobjeda”.

Ministry of Labor and Social Welfare has spent 2,832 EUR and the entire amount was paid to the company Media monitors.

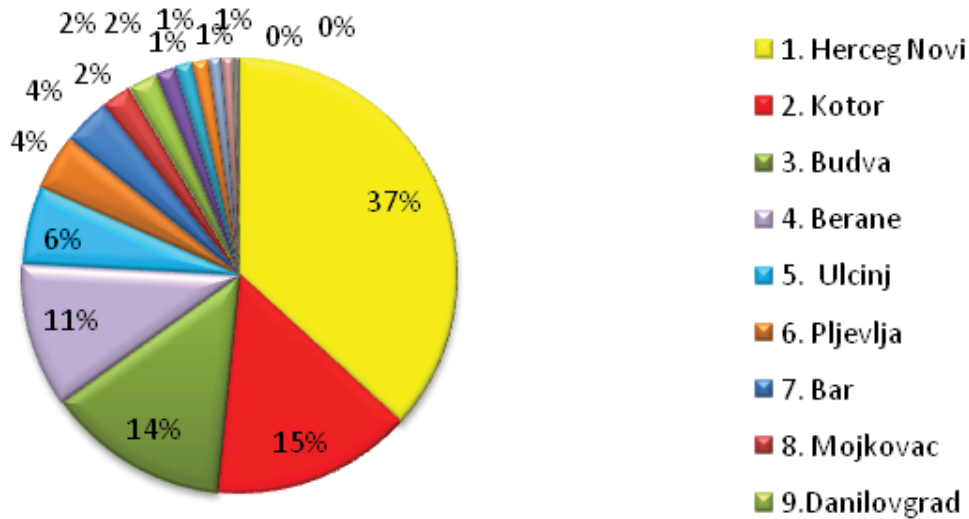
Local self-governments

Significant funds for the purpose of marketing and advertising were allocated from the budget of local self-governments. The total amount was **768,374.00 EUR**. Out of 22 municipalities in Montenegro, 21 gave a positive response and submitted requested information. Submitted information significantly varied in the structure, which indicates municipalities differently interpret the Law on Free Access to Information. An example of this is municipality Bar, which has submitted only a general amount, without an explanation of the grounds for payment or subjects that received payment. The total amount allocated by Municipality Bar was 26,975.00 EUR. However, due to lack of precise information the structure of costs cannot be provided. **The only local self-government which did not submit the requested information was Capital city Podgorica.**

Municipalities that did not have expenses on these grounds in 2013 are: Andrijevica, Petnjica, Rožaje, Šavnik and Žabljak.

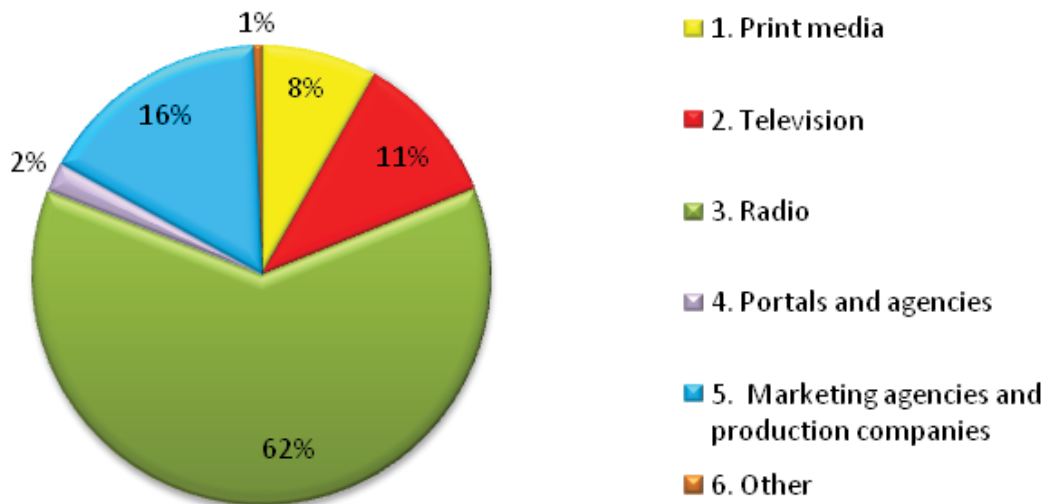


Graph 42: Expenses by municipalities which had costs in EUR amounts



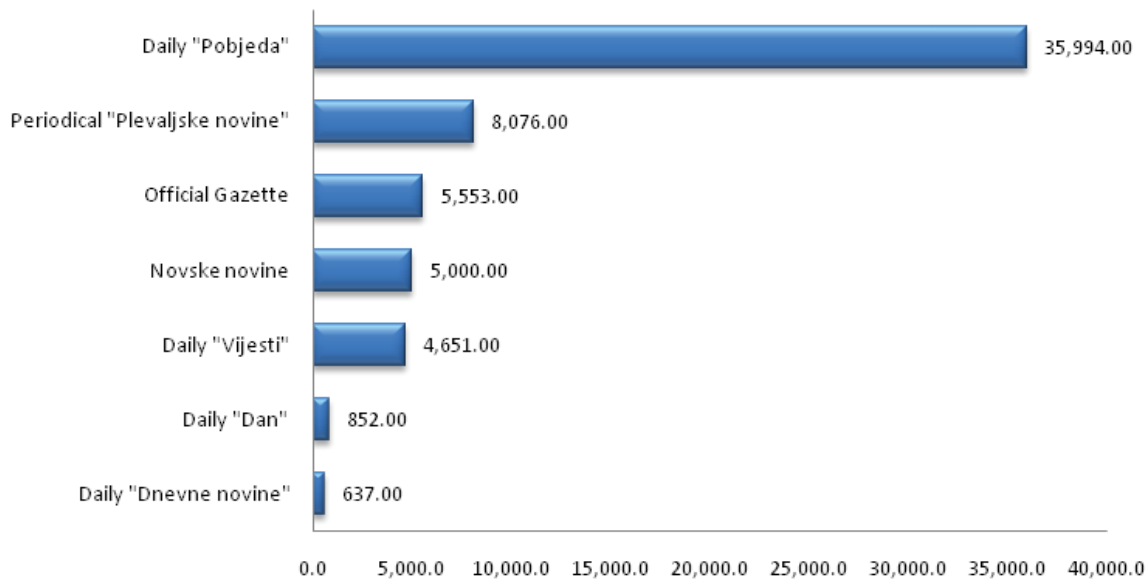
Graph 43: Expenses by municipalities which had costs expressed in percentages

The total amount was spent in the following manner: for print media expenses amounted to **60,764.00 EUR or 7.09%**, for TV - **79,268.00 EUR or 10.3%**, for radio stations - **460,027.00 EUR or 59.9%**, for portals and news agencies - **15,514.00 EUR or 2%**, whereas for marketing agencies and production companies - **121,723.00 EUR or 15.9%**. For items that fall into the category “Other” total of **4,103.00 EUR or 0.5** has been allocated.

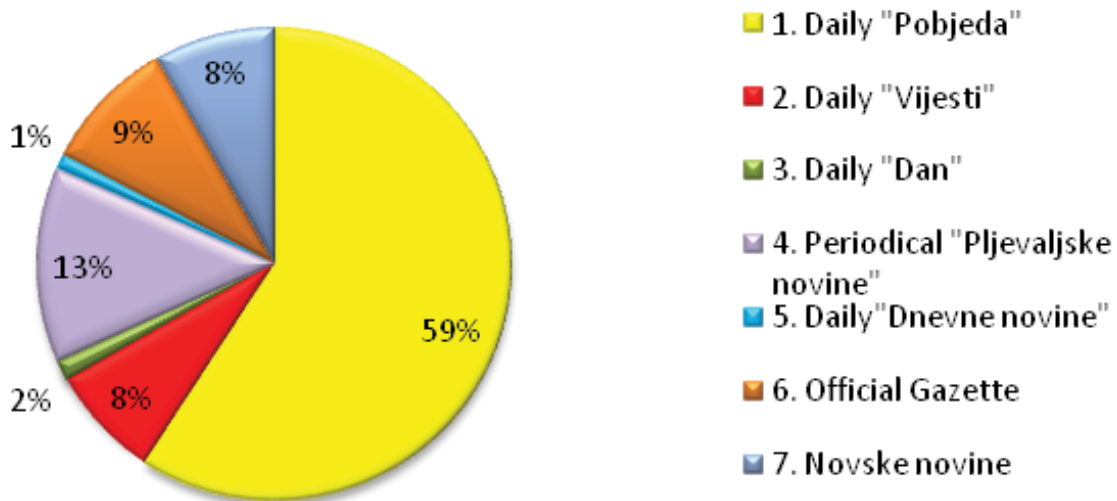


Graph 44: Expenses by municipalities by categories expressed in percentages

As mentioned above, print media received **60,764.00 EUR** in total from municipalities which provided information.

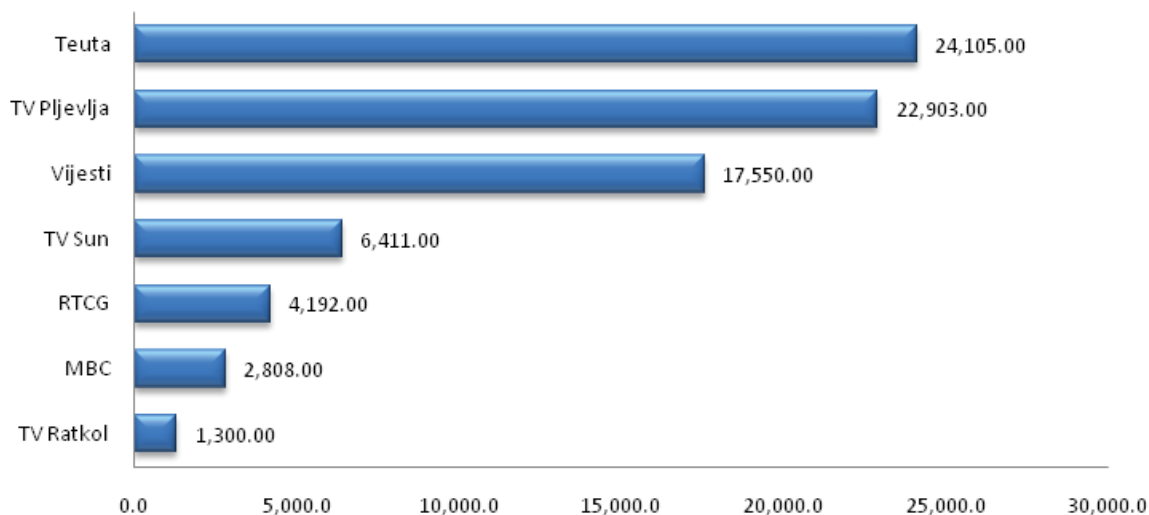


Graph 45: Structure of print media in which municipalities invested funds in EUR amounts

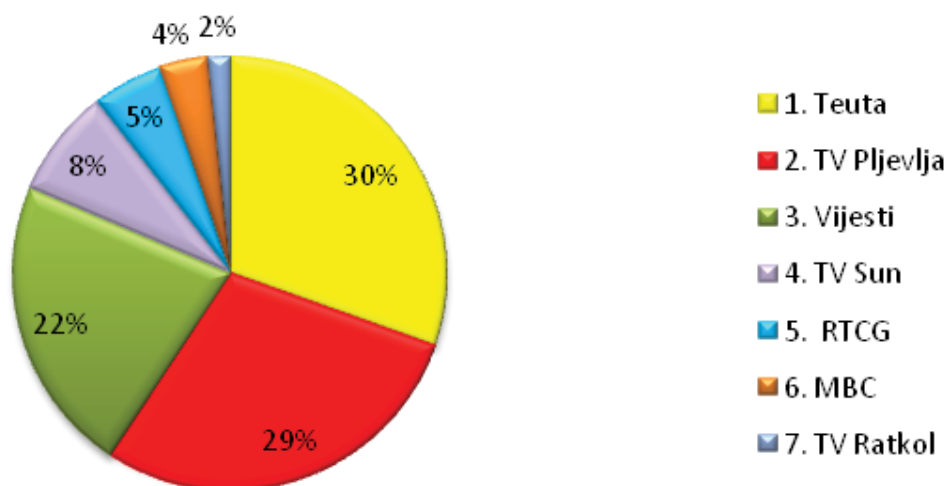


Graph 46: Structure of print media in which municipalities invested funds expressed in percentages

When it comes to financing of television stations by local self-governments, totally allocated amount was **79,268.00 EUR**.



Graph 47: Structure of TV stations in which municipalities invested funds in EUR amounts



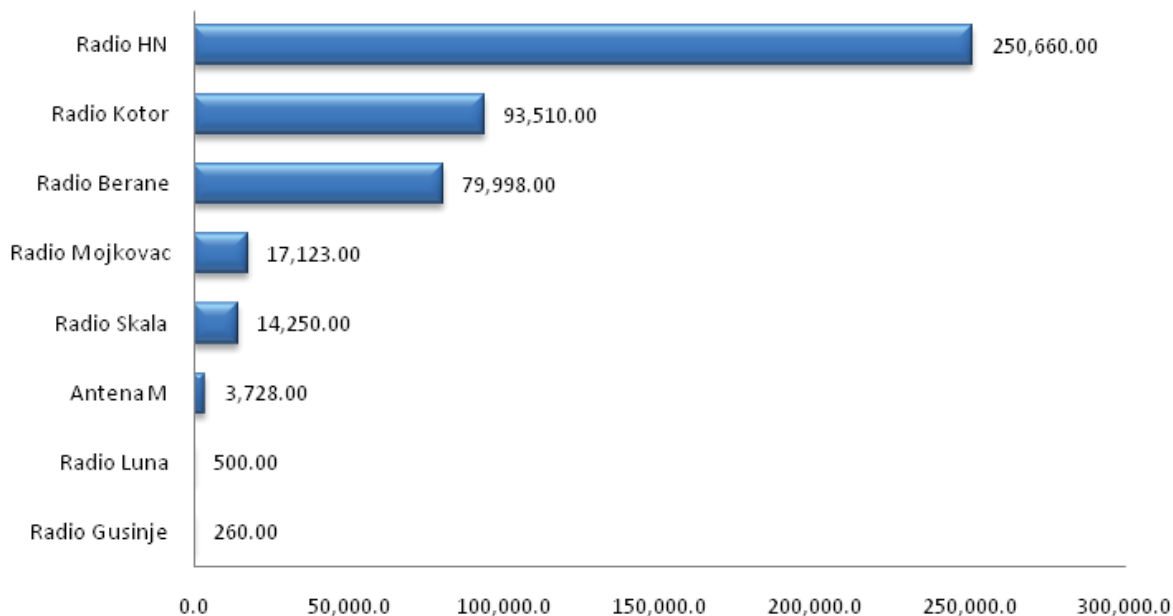
Graph 48: Structure of TV stations in which municipalities invested funds expressed in percentages

In order to get a better overview of allocations by municipalities, it should be noted that mostly funds were paid to local TV stations, from the budget of the municipality in whose territory the program is broadcasted. Thus, the entire amount paid to TV Teuta was paid from the local budget of municipality Ulcinj, to TV Pljevlja from the local budget of municipality Pljevlja, to TV Ratkol from the budget of municipality Kolašin, to TV Sun from the budget of municipality Bijelo Polje.

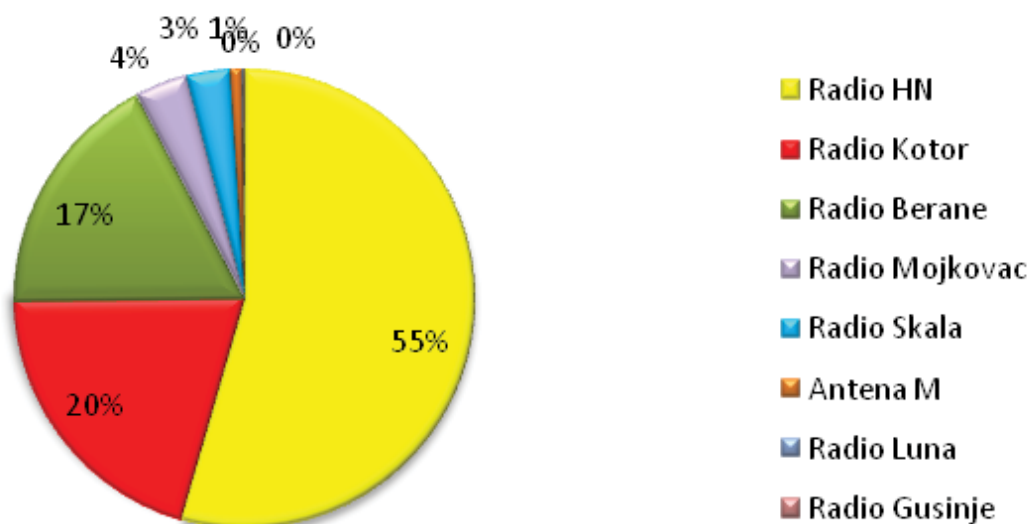
The amount allocated for RTCG was paid from the budget of municipality Nikšić, MBC was paid from the budget of municipality Tivat, and TV Vijesti from the budget of municipality Budva.

The total amount allocated from budget of local self-governments for radio stations amounted to **460,027.00 EUR**.

Below is a table presenting radio stations which received funds during 2013.

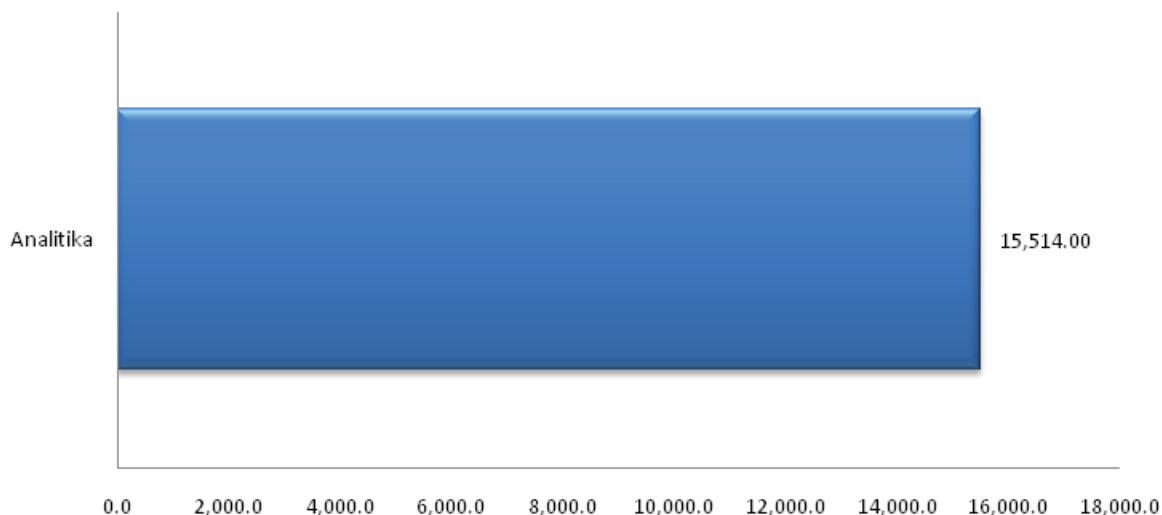


Graph 49: Structure of radio stations in which municipalities invested funds in EUR amounts



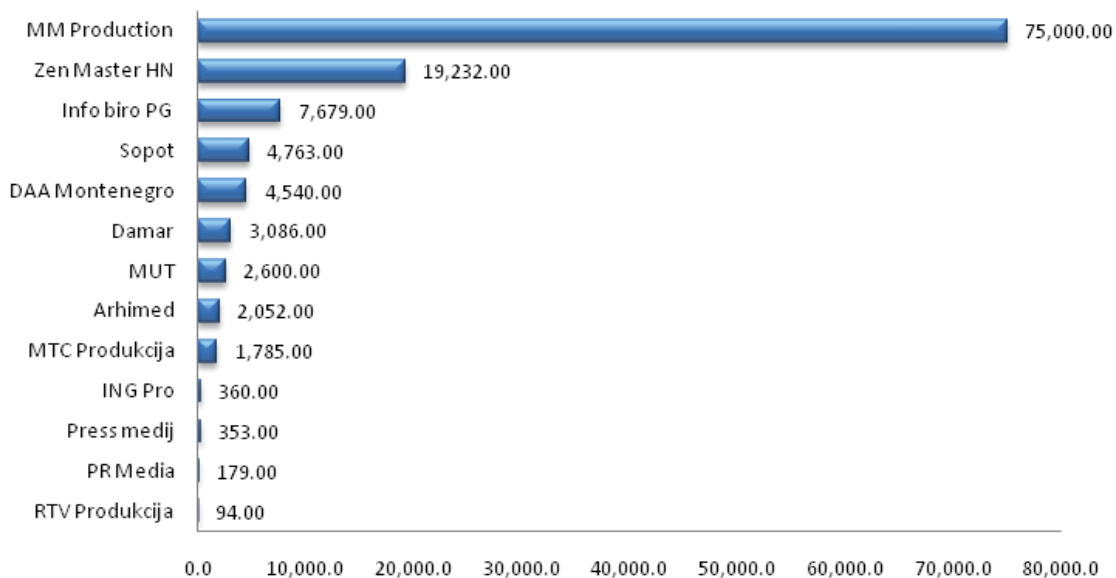
Graph 50: Structure of radio stations in which municipalities invested funds expressed in percentages

As was the case with distribution of funds from the budgets of local self-governments for television stations, similar situation is noticeable as regards financing of radio stations. The amounts are significantly different and we could not find logic behind the reason for such distribution of funds to radio stations. Thus, full amount listed in the table for radio Kotor was paid out of budget of this municipalities and the same municipality paid the total amount presented in the table to radio Skala. As regards the funds allocated for radio Berane and Mojkovac, these funds were also paid from local municipal budgets. Municipality Tivat paid funds to radio Antena M, municipality Plav financed radio Luna and radio Gusinje.



Graph 51: Payments to portals and news agencies by municipalities in EUR amounts

In relation to the portals and news agencies, municipalities only showed interest in portal Analitika and allocated funds for it. Municipalities did not pay money to other agencies or portals. The amount paid was paid by the following municipalities: Bijelo Polje, Budva, Danilograd, Kotor and Tivat.



Graph 52: Payments to marketing agencies and production companies by municipalities

Marketing agencies and production companies have earned a total of 121,723.00 EUR from the budget of Montenegrin municipalities. Viewed by municipalities, the biggest amount was allocated by municipality Budva and the total amount was for MM Production. Additionally, municipality paid funds to Info biro Montenegro and Arhimed Podgorica. This makes it the largest consumer when it comes to this category,

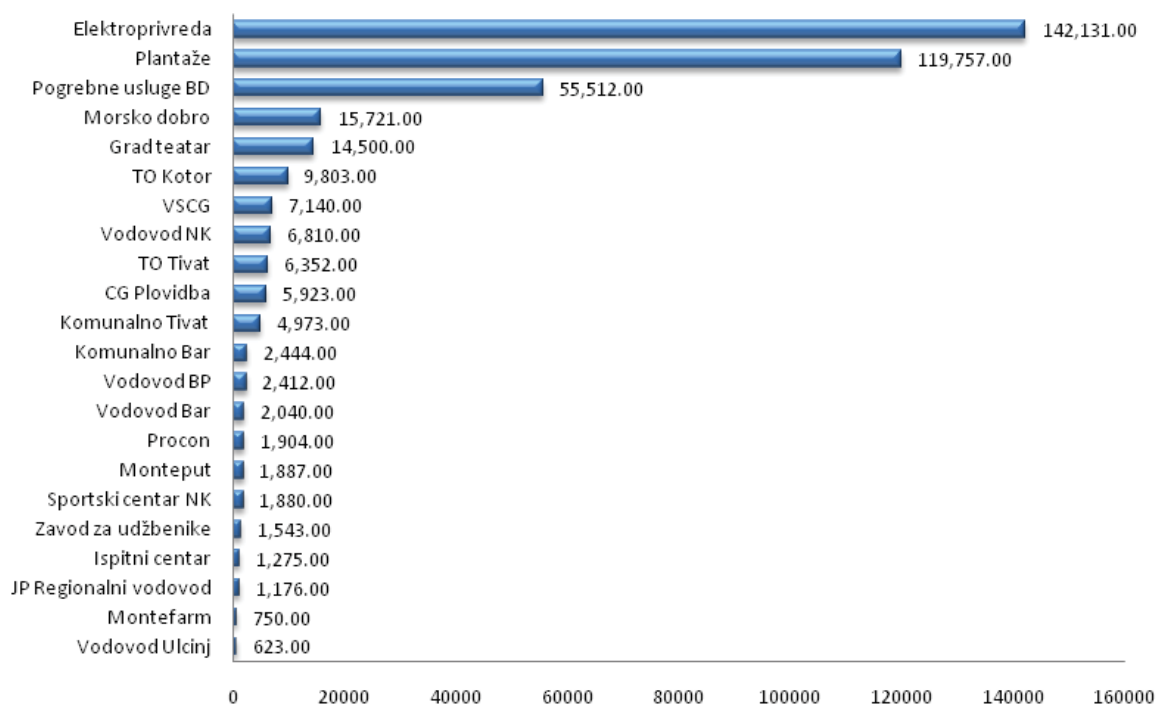
with total expenditures amounting to 81,732.00 EUR. Municipality Herceg Novi is the following with 21,549.00 EUR. The funds have been paid to Zen Master Production, Damar plus agency, MTC production, Press media, PR Media production and RTV production and this municipality fully covered the amounts presented in the table. DAA production received full amount from the Old royal capital Cetinje, and this municipality also gave funds to Info biro Montenegro. Other municipalities allocated significantly lower amounts.

In the category “Other” (which includes legal and natural persons which cannot be classified in any of the above categories), according to data submitted to CCE and publically available information, municipalities have spent a total of 4,103.00 EUR. The biggest part of this amount was paid by municipality Herceg Novi in the amount of 2,355.00 EUR and the total amount was paid to the company S Press Montenegro. The same company received a payment from municipality Plav in the amount of 716 EUR. Other amounts are of low value and will not be separately listed.

Public institutions and public enterprises

This term shall mean public institution and business entities with majority holding of the state or municipality. This research conducted by CCE included 148 subjects.⁶⁹ Of this number, positive response to the request in line with the Law on Free Access to Information was received from 70 or 47.3 %. On the other hand, 68 public institutions and enterprises did not respond to the request in spite of the efforts of the research team of CCE, which during these 9 months of data collection repeatedly contacted these institutions and enterprises. However, this did not provide any results. The remaining 10 subjects rejected the request assessing it to be unfounded, which is a paradox, if we take into consideration the percentage of positively solved requests, sent on the same grounds, to entities of the same system.

The subject of further analysis of collected data will be only those public institutions and enterprises which have provided requested information, and which had expenditures for media, advertising agencies, public relations agencies, agencies for public opinion researches and production companies on the basis of contracts for services, specialized services, or if the funds have been paid to them on any other basis during 2013. There are 33 public institutions and enterprises, and total expenditures on the aforementioned basis amount **383,549.00 EUR**.

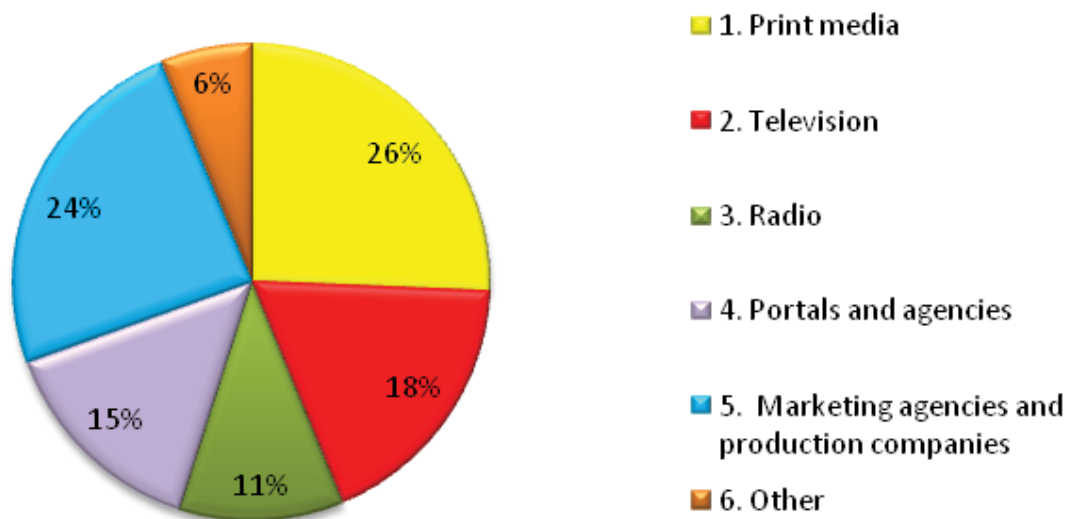


Graph53: Expenses of covered public institutions and enterprises⁷⁰

⁶⁹ Encloses is the list of all public institutions and companies that were the subject of research, as well as the list of those who responded positively and negatively to the request.

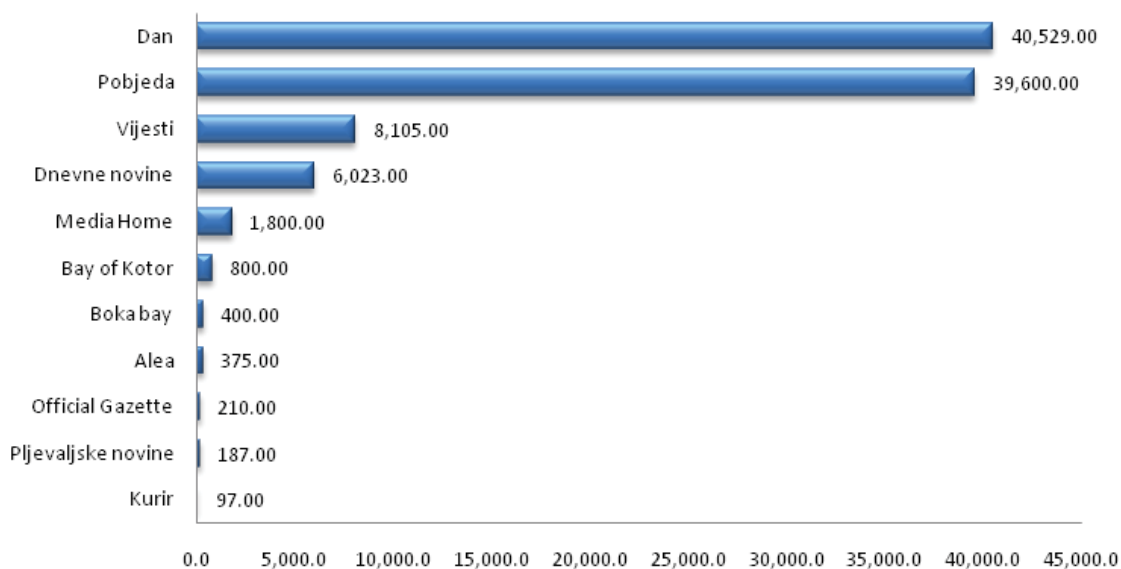
⁷⁰ Due to big number of subjects, graphically represented will only be those public institutions and companies which have spent more than 500 EUR annually

The total amount was spend in such a manner that: print media received **98,126.00 EUR or 25.6%**, TV stations received **69,163.00 EUR or 18%**, radio stations received **42,933.00 EUR or 11.1%**, portals and news agencies received **55,561.00 EUR or 14.4%**, and media agencies and production companies got **93,007.00 EUR or 24.2%**. For items that fall into the category “Other” total expenditures amounted to **23,759.00 EUR or 6.2%**.

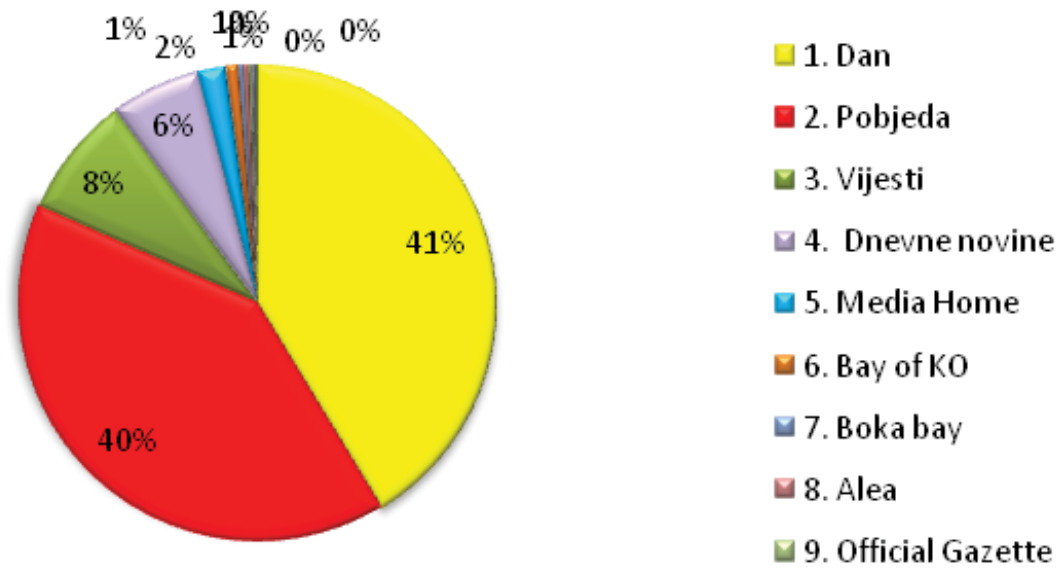


Graph 54: Structure of expenses of processed public institutions and enterprises

The total amount allocated for print media was 98,126.00 EUR.



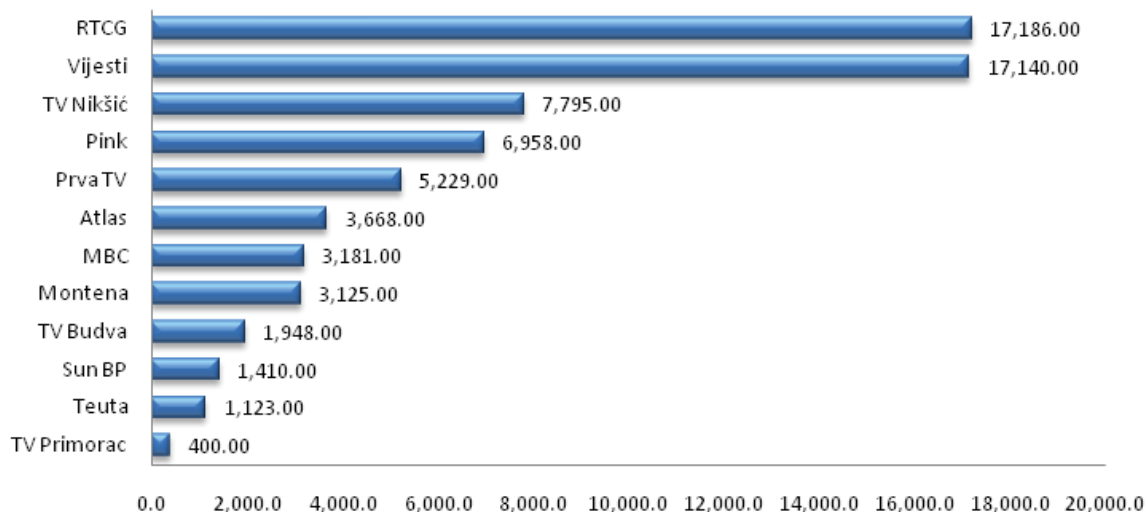
Graph 55: Structure of print media which received funds from processed public institutions and enterprises in EUR amounts



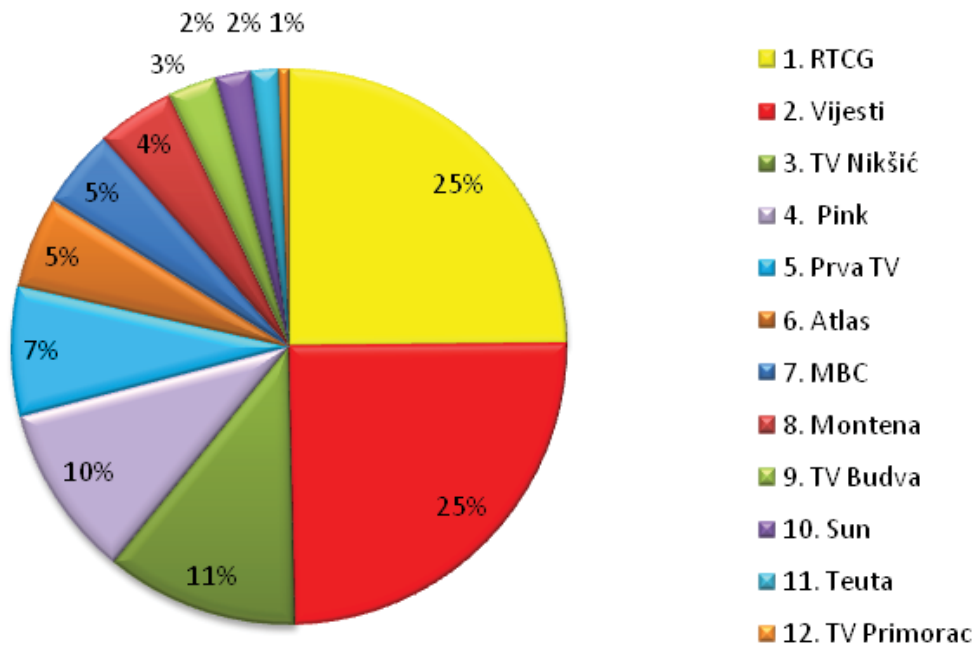
Graph56: Structure of print media which have received funds from processed public institutions and enterprises expressed in percentages

Due to the significant difference in the amount it should be noted that daily “Dan” and “Pobjeda” received the biggest portion of funding from PE Pogrebne usluge Budva (funeral-related services) in the following manner: daily “Dan” received 32,484.00 EUR, and daily “Pobjeda” got 22,536.00 EUR. The difference to the full amount was paid by Elektroprivreda Crne Gore (electric company), which has paid for more than 90% of the amount for daily “Vijesti” and the total amount of “Media Home” magazine.

When it comes to financing of television stations by public institutions and enterprises, total amount of paid funds was **69,163.00 EUR**.



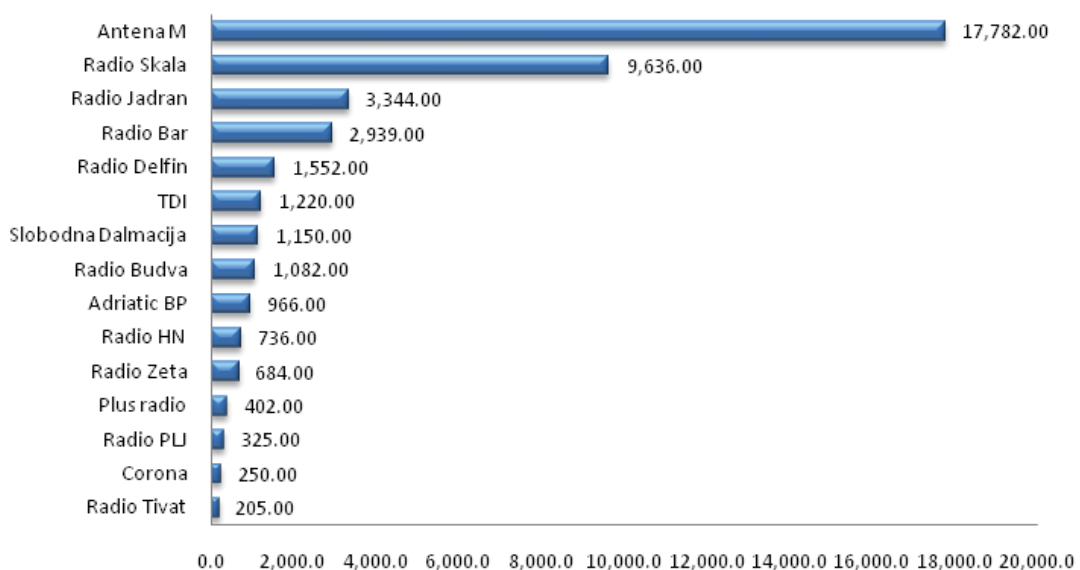
Graph 57: Structure of television stations which have received funds from processed public institutions and enterprises in EUR amounts



Graph 58: Structure of TV stations which received funds from public institutions and enterprises expressed in percentages

The largest portion of the total amount spend on TV, or more than 80% was paid by Elektroprivreda (electric company), amounting to 47,845.00 EUR. The distribution of money is balanced between subjects and all TV stations received a portion of the funds. The following by cost is Water Polo Association of Montenegro with 7,140.00 EUR, and the whole amount was paid to RTCG, then Vodovod Nikšić (Waterworks Company) with 5,411.00 EUR, and the entire amount was paid to TV Nikšić, then Plantaže (Plantations) with 3,925.00 EUR, and this amount was divided between RTCG, Vijesti and Pink M. The rest are amounts of smaller value and paid to accounts of several subjects.

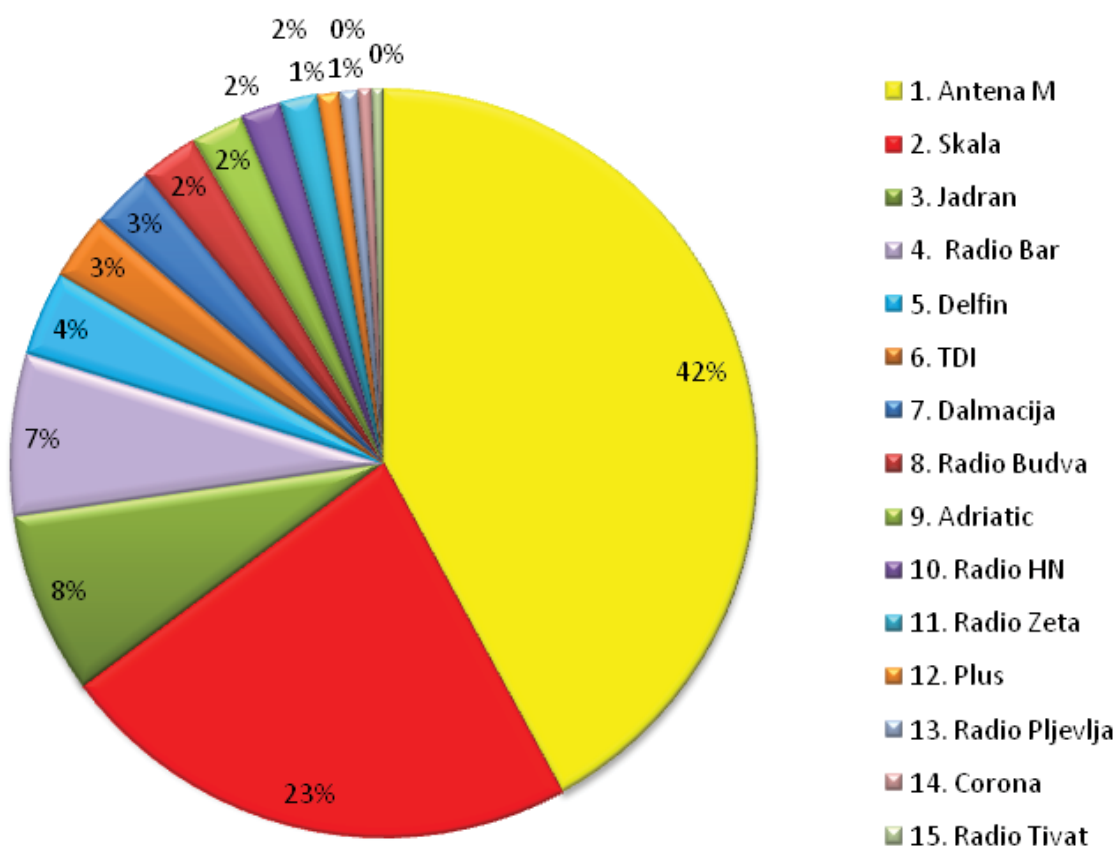
Public institutions and enterprises paid to radio stations a total of **42,933.00 EUR**.



Graph 59: Structure of radio stations that profited from public institutions and enterprises in EUR amounts

The difference between the total amount and the sum of the amounts in the table is present because the table does not provide the list of radio stations that received less than 200 EUR.

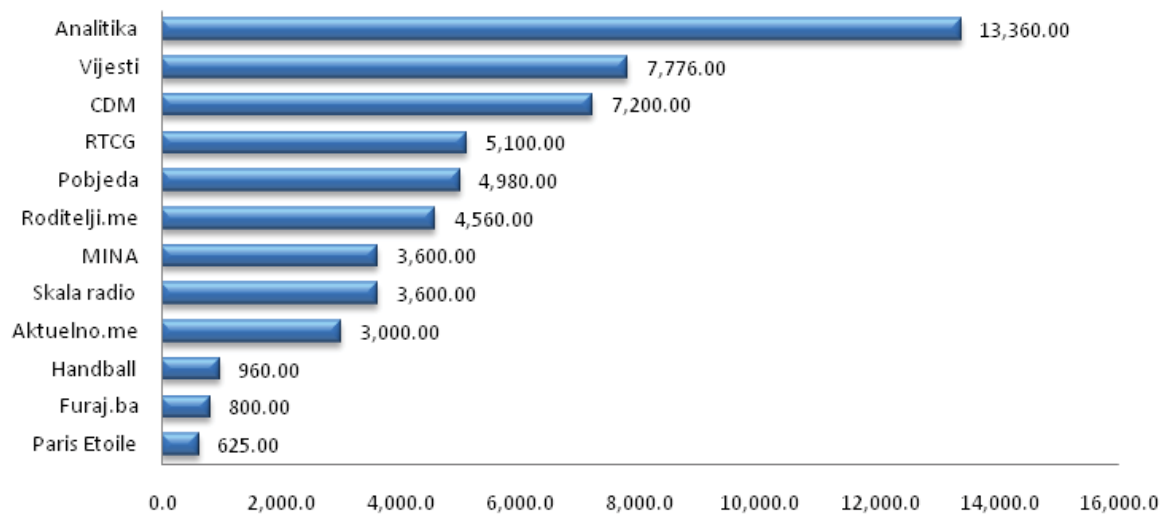
Elektroprivreda (electric company) of Montenegro paid the biggest amount to radio stations as well. Thus, Antena M received 12,500.00 EUR, whereas other radio stations got less than 1,000.00 EUR. Antena M also received a payment from Morsko dobro (Public Enterprise for Coastal Zone Management) in the amount of 4,212.00 EUR. Radio Skala received 3,236.00 EUR from the same enterprise. The remaining portion of the amount was made from Tourist Organization Kotor amounting to 3,600.00 EUR and from Crnogorska plovidba AD Kotor. Other radio stations have received smaller amounts from different public institutions and enterprises.



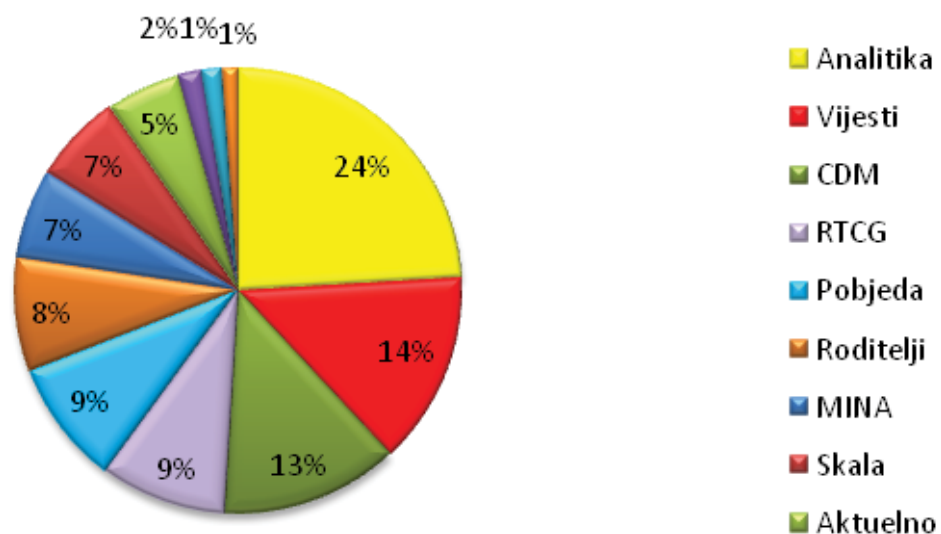
Graph 60: Structure of radio stations that profited from public institutions and enterprises expressed in percentages

Portals and news agencies

Total amount paid to portals and news agencies by public institutions and enterprises in 2013 amounted to 55,561.00 EUR.



Graph 61: Structure of portals and news agencies that profited from public institutions and enterprises in EUR amounts

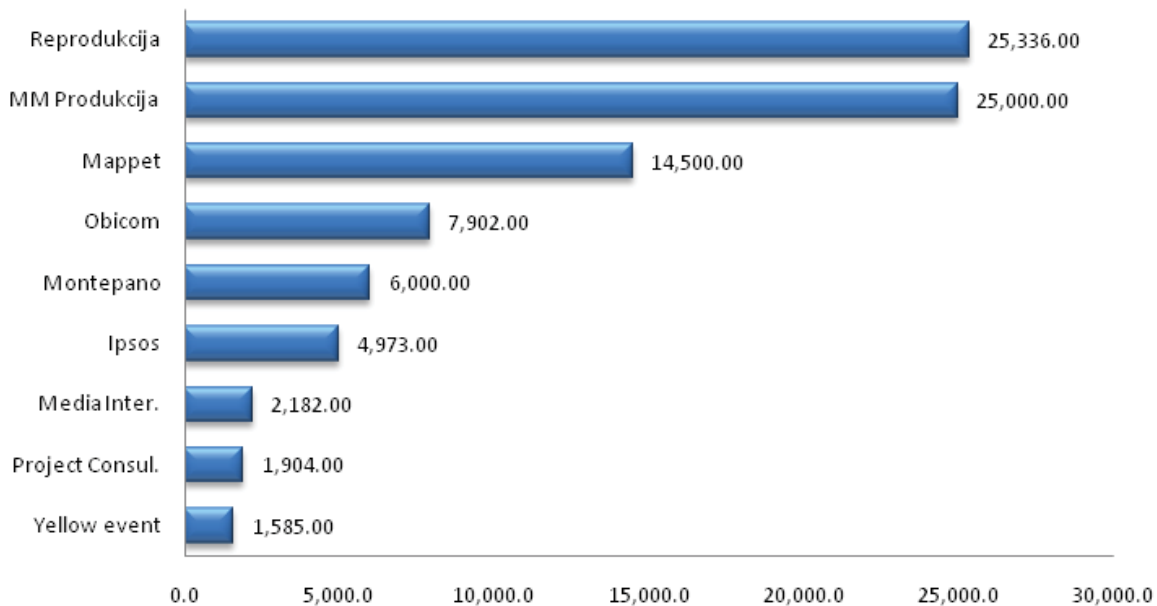


Graph 62: Structure of portals and news agencies that profited from public institutions and enterprises expressed in percentages

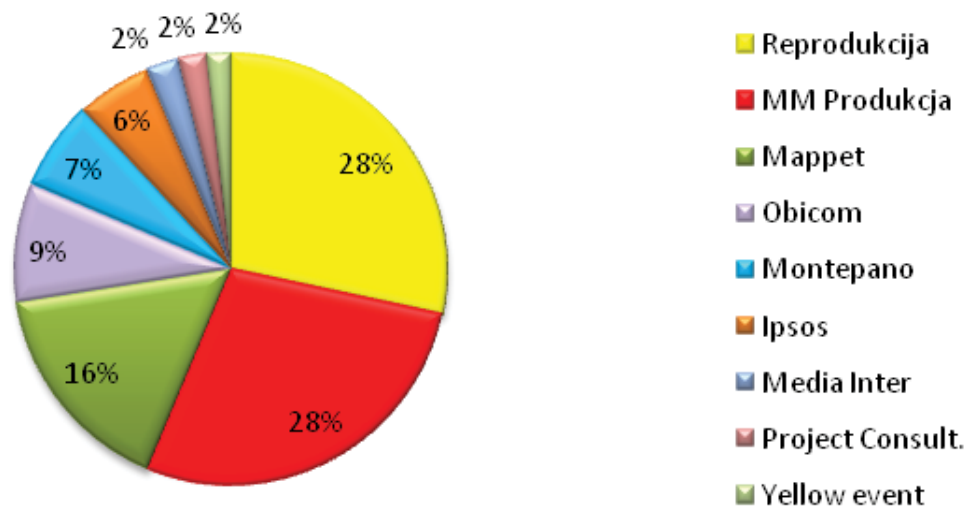
The first on the list by payments is Analitika which received the largest portion of funds from Elektroprivreda (electric company) of Montenegro in the amount of 8,760.00 EUR and Monteput in the amount of 1,500.00 EUR. Then, the total amount paid to portal Vijesti was paid by Elektroprivreda of Montenegro, and the situation is the same with portals RTCG and Cdm, Pobjeda, Roditelji, portal Skala radio and MINA.

The total amount paid to marketing agencies and production companies by public institutions and enterprises in 2013 amounted to 93,007.00 EUR. Below is presented the structure of expenses, and the table only includes the subjects which received payments in excess of 1,000 EUR.

Marketing agencies and production companies



Graph 63: Structure of marketing agencies and production companies which received payments from public institutions and enterprises in EUR amounts



Graph 64: Structure of marketing agencies and production companies which received payments from public institutions and enterprises expressed in percentages

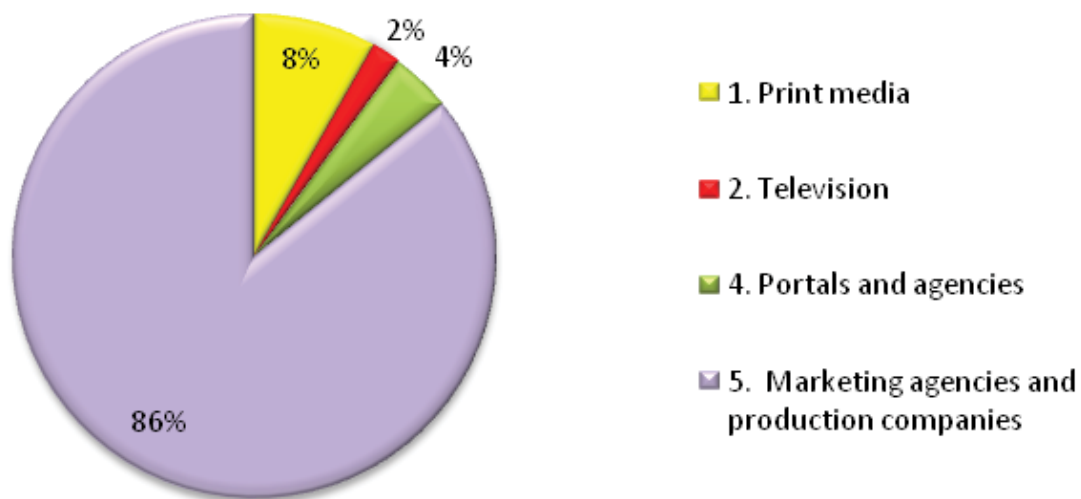
Total amounts which relate to marketing agencies and production companies: Reprodukcija, MM Production, Obicom, Montepano, Media International, Yellow event have been paid by Plantaže „13. Jul” (Plantations). The Theatre City of Budva paid an entire amount to Mappet production. Ipsos strategic received the entire amount by Vodacom from Tivat. Project Consulting made profit from Procon from Podgorica. All other amounts lower than 1,000 EUR have been paid from the budget of Plantaže „13 Jul”.

In the category of „Other” total amount paid was 23,759.00 EUR. Bigger portion of this amount was paid to VD Commerc, in the amount of 10,564.00 EUR and SZR Boje in the amount of 3,120.00 EUR by Plantaže „13 Jul”. Veri Veroza earned 4,700.00 EUR from Tourist Organization of Tivat. Other amounts are below 1.000 EUR and have been paid to different legal entities from several public institutions and enterprises.

Parliament of Montenegro

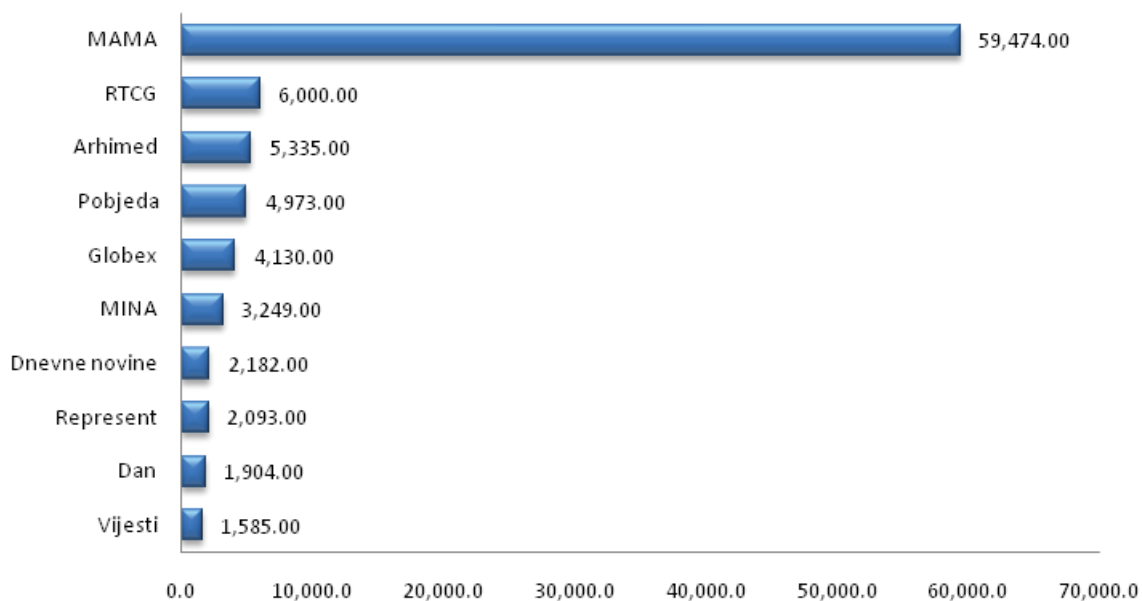
The Parliament of Montenegro spent a total amount of **80,304.00 EUR**. In comparison to previous years this amount has increased. In 2011, on the same grounds the Parliament of Montenegro spent 79,461.18 EUR, while in 2012 the amount was even lower, and it amounted to 63,345.00 EUR.

Aforementioned amount was used in the following manner: print media received **6,556.00 EUR or 8.1%**, TV stations received **1,560.00 EUR or 2%**, there were no costs for radio stations, portals and news agencies received **3,249.00 EUR or 4%** whereas marketing agencies and production companies received **68,939.00 EUR or 85.9%**.

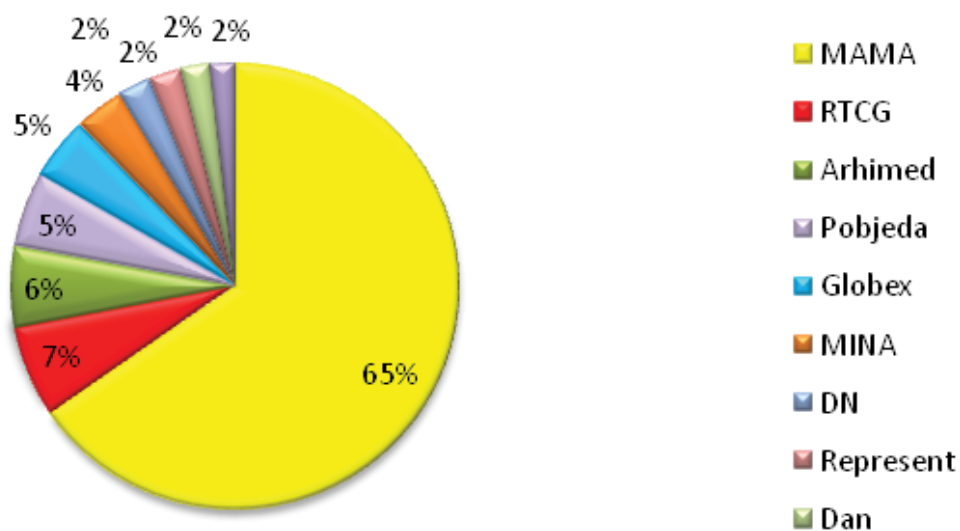


Graph 65: Categories of subjects that received payments from the Parliament of Montenegro expressed in percentages

When it comes to the structure of subjects that received funds, due to their small number, they will be cumulatively presented in one table, without a division by type of the subject.



Graph 66: Structure of subjects that received payments from the Parliament of Montenegro in EUR amounts



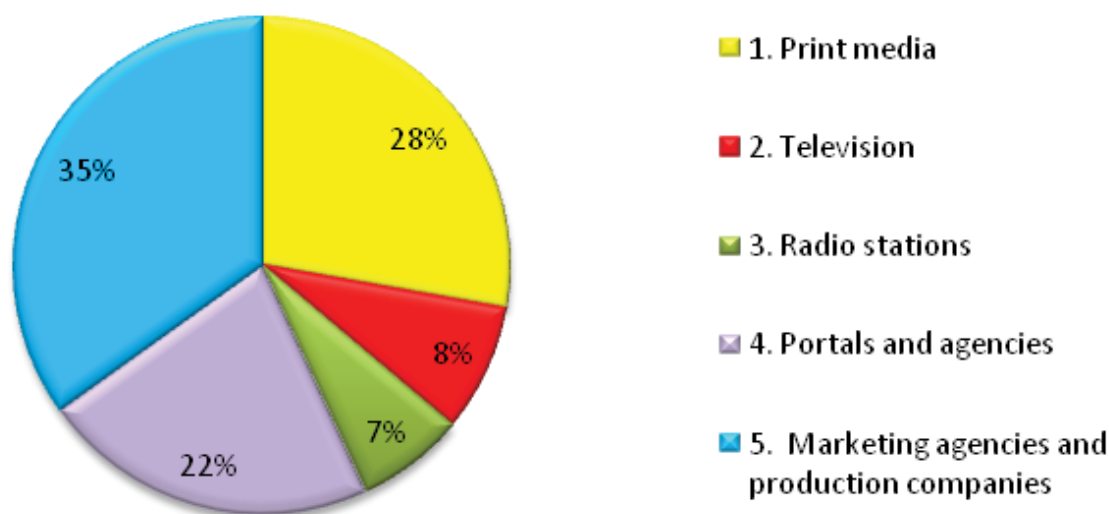
Graph 67: Structure of subjects that received payments from the Parliament of Montenegro expressed in percentages

Agencies

Lack of a systemic law, which would govern agencies and other organizations exercising public authority, results in extreme diversity in their status and functioning, as well as in insufficient control over the legality and effectiveness of their work. The most common organizational forms for performance of duties of public authorities are **agencies, commissions, funds, etc.**

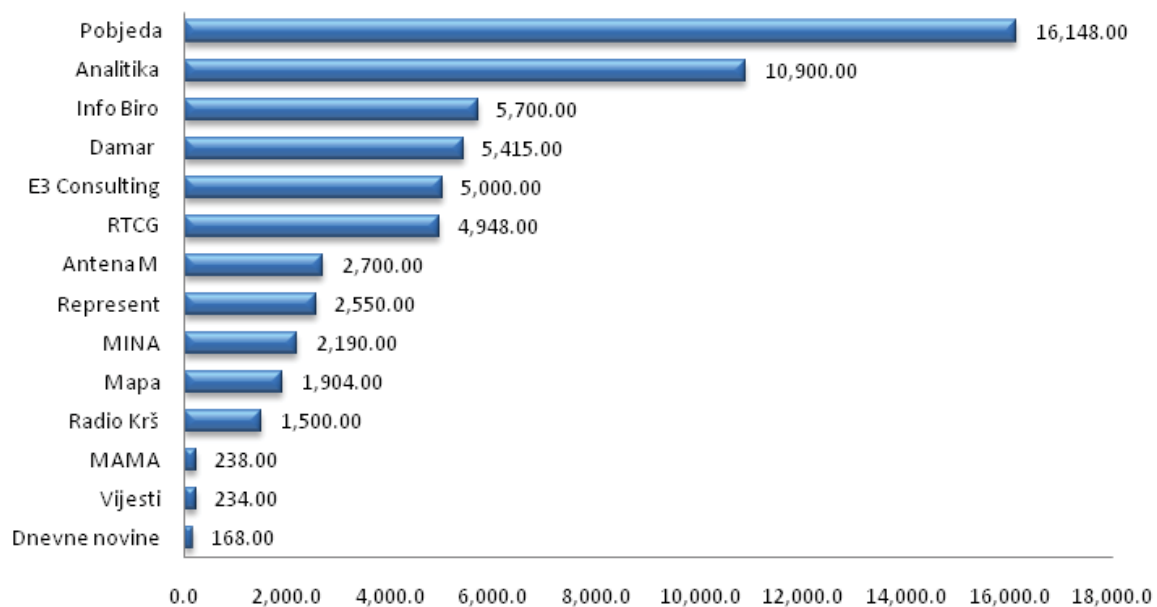
When it comes to the Agencies, finding public information about the number of agencies operating in Montenegro proved to be impossible. According to available data, CCE sent memos to the addresses of 17 agencies, out of which 13 responded positively and submitted the requested information, and of this number 8 had incurred expenses for media services in total amount of **59,596.00 EUR**.

This amount was spent in the following manner: print media received **16,551.00 EUR or 28.8%**, TV stations received **4,948.00 EUR or 8.3%**, radio stations received **4,200.00 EUR or 7.2%**, portals and news agencies received **13,090.00 EUR or 22.8%** and marketing agencies and production companies received **20,807.00 EUR or 36.1%**.

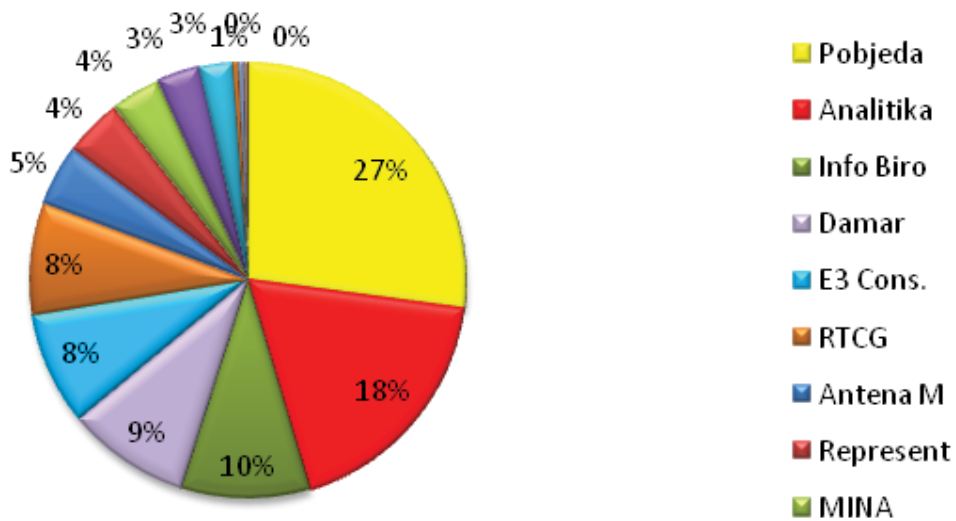


Graph 68: Categories of subjects that Structure of subjects that received payments from independent agencies expressed in percentages

When it comes to the structure of subjects that received funds, due to their small number, they will be cumulatively presented in one table, without a division by type of the subject.



Graph 69: Structure of subjects that received payments from independent agencies in EUR amounts



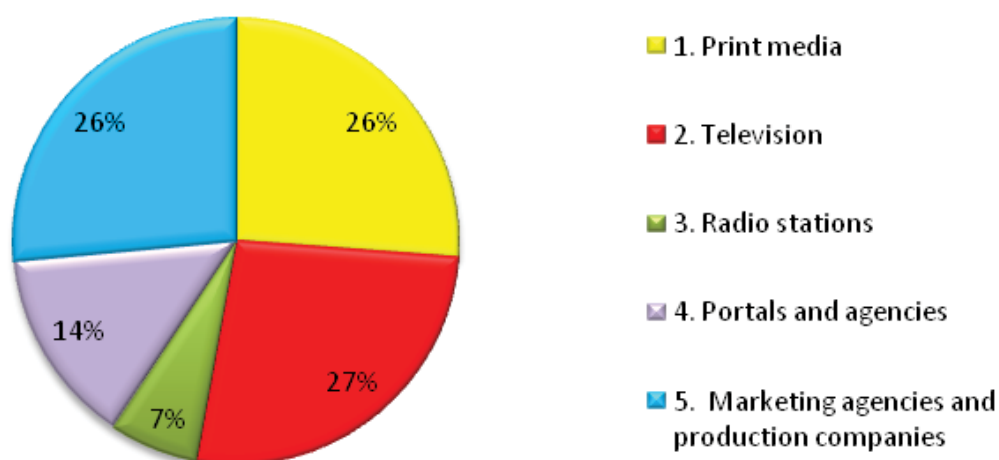
Graph 70: Structure of subjects that received payments from independent agencies in percentages

Independent administrative authorities

The Decree on organization and manner of work of public administration lists under independent administrative authorities: Administrations, Secretariats, Institutes, Directorate and Agency for Environmental Protection, and ministries are in charge of supervision of their work. Research included 35 bodies, and they all positively responded to sent requests, and submitted the requested data. The exception was Public Procurement Administration, which informed researchers that all of the information they need was posted on the website of Administration. Since needed information could not be found on the website researchers informed this body about this fact. In spite of this, the Administration did not provide the requested information. Of bodies involved in the research, 10 of them incurred expenses, and according to submitted data other authorities did not have expenses on this ground.

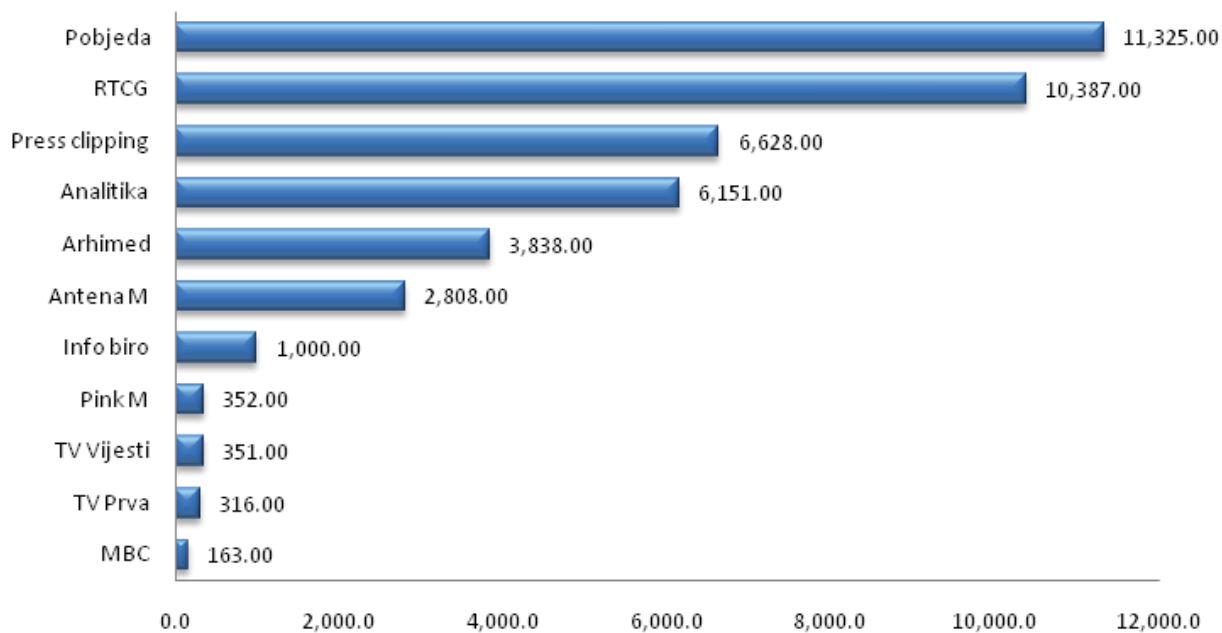
In 2013, independent administrative authorities have spent a total of **43,471.00 EUR**.

This amount was used in the following manner: for print media expenditures amounted to **11,348.00 EUR or 26%**, for TV stations expenditures were **11,569.00 EUR or 26.6%**, for radio stations **2,808.00 EUR or 6.4%**, for portals and news agencies **6,151.00 EUR or 14%** whereas for marketing agencies and production companies the expenditures amounted to **11,466.00 EUR or 26.3%**.

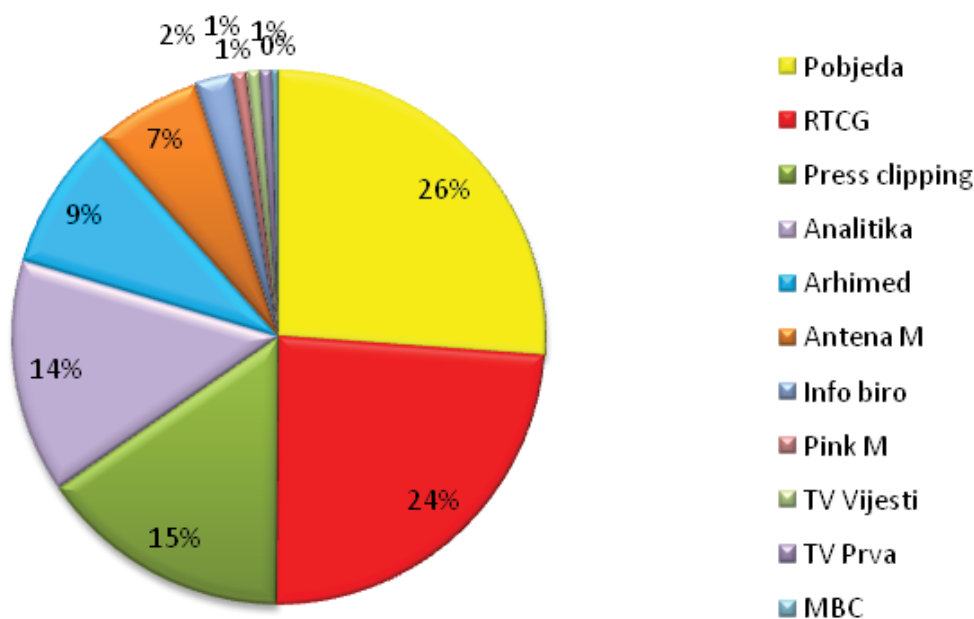


Graph 71: Categories of subjects that received payments from independent administrative authorities expressed in percentages

When it comes to the structure of subjects that received funds, due to their small number, they will be cumulatively presented in one table, without a division by type of the subject.



Graph 72: Structure of subjects that received funding from independent administrative authorities in EUR amounts



Graph 73: Structure of subjects that received funding from independent administrative authorities expressed in percentages

Daily “Pobjeda” is the only print media which received money from independent administrative bodies, and at the same time it is the subject with most revenues in relation to others. The structure of bodies that paid services to this media is the following: Forest Administration- 7,135 EUR, Agency for Environmental Protection – 3,000 EUR, Tax Administration - 790 and Human Resources Administration- 400.

When it comes to TV, the biggest amount was spent for services of RTCG, and the payments were made

by Tax Administration and Customs Administration, and both paid 5,000 EUR. Smaller amount of 316 EUR was paid by the Administration for Anti-Corruption Initiative, and other TV stations: Pink M, TV Vijesti, TV Prva and MBC received funding from the same subjects in amounts presented in the table.

Antena M received the total amount from the Forest Administration, and portal Analitika from Customs Administration in the amount of 3,800 EUR, Administration for Inspection Affairs in the amount of 2,000 EUR and 351 EUR from Real Estate Administration.

Press clipping received the entire amount from the Statistical Office - 2.828 EUR, Customs Administration - 2,000 EUR and Administration for Inspection Affairs - 1,800 EUR.

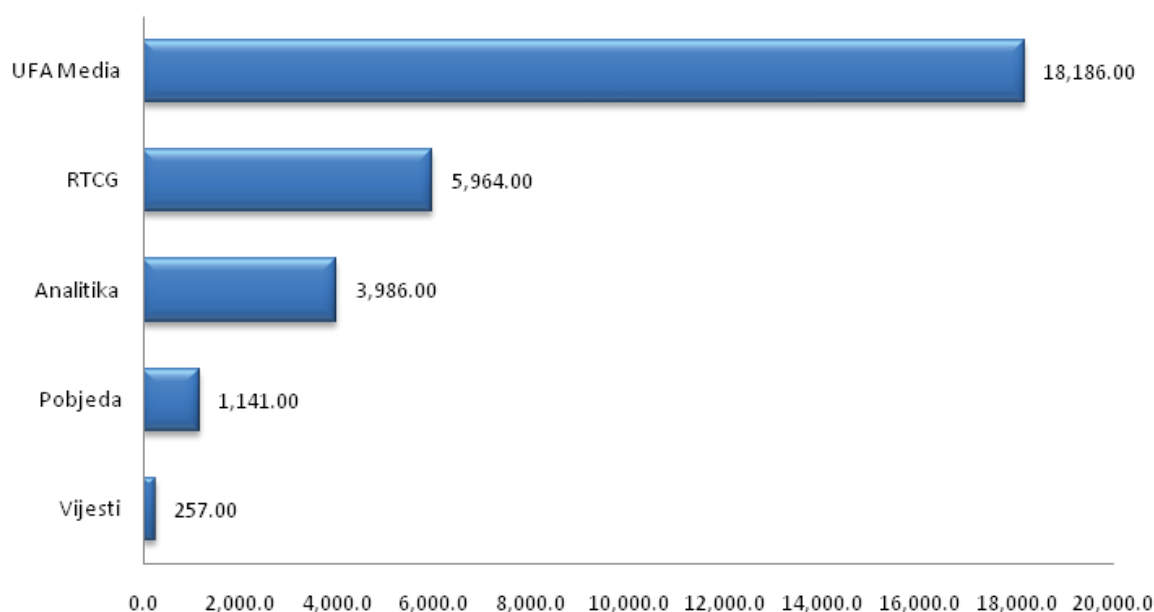
Administration for Prevention of Money Laundering and Terrorism Financing paid 3,370 EUR for services of Archimedes.

Other amounts are significantly smaller and come from a variety of independent administrative bodies.

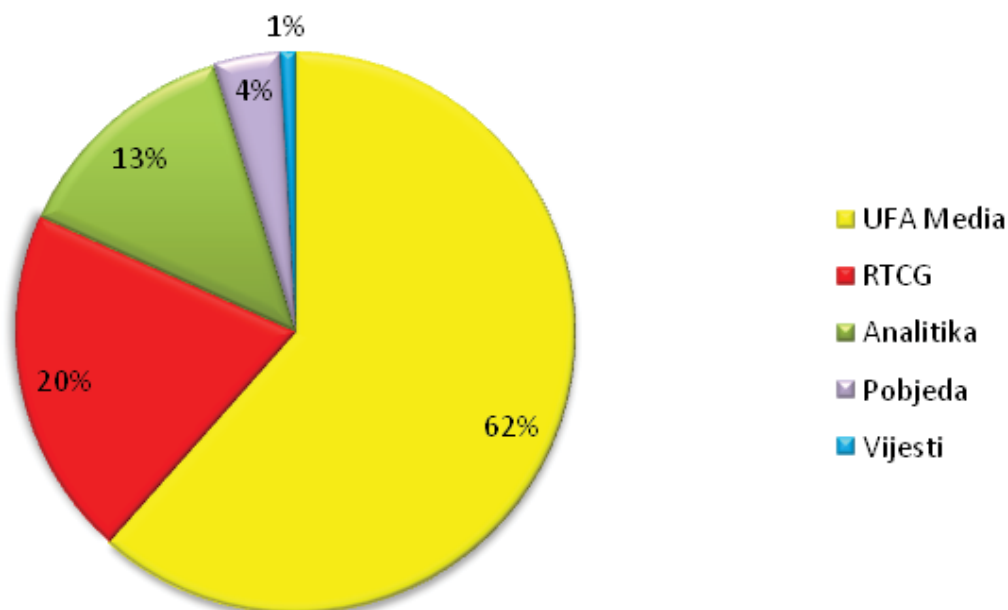
State funds

The total amount state funds allocated for this purpose was **44,920.00 EUR**.

This amount was spent by 6 Funds and these are: Labor fund of Montenegro, Investment development fund, Fund for pension and disability insurance, Fund for protection and realization of minority rights, Deposit protection fund and Fund for health care insurance. All of these bodies have positively responded to the request and submitted requested information, but in different forms. Investment Development Fund listed only one total amount of 13,380.00 EUR which was paid to daily newspapers “Pobjeda”, “Dan”, “Vijesti” and “Dnevne novine”, without specifying how much was spent on which media. Despite the efforts to get these data, the Fund turned a deaf ear and did not provide a detailed structure of expenses. The same situation happened with Fund for protection and realization of minority rights which has spent 2,000 EUR. The money was paid to Media self-regulatory body and Media Institute, but the fund did not provide information about structure of expenditures and reason for payment. Labor fund of Montenegro did not incur costs on this basis.



Graph 74: Structure of costs by subjects who received funds from the remaining three state-owned funds in EUR amounts



Graph75: Structure of costs by subjects who received funds from the remaining three state-owned funds in percentages

The biggest revenue obtained from the budget of funds was made by marketing agency UFA Media, and the total amount was paid by Deposit protection fund. Fund for health insurance paid 5,000 EUR to RTCG and 3,986 EUR to portal Analitika, whereas the Fund for pension and disability insurance paid 1,147 EUR to “Pobjeda”, 257 EUR to “Vijesti” and 964 EUR to RTCG.

Protector of Human Rights and Freedoms

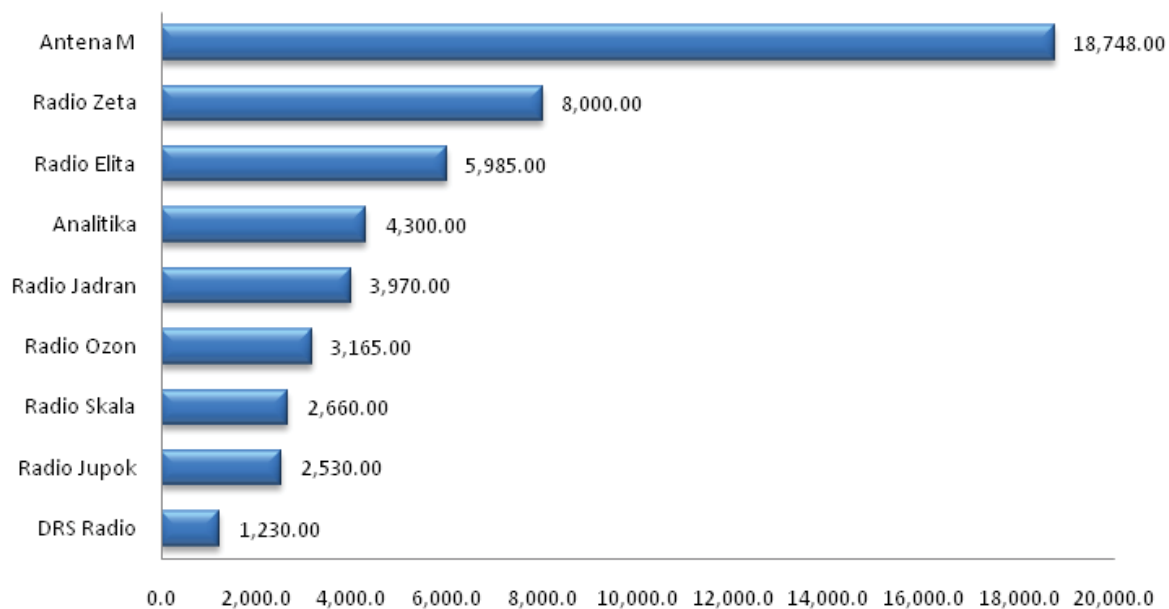
Protector of Human Rights and Freedoms submitted required information in a timely manner. It stated that the only cost for this purpose was the sum of 2,093 EUR paid in full to the agency Represent Communications Montenegro.

Judiciary (courts and prosecutions)

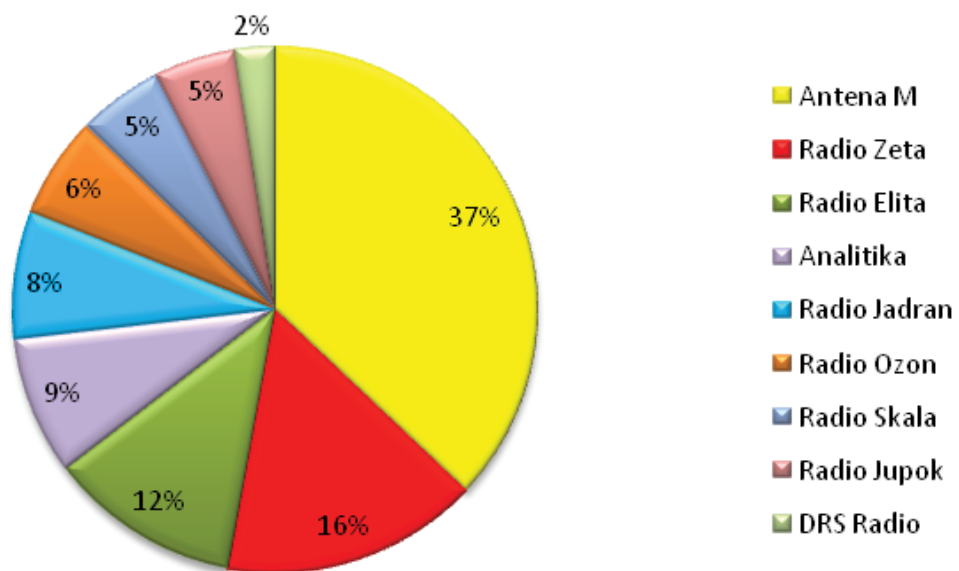
These authorities did not have expenses in this area, and have responded to submitted requests in the period prescribed by the Law.

Commission for allocation of the part of revenues from games of chance

As stated in the introduction, a separate research subject was **Commission for allocation of the part of revenues from games of chance**, which is not a separate body but operates within the Ministry of Finance, but through financing of projects it gives significant funds to the media. Total amount the Commission has allocated for approved media projects in 2013 was **50,588.00 EUR**.



Graph 76: Structure of media Commission supported in EUR amounts



Graph 77: Structure of media supported through projects in percentages

COMPARATIVE EXPERIENCES

Tanja Maksić and BIRN team of Serbia

Serbia

Overview of media and budgetary financing

Economic relations between the media and the state in Serbia have been developing dynamically from the democratic changes in year 2000 to the present day. The media market in certain periods rapidly developed and grew, while in recent years it experiences a severe recession due to the economic crisis. During that time, the state has established itself as an important factor in the media market. At the same time, the media in post-transition Serbia failed to develop mechanisms to resist to the economic instability.

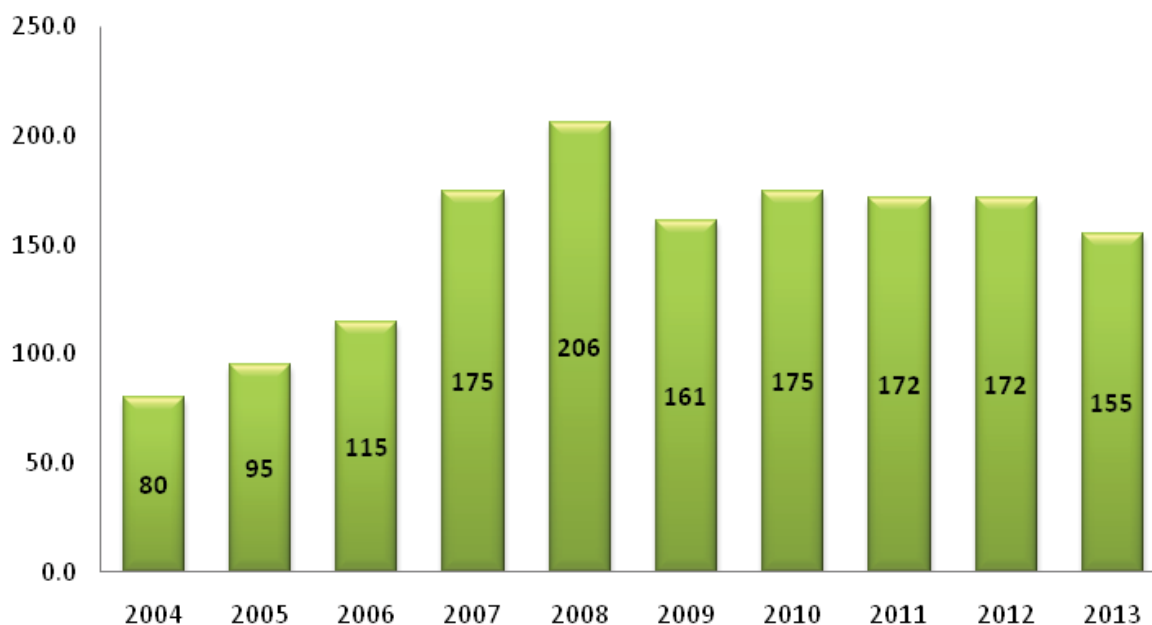
Next year will be one of the most turbulent years for the Serbian media sector since the democratic changes in year 2000. In the first six months of 2015 tasks that were postponed for years need to be completed - privatization of public information companies that started in 2003 and stopped seven years ago will be completed, as well as the digitalization process which started in 2000. Not all of the media will be able to withstand the costs of both processes, and it is reasonable to expect that a number of media, mostly local and regional will cease to exist by the end of 2015. Also, we are expecting introduction of new media services and extensive range of TV content, which will be facilitated by digital platform. And these are just some of the changes that are expected.

Although relinquishing the direct ownership, the state will not withdraw completely from the media and does not relinquish control over public information exclusively to the market. This is envisaged by the new media legislation, in force since August 2014, which provides a new way of spending budgetary funds.

The authorities of all three levels of government - republic, provincial and local - in future will be able to spend money only through public competition aimed to support the production of content important for informing of the public. The new funding model should contribute to greater transparency, and to cease with the current non-democratic practice in which this money has served as an effective means of influence and covert control of the media.

Mapa medijskog tržišta u Srbiji

There are over 1300 media outlets in Serbia at the moment, according to the information of the Agency for commercial registers. Out of this number, 84 outlets are waiting for new owners and privatization. All of them will fight for a share on media advertising market that has been decreasing ever since the beginning of economic crisis.



Graph 78: Value of media advertising market in the last ten years (in millions of EUR)⁷¹

Besides being small, poor and oversaturated, media market is also concentrated with non-regulated ownership structures and burdened with political influences in media economy. Several problems are constantly burdening media market:

- ✓ unregulated ownership over private media, without clearly defined rules on the concentration and the publicity of owners;
- ✓ direct state ownership over some local and regional media, where privatization is postponed for nearly a decade;
- ✓ impoverished public services broadcasters, which because of too small rate of collection of subscription fee are completely dependent from the state budget for the next two years;
- ✓ generally low profits that can be achieved, lack of investments, difficult access to capital, business on the verge of liquidity;
- ✓ constant challenges of new technologies and upcoming digitalization.

In the last several years two trends that are the consequence of shrinking market have been obvious: first, commercialization and tabloidization, with diminishing of share of information/news contents, and second, increased reliance on state aid and budgetary financing.

⁷¹ Nielsen Research, from the website: <http://www.novinarska-skola.org/sr/?p=3574>

Legal and institutional framework

Adoption of new media legislation, primarily of the Law on Public Information and Media⁷², should set in motion a new wave of reforms in media sector. Basic novelty envisaged in the new Law is a change in economic relations between state and the media – change of ownership, more specifically, the relinquishing of ownership over media by the state and distribution of budgetary funds only through financing of projects and public competitions.

Application of new media legislation will show capacities of new government /elected in March 2014) to initiate real reforms in media sector. Draft Laws, among others Draft Law on Public Information and Media, Law on Electronic Media and Law on Public Media Services, went under thorough public discussion in 2013, but after the discussion was over, the public was denied insight over further development of the laws. Draft laws were publically available only on Sunday 27th July 2014 in the afternoon. After the session of the Government they were sent to the Parliamentary Committee and after that to a plenary session of the Parliament in emergency procedure. Package of laws was adopted on 4th of August and they entered into force on 13th of August 2014.

New media laws have, in fact, given legislative framework also to the solutions envisaged by Media Strategy from 2011. The umbrella document regulating media sector is Strategy of development of information system in the Republic of Serbia until 2016(Media Strategy)⁷³. This document, which was adopted in 2011 and will soon expire, for the first time defines public interest in informing, and also prescribes the obligation of the state to relinquish ownership over media, and also that budgetary funds should be awarded only based only on public competitions and rules on state aid.

Article 15 of the Law on Public Information and Media defines the public interest in informing as a right of citizens to be “truthfully, impartially, timely and fully informed.” The Law further provides methods of achieving the above mentioned public interest - establishing of public service broadcasters on the national and provincial levels; establishing of institution for the purpose of exercising the right to public informing of the population in the territory of the Autonomous Province of Kosovo and Metohija; enabling the national councils of national minorities to establish institutions and enterprises in order to exercise the right of public to be informed in minority languages; and co-funding of projects in the field of public information for the realization of public interest.

The same Law provides in details, in Articles 17 to 26, application procedures for co-financing of projects, including the right and conditions to participate in the competition, composition and work of the competition committee and criteria for project selection. It also stipulates the obligation of “The Republic of Serbia, autonomous province or unit of local self-government to provide the funds from the budget for the realization of public interest in the field of public information”, as well as the obligations of these state bodies to supervise the competition procedure and proper utilization of budget money. The actual effects of these legislative changes will be visible in the next year, when the new rules will be the first time implemented in practice.

This will not be an easy task and there will be many obstacles, especially because new budget practice and media laws are not harmonized between reach other. In Instruction for formulating of new program budgets there is no mention of special program for public information (although there are, for example, programs for culture, sports, youth policies etc.). This, at the very beginning, complicates appliance of the new media legislation.

72 Official Gazette of Republic of Serbia, 83/2014, available at http://www.paragraf.rs/propisi/zakon_o_javnom_informisanju_i_medijima.html

73 Official Gazette of Republic of Serbia, 75/2011, available at http://www.paragraf.rs/propisi/strategija_razvoja_sistema_javnog_informisanja_u_republici_srbiji_do_2016.html

Other “non-media” regulations that affect the media space are:

- ✓ Law on local self-government⁷⁴ and Law on Capital City⁷⁵, prescribe obligation of bodies of local self-government to take care about public information, which had as a direct consequence that some public information enterprises remained state owned;
- ✓ Law on budgetary system that prescribes limitation that budgetary funds may be spent only on those purposes that were subject of approval of annual law/decision of competent body, as well as budget control, responsibility of direct beneficiary, and those rules are not applied in practice;
- ✓ Law on public procurement⁷⁶ prescribes transparency and competition, precise identification of required services, possibility for protection of rights in the procedure in front of purchaser or Republic committee for protection of rights etc;
- ✓ Law on control of state aid⁷⁷ determines whether it is through some form of allotment of public funds (from the budget, the writing off of debts, etc.) some of the participants in the market are put in privileged position and places other participants placed at a disadvantage. The problem with applying these rules are prescribed limitations - there is no duty to report and verify if the state aid is below certain value, which results in a substantial part of the subsidies to the media remains uncontrolled.

Flow of state money

The state has, by its ownership over media and through subsidizing of media, and also through non-transparent financing of “chosen” directly obstructed fair competition of the market. Beside this, the political structures in power had direct control over media market through huge advertising agencies that manage the largest advertising budgets, about which the BIRN previously reported.⁷⁸ Change in the basic paradigm of budget financing – “financing of operational costs of media” to “financing of media content” through transparent public competitions will be the clearest signal that the reforms started.

In cases where the budget money is allocated arbitrary and non-transparently, a specific type of client relationship is created in which the media are put in the position of dependence on state funding. All this has as a result the creation of specific types of censorship, hidden control (Soft censorship) which is very subtle, but extremely effective way to control the media.

The report “Media integrity matters, reclaiming public service value in media and journalism” (South East European Media Observatory, 2014)⁷⁹ states: “State funding of media is unregulated, unmonitored, and non-transparent. The largest part of state financial aid is allocated arbitrarily, i.e. on political grounds, and without supervision. None of the forms of distribution of public funds to media is clearly regulated. Some regulation pertains to financing of media projects only, which is the smallest part of state aid. “

74 Official Gazette of the Republic of Serbia, 129/2007 and 83/2014, available at http://www.paragraf.rs/propisi_download/zakon_o_lokalnoj_samoupravi.pdf

75 Official Gazette of the Republic of Serbia, 129/2007 and 83/2014, available at http://www.paragraf.rs/propisi/zakon_o_glavnom_gradu.html

76 Official Gazette of the Republic of Serbia, 124/201, available at http://www.paragraf.rs/propisi/zakon_o_javnim_nabavkama-new.html

77 Official Gazette of the Republic of Serbia, 51/2009, available at http://www.paragraf.rs/propisi/zakon_o_kontroli_drzavne_pomoci.htm

78 <http://javno.rs/istrazivanja/oglasavanje-kao-privatni-posao-vlasti>

79 Available at the web page of Novi Sad's journalism school <http://www.novinarska-skola.org.rs/sr/wp-content/uploads/2014/08/Znacaj-medijskog-integriteta.pdf>

BIRN gathers and keeps information about models of budgetary spending for several years, and they document the economic crisis and growing dependence from state funds in media sector. Since there is a lack of gathered, official information about spending of public funds in media sector, the research conducted by BIRN noted four basic models for budgetary financing: subsidizing as the most significant revenue for media as indirect budget beneficiaries; public competitions which are the most transparent model, but that is used the least; public procurement for purchasing of media services – advertising, advertising campaigns or service information; direct bargaining about providing information about the work of state bodies, public enterprises and events organized by local governments.

Ministries: discretionary spending for media

Ministries of the Republic have in 2013 spent in total 29 million of dinars (about 241.000,00 EUR in current exchange rate of 120 din for 1 EUR) for different kinds of media services, all of them from budget lines number 423 – contractual services and 424 – specialized services. Both budget lines are considered to be the least transparent, because one cannot tell from their description the purpose of the transaction, so they leave space for unrestricted spending of public funds.

BIRN gathered this information based on the requests for access to information of public importance. All the data are available on web site javno.rs⁸⁰

<i>Year</i>	<i>Total amount for media services for all ministries (in dinars)</i>	<i>Total amount for media services for all ministries (in EUR)</i>
2010	47.099.769,00	386.642.13
2011	25.814.268,00	211.909.39
2012	35.093.964,00	288.086.44
2013	29.098.349,00	238.868.42

Table 1: Total expenditures of Serbian ministries by years

Whole funds, however, do not go directly to the media, because “media services” means: buying of services provided by news agencies (e.g. Beta, Tanjug, FoNet, Infobiro), clipping services and monitoring of media reports (the most common user is company Ninamedia clipping), media campaigns (the largest and most controversial of these was the “Let’s Clean Serbia” in 2010, which was financed by the Ministry of Environmental Protection with more than 20 million dinars), and to a lesser extent, support the production of media content (e.g. program “Communal Police” aired in 2010 on Fox TV, B92, and TV Novi Pazar, or informing the public through printing and publishing of informative articles about current issues in the field of commerce, which was paid in 2012, by the Ministry of Agriculture, Forestry and Water Management to Novosti, Politika, and the company Ringier Axel Springer that is publishing Blic). Ministries have obtained these media services through direct bargaining or, to a lesser extent, through public procurement.

Ministry of Culture and Information was the only ministry that every year issues call for public competitions aimed at supporting public informing, which is in line with its work plan. In 2013 (report is dated May 2014), Ministry of Culture and Information of the Republic of Serbia approved 261 project and spent for that purpose 65.697.377 dinars.

⁸⁰ <http://javno.rs/baza-podataka/diskrecioni-rashodi-vlade/detaljna-pretraga>

<i>Name of the competition</i>	<i>Number of approved projects in 2013</i>	<i>Total value in 2013</i>	<i>Total value in 2013 (in EUR)</i>
Public information	118	28.146.774	231,056.94
Public information in the languages of national minorities	74	18.689.536	153,422.45
Informing of Serbian people in the countries in the region	27	9.270.920	76,105.01
Informing in Kosovo and Metohija	10	4.590.147	37,680.53
Informing of people with disabilities	32	5.000.000	41,045.01
Total	261	65.697.377	539,309.94

Table 2: Project support of the Ministry of Culture in the field of media by categories

Average value of projects is very small, around 200.000 dinars (little less than 2000 EUR) annually, which is not enough to support any production of good quality and to significantly improve informing of citizens. Because of the small amount of money there are almost no media with national coverage among the beneficiaries of these funds. This kind of public competitions actually served as financial aid to local and regional media, which are barely surviving in poor media market.

In the budget report of the Ministry of Culture and Information, in addition to public competitions, there are also direct budget users - news agency Tanjug, Publishing company Panorama, Radio Yugoslavia and the Yugoslav View, whose total annual budget exceeds the money distributed to all public competitions together by four times.

Local self-government: services of reporting on the work of local bodies

Article 20 of the Law on local self-government prescribes, among other issues, that local self-government “takes care of informing the local public about issues of local importance and provides all the conditions necessary for informing of the public in Serbian language and languages of national minorities used in the territory of the municipality”.

Article 71 of the Law on local self-government offers the possibility to municipalities “to inform the public about their work through media” and also to take care of “informing of the public about issues of local importance” (same Law, Article 20, paragraph 34). Many local authorities interpret Articles 71 and 20 together and use their budgets to finance “service of informing the public about the work of local self-government and public enterprises”.

On sample of 33 local self-governments⁸¹, BIRN has been gathering information about spending of local budgets on media for three years already – how did the local self-governments, for which content, to what extent and by which criteria finance the work of the media. Only in 2013 these municipalities/

⁸¹ Arandelovac, Bor, Čačak, Jagodina, Kikinda, Knjaževac, Kragujevac, Kraljevo, Kruševac, Leskovac, Loznica, Niš, Novi Pazar, Novi Sad, Odžaci, Pančevo, Petrovac na Mlavi, Pirot, Požarevac, Prijepolje, Raška, Ruma, Sombor, Subotica, Šabac, Šid, Užice, Valjevo, Vranje, Vrbas, Vršac, Zaječar, Zrenjanin

cities spent almost one billion of dinars on media sector (exactly 948.775.346, 00 dinars).

Subsidies are the most important instrument through which local self-governments influence the media. From overall sum, 640 million of dinars were spent on operational costs of 43 public information enterprises, while the rest was divided to 271 private media.

Almost 200 million dinars or one-fifth was spent through direct agreement. About 40 million dinars was spent through public procurement procedure. Around 102 million dinars were distributed through public competitions, and total of 81 projects were supported. Only nine municipalities in this sample had public competitions at all, others did not have this kind of budget policy.

Contractual services in most cases are related to monitoring the work of local self-government, local public enterprises, cultural and sporting events ... and this can put the media into the position that they have to positively report on local self-government and its activities.

Conclusion

Next year will be the crucial year for media sector in Serbia. If new legislation is consistently implemented, the media sector will be one step closer to the media reforms. Therefore, the monitoring by independent experts and civil society will be crucial.

Past experiences have shown that the state authorities have little understanding that informing is in the interest of public and for providing support to the media to search for new formats, meet the specific communication needs of all groups of the population, by age, sex, ethnic and religious affiliation and education, social status, personal interests.

The task of the state authorities, at all levels of government, is to allow citizens to be informed in a professional manner, objectively, timely and critically, about the issues of concern for the surrounding they live in, to open debate on the issues of social importance and to provide access to information that will encourage and empower citizens to become involved in the decision making process that will significantly impact their own everyday lives.

Media independence in European Union

Media independence is a vital component of a functioning democracy, as is the independence of the regulatory bodies that govern media legislature. Through analysis of both the legal framework and the scope of private investments, light can be shed on accountability, transparency and effectiveness of diverse media landscapes. Government involvement in the dissemination of mass media poses a significant problem when it comes to succumbing to political pressure. Thus, media independence becomes an integral part of ensuring the success of a market, the implementation of the rule of law and the ensuring of status quo not marred by corruption or related illegal acts.

Based on the Montenegrin example, five European countries have been chosen for comparison: *Croatia, Germany, France, Denmark* and *Spain*. The framework for assessing media independence has been defined as an analysis of the legal framework, accountability and independence, financing and a case study for each individual country.

Below you can find the table outlining the degree of trust citizens of each country have in various media outlets. This sheds light on the importance of media independence, legitimacy and accountability in terms of impact on the general population and public opinion.

“Media Use in European Countries”: Trust in the Media”				
State	TV	Print media	Internet	Radio
Montenegro	55%	53%	46%	48%
Croatia	39%	28%	33%	39%
Germany	55%	47%	26%	62%
Bulgaria	68%	35%	42%	51%
Denmark	63%	47%	54%	62%
Spain	28%	30%	32%	38%

Table 3: Eurobarometer “Media Use in European Countries”⁸²

⁸² http://ec.europa.eu/public_opinion/archives/eb/eb80/eb80_media_en.pdf

Croatia

According to Trading Economics, Croatia's GDP in 2013 amounted to 57.54 billion US dollars, out of which 4.90% was reported as a budget deficit.⁸³ Local authorities are obliged to spend 15% of their annual advertising budget in local electronic media and need to report on their activities to the Electronic Media Council. Croatia's main public service broadcaster "Croatian Radiotelevision" (Hrvatska radio televizija, hereafter referred to as HRT) has been criticized many times for dismissing and silencing critical journalists.

According to the Freedom House, reporters are facing ample amounts of political pressure and intimidation. Key people in HRT are appointed by the Parliament, thus giving the ruling party a large amount of control over the broadcasted content.⁸⁴ Annually, approximately 1.8 million EUR (13 million Croatian kunas) is allocated to HRT by the state budget. While this amount is reserved for a strictly defined purpose, it represents only a small portion of the HRT's overall budget and can thus be eliminated as a source of any political influence.⁸⁵ More annual reports on the amount of state aid given to certain media outlets can be found on the website of the Agency for Competitiveness. There are dozens of private television and radio stations, both at the local and the national level, and cable and satellite television access is commonly available throughout Croatia. According to Freedom House and its Freedom of the Press Index, Croatia has had a "partially free" media system since 2000.⁸⁶

Legal and institutional framework

In Croatia, freedom of expression is guaranteed by the Law and respected in practice, and it is also stipulated by the Law on State Aid. While the right to information is also guaranteed and implemented in the Constitution, in the Law on the Media and in the Law on the Right of Access to Information, a study conducted during 2005 and 2006 found that 30% of respondents did not consider democratic debates and freedom of the media as a norm: freedom of expression in Croatia – according to their opinion – is too great, certain media outlets should be closed, a state censorship body should be created, and with respect to certain topics, it would be better to limit the possibility that everyone can freely express their views in the media. Younger respondents tended to accept the democratic media framework more.

The Constitution, the Law on Media and the Law on Electronic Media guarantee the freedom of expression, freedom to establish media companies and the editorial independence of broadcasters from the state. While the legal framework is designed to enable the aforementioned editorial independence, often there are problems with its implementation, particularly when it comes to comprehensive articulation of political opposition in the media. Local political structures can have a negative impact on journalistic freedom, especially in local communities.

Therefore, public and civil society organizations have participated extensively in shaping media public policy. A media reform was initiated in 1999, including the request to re-examine the balance between the commercial and public service broadcasting and to ensure ways for more self-regulation in the

⁸³ <http://www.tradingeconomics.com/croatia/gdp>

⁸⁴ <http://www.bbc.com/news/world-europe-17217826>

⁸⁵ <http://mediaobservatory.net/radar/flash-report-croatia>

⁸⁶ <http://freedomhouse.org/report/freedom-press/2013/croatia#.VFjeDlPF-EU>

print media and in journalism in general. The media policy debate succeeded in putting these issues on the public agenda.

Media independence

Public and private media alike continue to suffer from the arbitrary approach of the government and/or private media owners. While freedom of expression is laid down in the law, effective media freedom in Croatia is limited and political influence on the media is still fairly strong on local and regional levels. Additionally, the influence of owners of private media is considerable. In 2000 the harmonization of media standards with the European Union standards led to the creation of a new media regulatory authority – the Council for Electronic Media. Despite being formally independent, the members of this regulatory body are usually aligned with a political party, which supports them in their appointment process.⁸⁷

HRT is often seen as representing political interests and has been criticized for censoring and suspending (often political) programs without explanation, politicizing decisions on personnel, lacking transparency and failing to respect professional standards.

Financing

The state-owned public broadcaster HRT is predominantly funded through advertisement revenue and licensing fees. The government directly owns two daily newspapers, “Vjesnik” and “Slobodna Dalmacija”, as well as dozens of regional and local media outlets, in total amounting to 82 media companies. Those who act as “mouthpieces” for the government receive direct subsidies. In 2003, “Vjesnik” received 33.5 million Croatian Kunas as financial support – being the tenth time it received financial aid since 1990. In addition, the Croatian Mass Media Ownership Review from 1999 clearly indicated that the Government in fact owned all influential media outlets, printing facilities, advertising agencies, as well as distribution and sales companies which it used to promote pro-governmental interests⁸⁸.

While private media owners have to be registered, this information is not easily accessible to the public and often does not clearly indicate who or which entities are behind the registered company names, and who or which entity provides funding. Many private media owners allegedly hold interests in non-media businesses, creating commercial, economic and political pressures that can reduce critical news coverage on state-owned and other influential companies⁸⁹.

While international donors played an important role in the media landscape in the 1990s, they now have only a marginal role in the media sector. Thus, adjustment to the new rules of market competition became problematic and is being reflected in the wide gap between theoretical and practical implementation. Only few critical voices and public interest advocates exist and come from small media organizations that are also to a large extent funded by the state.⁹⁰ Power over the media is concentrated in the hands of a few commercial stakeholders, who have penetrated various social fields, taking up key positions in social networks. The economic interest of these media elites is more relevant than discreet methods of political influence.⁹¹

87 http://mediaobservatory.net/sites/default/files/croatia_0.pdf

88 http://www2.mirovni-institut.si/media_ownership/pdf/croatia.pdf

89 BTI 2014 Country Report Croatia

90 http://mediaobservatory.net/sites/default/files/croatia_0.pdf

91 BTI 2014 Country Report Croatia

Competition Law

In Croatia, the competition regime, powers, duties, internal organization and proceedings which refer to all forms of prevention, restriction and distortion of competition are prescribed by the Competition Law. The concrete recommendations from Article 4 of the Law on Media envisage protection of competition and it is stipulated that all legal persons who partake in any activities related to media distribution as well as all legal persons who perform activities related in any way to the media, shall also fall under the jurisdiction of the statutory provisions on competition. Article 22 establishes the threshold for the obligatory reporting on media concentration to the Croatian Competition Agency. Articles 52 to 62 of the Law on Media stipulate the definition of concentration in the media sector, as well as special requirements in relation to the allowed market share for the publishers on media on state/municipal level, defining the market share that should not be exceeded in order not to disturb the media concentration, as well as stipulating the conditions in relation to the ownership structure in the media in such a way that cross-ownership and cross-financing are banned. If deemed compatible with the Law, the Agency can approve state aid to various media outlets. The Competition Agency furthermore interacts with implementing authorities in the telecommunications and media sector by issuing expert opinions and using other tools of competition advocacy. The Competition Law provides the legal framework of competition advocacy.⁹²

Case study

There have been several reported cases of the usage of media outlets to promote specific interests. In 2013, “Jutarnji list” and “Globus” published a series of articles heavily criticizing and defaming the public Croatian Health Insurance Fund. Several articles clearly advocated for “true liberalisation of health services and acceptance of market principles”. Continuous attacks on the public sector, as well as an on-going discursive war against left-wing social activist groups were obvious in these two publications. The main strategy used was to depict certain activities as childish, idealist, detached from reality. By quoting “neutral experts” giving their detached and objective vision, political pressure was exercised very clearly by various stakeholders.⁹³

Germany

The Gross Domestic Product (GDP) in Germany amounted to 3634.82 billion US dollars in 2013. Germany recorded a Government Budget surplus equal to 0.10% of the country’s Gross Domestic Product in 2013.⁹⁴ According to Freedom House, Germany’s press freedom is rated as being “free”. In Germany there are almost 350 daily and more than 20 weekly newspapers. While local and regional newspapers enjoy the majority of influence, there are 10 nationally distributed newspapers. Financial constraints have fuelled a trend of merging editorial departments, leading to diminished media plurality and a reduced diversity of views. However, Germany remains one of the most free media systems in the world and is also the home to the world’s largest media conglomerates. In the context of television, their market is among the most competitive ones in Europe. All television channels (nine regional public-service broadcasters, ZDF, two national radio stations) are predominantly funded by subscription fees and are managed by independent bodies.

⁹² <http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DAF/COMP/GF/WD%282013%2942&docLanguage=En>

⁹³ http://mediaobservatory.net/sites/default/files/croatia_0.pdf

⁹⁴ <http://www.tradingeconomics.com/germany/gdp>

Legal and institutional framework

Freedom of expression and press are guaranteed in the German constitution, however there are provisions banning hate speech, Holocaust denial and Nazi propaganda. The way the Basic Law for the Federal Republic of Germany is phrased has been influenced by the country's experience under the Nazi regime. Thus, supremacy is given to basic rights, which are binding for all state bodies. The fundamental right to freedom is not only a right to the freedom of expression, but is also the obligation of the state to guarantee the creation of free opinions. Through this, the strict laws on media policies are justified. Furthermore, the competencies of regulatory bodies are distributed between various regulatory bodies, such as the state, the "Länder", the EU and non-state stakeholders. Particularly the two large parties need to find compromises through cooperative federalism. This legal situation ensures adequate influence and regulation of various bodies at several points during the decision-making process. Through this, the consensus is ensured.⁹⁵

Article 5 of the constitution states that free broadcasting is guaranteed. Thus, broadcasting must be free from state control. The different regions ("Bundesländer") of Germany have self-governed broadcasting organizations, which are controlled by "broadcasting councils" ("Rundfunkrat"). The Rundfunkrat can be compared to a Steering Committee. The membership in these powerful organs is regulated by regional media laws. Delegates representing non-state actors are in the clear majority, and represent various "socially relevant" sectors: trade unions, associations of employers, cultural/sports associations, religious institutions, political parties, NGOs, etc.⁹⁶

In addition to the general laws outlined in Article 5, press laws regulate the work of newspaper editors and journalists. All articles contain regulations regarding journalistic accountability, comprehensive analysis and a provision demanding the clear/visible separation between editorial content and advertisements. At the same time, these laws protect the newsroom from perquisition and confiscation performed by state authorities. Journalists have the right to conceal the source of their information. Finally, newspapers are required to publish retractions/counter statements in case of false reporting.⁹⁷

Media independence

The German media system is considered as being the most advanced in the world. In general, all German media outlets enjoy editorial independence. In 2012 however there were several public cases of journalists and media outlets being intimidated by political or economic actors with the aim of interfering in news coverage. Concretely, a politician resigned after trying to stop the national public television network Zweites Deutsches Fernsehen (ZDF) from airing a report on a rally of a rival political party.⁹⁸

Germany has a dual media system where private broadcasters are supervised by media authorities, which are controlled in the same manner as public broadcasters. Media policy in general is considered as an integral part of cultural sovereignty and is mentioned in Article 30 of the Basic Law, and is limited by the discretion right Bundesländer. This decentralized system of the press however remains standardized in accordance with its definition of broadcasting.⁹⁹

⁹⁵ <http://www.bpb.de/nachschlagen/lexika/handwoerterbuch-politisches-system/40327/massenmedien?p=all>

⁹⁶ <http://www.fnst-egypt.org/Media-Regulation-in-Europe-The-Case-of-Germany.html>

⁹⁷ <http://www.fnst-egypt.org/Media-Regulation-in-Europe-The-Case-of-Germany.html>

⁹⁸ <https://freedomhouse.org/report/freedom-press/2012/germany>

⁹⁹ <http://media.leidenuniv.nl/legacy/Erk%20on%20Germany%20RFS.pdf>

Financing

As mentioned above, media outlets are predominantly funded by subscription fees. Public corporations however have a system of mixed funding. A large proportionate share of the revenue comes from subscription fees. Income from advertising to a large extent supplements these incomes. Public broadcasters however are subject to very heavy restrictions when it comes to advertising.¹⁰⁰

Competition Law

Germany has the so-called German Act against Unfair Competition (UWG). Persons responsible for periodicals (journalists, publishers, printers and distributors) are liable for incurred damage, but only on an international level, in accordance with the Law (so-called media privileges). Consumers and customers have neither a right to file for an injunction nor a right to claim damages. Activities in the area of competition that are not aimed at the obstruction of an individual competitor, but result in obstruction of competition, are sanctionable under the general clause of the UWG. German competition rules are closely aligned with EU Competition Law, namely regarding the conditions for the prohibition of mergers. The threshold for the assumption of single market dominance is currently at 40%, thus being aligned with the EU requirements.

Case study

In 2012 President Christian Wulff faced calls requesting him to step down following an angry voice mail message the President left to the newspaper Bild. Editor in Chief Kai Diekmann received a threatening voice message stating that he shall bear consequences if the tabloid reported on a personal loan received by President Wulff in the amount of 500,000 EUR. He also informed him that he had been in direct contact with the magazine's publisher, Axel Springer, as well as with the publisher Friede Springer himself. Wulff's threats were subject to national and international scrutiny, as well as to comments of several other German newspapers, and Wulff had to apologize to Diekmann following the reactions to the incident.¹⁰¹

Bulgaria

The Gross Domestic Product (GDP) in Bulgaria amounted to 53.01 billion US dollars in 2013. Bulgarian Government recorded a Budget deficit equal to 1.50% of the country's Gross Domestic Product in 2013.¹⁰² Freedom House describes Bulgaria's media system as being "partially free".¹⁰³ A number of private and public newspapers publish daily, and most of them are owned by two rival companies. Two of three leading national television stations are owned by foreign companies. The third one is state-owned and called "Bulgarian National Television" (hereafter referred to as BNT). Like the Bulgarian National Radio, the BNT provides news without a clear political bias, however the prevailing legal structure leaves particularly the public media open to potential government interference.¹⁰⁴ Bulgaria now ranks 87th in Reporters without Borders' latest annual Press Freedom Index, down from 35th in 2006.¹⁰⁵

100 <http://www.fnst-egypt.org/Media-Regulation-in-Europe-The-Case-of-Germany.html>

101 <http://www.freemedia.at/newssview/article/german-president-pressures-bild-to-kill-story.html>

102 <http://www.tradingeconomics.com/bulgaria/government-budget>

103 http://freedomhouse.org/report/freedom-press/2013/bulgaria#.VFovi1PF_nL

104 http://freedomhouse.org/report/freedom-press/2013/bulgaria#.VFovi1PF_nL

105 <http://www.economist.com/blogs/easternapproaches/2013/04/media-freedom-bulgaria>

Legal and institutional framework

Bulgaria's print media does have a defined legal framework, however they still lack a specific media law. Publishing is entirely free, but there are no auditing offices. Currently, publication regulations offer much freedom in terms of editing, content and financing. Due to the under-regulation of this particular market, no exact figures are available. A 2011 law stipulates up to four years of imprisonment for the instigation of hatred, discrimination, and violence based on race, ethnicity, nationality, religion, sexual orientation, marital or social status, or disability. Media freedom advocates criticize the draft law's failure to properly define terms like "discrimination" and for criminalizing speech that does not intentionally incite violence.

Unlike the print media, law regulates the radio and television broadcasting services. Founded in 2001, the Council for Electronic Media ensures compliance with the regulations on advertising, donations, copyright and the protection of adults and children in the field of audio-visual information. The Council consists of nine members selected and appointed by the director of the public broadcasting station.¹⁰⁶ In compliance with the Radio and Television Act of 1998, radio and television outlets have to comply with the statutory requirements on advertising, sponsorship, protection of youth and violence.¹⁰⁷

In legal terms, all electronic media – public or private - are subject to licensing by two independent state agencies: the Council for Electronic Media and the Commission for Regulation of Communications. While on paper media independence is guaranteed, in practice the independence of the media is very limited.¹⁰⁸ Particularly the Council for Electronic Media poses several problems: there is a lack of transparency regarding the origin of money in the media outlets and privatization issues.

Media independence

In general, the majority of Bulgaria's media outlets have agreed upon a code of ethics on voluntary basis. This code of ethics postulates truthfulness, freedom from censorship, editorial independence, human dignity, the prohibition of discrimination and a call upon the general media to support democratization. In 2006, an ethics committee composed of journalists, media owners and citizens was founded. In 2004, with the help of EU experts, a project on the technical assistance for improving professional standards of journalism, as well as an Ethical Code of Bulgarian Media were drafted. Various organizations approved this; however both print and electronic media did not. Although the media in Bulgaria cooperate with each other, two outlets ignore self-regulation activities and remain unaccountable.

While media freedom is legally protected in Bulgaria and citizens have access to a large quantity of different media sources, the year 2011 saw further concentration of media ownership and increased accusations of overlapping media and political interests. Bulgaria's two top-selling papers were acquired in 2010/2011 by two businessmen, creating a clear centralization of power.¹⁰⁹

Financing

The government has been accused of indirectly subsidizing the New Bulgarian Media Group – which took a pro-government stance and is largely financed by the Corporate Commercial Bank (CCB). Frequently commercial media tailor their coverage to suit the interests of key financial stakeholders, including corporations, local and national state bodies. The private advertising market has been shrinking

¹⁰⁶ http://www.kas.de/wf/doc/kas_13561-544-2-30.pdf?080506111536

¹⁰⁷ http://ejc.net/media_landscapes/bulgaria

¹⁰⁸ http://www.sgi-network.org/docs/2014/country/SGI2014_Bulgaria.pdf

¹⁰⁹ http://www.freedomhouse.org/report/nations-transit/2012/bulgaria#.VFowF1PF_nI

significantly, thus increasing the importance of state advertising and other subsidies. Individual (and often opposition) journalists continue to suffer from decreasing salaries and job insecurity, leading to editorial pressure.¹¹⁰

Bulgaria's media are registered as trading companies, thus it remains extremely difficult to trace financial contributions made by political parties and others. This refers not only to institutions, but also individual stakeholders and financiers. Investments are not limited to Bulgarian citizens, but foreign investments also play a significant role on the one hand promoting modernization of the media, on the other hand impeding the individual development of media outlets, thus keeping sales prices low.

When it comes to media campaigns, nearly all campaigns were financed by those running for office, as provided by the law. This resulted in a clear lack of independent coverage of the election process in both public and private media. There are widespread concerns about the domination of the media market by business interests seeking political influence. During the period reviewed by the study¹¹¹, the Bulgarian media sector was found to suffer from several structural problems in relation to ownership transparency, as mentioned above. Thus, freedom of expression has deteriorated. Some of the burning issues relating to press freedom have been pinned down to the existence of so-called “grey economy”, which is taking over the management of media outlets. The rapid decline in the quality of journalism and independence of the media resulted in a prolonged economic crisis in Bulgaria. In fact, the government has become the biggest advertiser, used by the ruling majority to impose control and force the media into submission. With the diminishing editorial independence, the newspaper owners can directly interfere with editorial policy and the work of journalists, giving direct orders on what can be published and what cannot be published. This is not considered to be a secret in Bulgaria.¹¹² Furthermore, there is a “perverse” abuse of media funds provided by the European Union under the EU's “operative programs”, where the government uses the provided funds to buy media comfort from the big media. Direct grants are given to public institutions, which are then predominantly used for positive coverage.¹¹³

Competition Law

Media concentrations fall within the preview of the Law on the Protection of Competition and the oversight body, the competition regulator (the Commission for the Protection of Competition). Only a general principle, that media licensing applications must not be in violation of the competition protection legislation, are laid down. However, this general provision in the Law on Radio and Television has proven inadequate. There exist two main obstacles for the reduction of media concentrations in Bulgaria: non-transparent ownership – which makes the drawing of accurate assessments of media outlets' influence impossible, as well as the absence of specialized legislation regulating media concentration. There exists no political will to enforce this, and the unregulated links between media, money and power lead to un-freedom and the stifling of free speech. Media turns into a tool for driving competition and political opponents into a corner. However, the provisions of the competition law are applied in such a way that everyone unhappy with media concentrations may ask the regulator to solve the problem.¹¹⁴

Case study

In summer 2012, an investigative journalist, Spas Spassov, received a copy of Sun Tzu's “Art of War” in the mail after a series of critical articles on a local business group, which planned to undertake

110 http://freedomhouse.org/report/freedom-press/2013/bulgaria#.VFovi1PF_nL

111 BTI 2014 Country Report Bulgaria

112 http://www.irex.org/sites/default/files/u105/EE_MSI_2013_Bulgaria.pdf

113 http://www.irex.org/sites/default/files/u105/EE_MSI_2013_Bulgaria.pdf

114 <http://www.balkanicaucaso.org/eng/Regions-and-countries/Bulgaria/Media-concentration-and-media-ownership-in-Bulgaria-156381>

construction projects in Varna's Sea Garden. Included in the book was a note quoting a passage from the book: "You should avoid those you can't either defeat or befriend."¹¹⁵ The note was signed by the co-owner of TIM Holding, Marin Mitev, who was responsible for this act of direct pressure.

Denmark

Freedom House describes Denmark's press as being "free"¹¹⁶. Denmark recorded a Government Budget deficit equal to 0.80% of the country's Gross Domestic Product in 2013.¹¹⁷ The Gross Domestic Product (GDP) in Denmark amounted to 330.81 billion US dollars in 2013. The Danish media has a long tradition, with its first newspaper published in 1749 – while the country was still a monarchy. Today, only one local paper – Skive Folkeblad – is owned by the Danish Social Liberal Party. Most newspapers and media outlets are run by foundations in order to ensure independence. Daily newspapers reflect a multitude of political orientations. All newspapers are also active on the Internet, which makes most news available for free, while background reports and access to archives must be paid for.¹¹⁸

Legal and institutional framework

In Denmark, freedom of speech is protected by Article 77 of the Constitution, and the government usually respects this right in practice. Still, legal restrictions apply for libel, blasphemy and hate speech. All forms of media – print, online and electronic media – are regulated by the Danish Press Council, consisting of eight members appointed by the president of the Supreme Court and journalists' association. For electronic media and print outlets that publish at least twice a year, participation in the Council is mandatory. Online publications can choose to register and receive legal protection afforded to traditional journalists.¹¹⁹

The media policy framework when it comes to print media is limited to general issues about freedom of expression and the press, whereas broadcasting and electronic media sector has its framework described extensively in the Government Program, in accordance with specific sets of legislation for the broadcast media and specified in the Media Agreement regulated by the Danish Press Council.¹²⁰

The Radio and Television Board (hereafter referred to as RTB) monitors cable operators to see whether they deliver their services in accordance with the Radio Television Act. This also includes advertising and sponsorship ruling, national networking, ruling about program content, and is related to specific types of broadcasting licenses.

The Press Council is established as the executive power by the Danish Media Liability Act. The Press Council is an independent and public tribunal which deals with complaints about the mass media in general. It can rule in cases relating to whether any publication is contrary to press ethics and whether a mass media outlet should be obligated to publish a reply/apology.¹²¹ According to the Media Liability Act, both the content as well as the conduct of the mass media must conform with sound media ethics. The act however does not clearly specify what "sound" media ethics actually is, however it is

115 <http://www.economist.com/blogs/easternapproaches/2013/04/media-freedom-bulgaria>

116 http://freedomhouse.org/report/freedom-press/2013/denmark#.VFnxL1PF_nK

117 <http://www.tradingeconomics.com/denmark/gdp>

118 <http://www.eurotopics.net/en/home/medienlandschaft/dkmdlschaft/>

119 http://freedomhouse.org/report/freedom-press/2013/denmark#.VFnxL1PF_nK

120 http://ejc.net/media_landscapes/denmark#link_48

121 http://ejc.net/media_landscapes/denmark#link_48

interpreted in the light of the Media Ethical Guidelines.

Freedom of expression is a central value to the legal system and is underlined multiple times in a number of acts. All laws have to comply with constitutional provisions, so no law can be passed if it curtails the constitutional guarantee of freedom from censorship.

Media independence

Freedom as well as the need for a free and independent media is perhaps the most central characteristic of Danish society, Danish media policy and regulation. In order to foster the legitimacy of public, democratic debate, freedom of expression is deemed essential and is widely held as a fundamental ideal of Danish democracy. Mentioned for the first time in the Danish constitution from 1849, freedom of expression has a long history. In practice all Danish news media outlets – public and private alike – depend on the state for their continued survival.¹²² The legal provisions outlined above have direct consequences for media independence in Denmark. Danish media enjoy a very high degree of independence and protection regarding provisions for or restrictions to freedom of expression. Danish courts generally protect the right to free expression, particularly related to public debate and public figures. When it comes to cases concerning liability or racist claims, the media themselves are not held responsible, but rather the individuals making the statement.¹²³ Without exception, Danish newspapers depend on public support for their viability.

Financing

In general, there exists a media license, which is the product of a media reform of the support system of private media. The aim is to arrive at a more platform-independent model for the allocation of support. There are two different types of income generated by Danish media outlets: print media are exempt from VAT, leading to profits, and exceptions from competition and consumer law. When it comes to direct support, there is a number of mechanisms, for example distribution support, the Newspaper Board supporting the founding of new newspapers and extra support for newspapers in the Danish-German border region.

The majority of support is granted automatically with each copy of news distributed and sold, which significantly minimizes the scope for political interference with editorial independence, by leaving the decision to extend support to a given medium to its buyers.¹²⁴ Media subsidies and public media are central elements in the Danish media market, however the way in which the media system is regulated in regard to media content has a great impact on the nature of the available media offer. Despite the fact the Danish media is small, the diversity of media output is remarkable. Most media outlets are financed entirely by subscription fees in the context of the Media License Fee System, which is specified every four years. The remaining outlets receive their funding through advertising. Furthermore, there exists the Public Service Fund established in 2007, which is funded by subscription fees and allows programs to show/air news and stories they otherwise would not have aired. This accounts for a large part of the diverse media landscape.

Competition Law

In Denmark the principal authority for the enforcement of Danish Competition Law is the Danish

¹²² <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Denmark.pdf>

¹²³ <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Denmark.pdf>

¹²⁴ <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Denmark.pdf>

Competition Council, composed of a Chairperson and 17 members. The Competition Authority serves as the secretariat to the Competition Council and handles the day-to-day administration of the Law on behalf of the Council. The Council can take its own initiative and initiate follow-up merger notifications, dawn raids or based on the media coverage of particular issues. Many cases are initiated on the basis of complaints (especially mergers). There are no rules restricting direct or indirect ownership interests in media companies in Denmark, neither are there rules on limiting media investments, cross-media ownership or foreign ownership of media companies. There is no anti-trust legislation on media concentration in Denmark, but the Danish Competition Authority supervises the public as well as private media in order to prevent any monopoly situation, related to either national legislation like the legislation of free enterprise and competition, as well as the EU-regulatory framework on state-subsidies related to public service broadcasting, for example.

Case study

The so-called “cartoon debate”, revolving around Jyllands-Postens publication of a series of Mohammed drawings in 2005, which led to a severe crisis for Denmark, including attacks on Danish embassies, condemnations from the UN Secretary General and many more. The drawings and global reactions were subject to intense public scrutiny and debates. The unlimited freedom of expression outlined in the Danish Constitutional Act should be treated with more care. Severe criticism was voiced by some, including the responsibility to take into account the context in which religious feelings were to be respected.

Spain

The Gross Domestic Product (GDP) in Spain was worth 1358.26 billion US dollars in 2013. Spain recorded a Government Budget deficit equal to 6.80% of the country’s Gross Domestic Product in 2013.¹²⁵ Freedom House describes Spain’s level of press as “free”. Spain has a diverse and free media sector, including both public and private print and broadcast outlets. More than 100 newspapers cover a wide range of perspectives, although ownership is often concentrated with various large companies. The government relaxed media ownership rules in 2009, allowing a single actor to own a stake at more than one major media operator.¹²⁶

During the rule of Dictator Francisco Franco (until 1975) the media were under the control of the military. Following Franco’s death, the newly founded newspaper “El País” became the country’s new symbol for the transition to democracy. Since 1978, there has been guaranteed and respected freedom of opinion and the press. Nonetheless, there exists a severe ideological divide in Spanish society also reflected in the media landscape. Influential newspapers are often subject to scrutiny criticizing their closeness to various political parties: the conservative People’s party, or the Socialists. Political parties remain the main institutional actors with a role in the media. There traditionally exists a strong link between the media – particularly large media groups – and political/ideological power. The more closely linked with government these bodies are, the more power they yield. Public bodies and courts also yield considerable influence.¹²⁷ The Internet representation of Spain’s daily newspapers counteracts the concentration of media strongly influenced by political parties and business interests.

¹²⁵ <http://www.tradingeconomics.com/spain/government-budget>

¹²⁶ <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Spain.pdf>

¹²⁷ <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Spain.pdf>

Media concentration is growing with a small number of companies uniting all media outlets under a single roof.¹²⁸

Legal and institutional framework

The legal framework for the media in general in Spain remains rather orthodox; the regulatory techniques are parliamentary Statutes and governmental decrees, although attempts are slowly being made to provide more space to other techniques like self-regulation and co-regulation. There are severe limits on freedom of expression and information, some of which are baked in the Constitution itself. Spain lacks a regulatory and administrative framework that can act as a checking system for Government's interference, despite the fact that reforms have sought to establish such a framework. Although the media in Spain is decentralized in that it is federal, public broadcasters do not neutralize or impair the central government's ability to interfere with public service broadcasting.¹²⁹

Media independence

Spain has an external model of media regulation. The absence of an independent regulator for the media sector is compensated through parliamentary control, and is accountable financially to the Court of Auditors and competent ministries. Once established – the supervisory functions will be transferred to the Audio-visual Media State Council, the independent media regulator, which is mandated by the 2010 Law on Audio-visual Communications.¹³⁰ However, the Audio-visual Media State Council is not well developed and the Spanish government has not expressed any interest in continuing regulation through institutional structures.

Financing

Financing and funding has a strong impact on freedom and independence of the media in Spain. Information is provided through media outlets, which need economic resources to survive. Public funding takes place through various channels, either in the form of direct state aids, or privileged tax system. Information providers thus tend not to be overly critical of the political parties in power.¹³¹ License fees, media taxes or direct public subsidies are being used to finance Spain's media, while reliance on advertising revenues remain minimal.¹³²

There exists a large body of private funding in the media. The media may be compelled to introduce contents, which they otherwise would not have included, only because they want to reach an audience favorable to a certain political party, to certain advertisements or interests. Nonetheless, political influence on the media seems to be smaller than in other countries, as it is not necessarily self-evident that political actors are the driving forces behind the formulation and implementation of public policy measures regarding the media structure. The media in Spain are based on liberalization and to some extent self-regulation. As funding takes place through various channels, information providers tend not to be too critical towards the political parties in power as they are reliant on direct state aid and privileged taxation.¹³³ Also, journalist's associations are clearly polarized, so supporters of one or the other political parties work as spokespersons for some political powers.

128 <http://www.eurotopics.net/en/home/medienlandschaft/spanienmdn/>

129 <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/09/D3.1.pdf>

130 <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/09/D3.1.pdf>

131 <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Spain.pdf>

132 <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/09/D3.1.pdf>

133 <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/09/D3.1.pdf>

Case study

The Ombudswoman of El País was forced to respond to criticism by readers about the fact that the newspaper was being sold jointly with another newspaper in September 2011. While the contents of the second newspaper revolved mostly about fashion and beauty, readers felt they were paying for content they were not interested in. The Ombudswoman explained the necessity of such content by virtue of the fact that the advertising in the fashion and beauty industry is an important source of financing, which meant that the survival of El País depended on this form of income generation.¹³⁴

Media Independence in five analysed EU member states			
	Legislative framework	Independence	Financing
Croatia	Freedom of expression guaranteed in law and respected in practice. Law on the Media, Law on Right of Access to Information, Law on Electronic Media. National radio-television.	Limited independence, fairly strong political influence	Advertisement revenue, licensing fees, economic interests of media elites
Germany	Freedom of expression and the press are guaranteed in law and respected in practice. Article 5 of the Constitution. Federal radio-television supervised by Media Authorities.	Functional independence, very little political influence	License fees, advertising
Bulgaria	No law on print media, regulation of print, radio and television broadcasting. Radio and Television Act of 1998. Commission for Regulation of Communications.	Limited independence, strong political influence. Overlaps with political/economic interests	Government subsidies, state advertising, foreign investment, direct political funding
Denmark	Freedom of expression mentioned in multiple laws. Article 77 of the Constitution. Danish Press Council, Radio and Television Board, Danish Media Liability Act.	Functional independence, very little political influence	Media License Fee System, direct sales revenue

¹³⁴ <http://www.mediadem.eliamep.gr/wp-content/uploads/2012/01/Spain.pdf>

<p>Spain</p>	<p>Freedom of expression and information in Constitution. Law on Audio-visual Communication, Audio-visual Media State Council</p>	<p>Limited independence, considerable political interest</p>	<p>Direct state aid, privileged tax system, radio and television subscription fees, direct public subsidies</p>
---------------------	---	--	---

CONCLUSIONS AND RECOMMENDATIONS

Conclusions:

- ✓ State financing of media in Montenegro is unregulated, unmonitored, and non-transparent.
- ✓ Institutions in Montenegro do not publicize the data about total amount of state money on annual level that has been spent on advertising or financing media on other grounds, and there is no institution that controls manner in which these budgetary funds are spend and distributed. Data are not public and cannot be found on web pages of state bodies, and they are difficult to obtain through Law on Free Access to Information.
- ✓ There are visible mechanisms of direct censorship and control over media by the state in Montenegro, because of limitations set in the Constitution and media laws. However, there are many indications that indirect control exists, mostly because there are no criteria to prevent this, as describes in the report of Centre for International Media Support titled *“How Governments around the Globe Use Money to Manipulate the Media”*.¹³⁵
- ✓ In legislative framework of Montenegro there are no specific rules that regulate allotment of budgetary funds to media for advertising and other contractual services. This creates space for direct influence of the state on work of the media in Montenegro, through non-transparent and selective spending of public funds, and consequently for the abuse of tax payers money.
- ✓ Abuse of public funds in order to satisfy particulate interests is made possible because of the lack of regulation about advertising of state bodies, and also lack of their responsibility towards the public. Legislative framework does not recognize possible link between state advertising and its influence over the freedom of the media and economic stability, nor does it see decisions related to advertising as possible method for media discrimination and influence on editorial policy.
- ✓ Law on control of state aid does not have clear mechanisms for granting aid to media. Distribution of these funds, together with legislative deficiencies in this part, has a potential to cause serious deviations on media market and disrupt business of one part of media and enhance business of the others.
- ✓ Law on Protection of Competition does not recognize and does not regulate field related to possible influence of political structures, state institutions and bodies to media market.
- ✓ Centralisation of budgetary spending for advertising, contractual services, specialized services and other grounds has been noticed, and also redirection of funds from media to advertising agencies which deal with purchasing of media space, which can additionally complicate monitoring of flows and distribution of budgetary funds to media.
- ✓ During the research team of CCE has noticed inconsistent and inadequate implementation of the Law on Free Access to Information. Bodies in public sector have a selective approach to their legal obligations, and refuse to deliver requested information in cases where they estimate

¹³⁵ <http://cima.ned.org/publications/research-reports/soft-censorship-how-governments-around-globe-use-money-manipulate-medi>

that delivering information may cause them larger damage than direct violating of the Law.

- ✓ The fact that public enterprises in many cases do not respect the Law on Free Access to Information is a cause for concern. Thus, beside denying the information of public importance, in the specific case about spending for advertising and other contractual relations they have with media, they also deny the public of the right to oversee how they are conducting business, which can cause concerns for their management over public property. It is also unclear why some public enterprises that have a monopoly (eg. PE Airports of Montenegro) are spending for advertising, and even less clear why are they trying to hide these facts from the public.

Recommendations:

- ✓ Clear mechanisms of control of state funding and granting of state aid to media need to be established, in order to fully implement the principle of transparency and openness of the public sector bodies.
- ✓ The distribution of state financial resources needs to be based on the principle of transparency, with the application of the rules on public procurement. Also, financial allocations of public sector bodies, through marketing and advertising in media, needs to be based on criteria of cost-effectiveness- taking into consideration the price of service and number of viewers/readers/audience, i.e. it should not be a subject to arbitrary decisions made by public officials, as it was the case so far. Otherwise, there is a potential for possible misuse by public officials and servants, in terms of influencing the media through allocation of money from the budget.
- ✓ In order to achieve fair competition, allocations of public funds for media, based on contractual services, special services and on other grounds, should be conducted in line with clear procedures, which are publicly available and published on the websites of public sector bodies.
- ✓ State aid needs to be available to all media, in terms of equal opportunities and unquestionable rules familiar to everyone. Heretofore practice of awarding millions of EUR of assistance to state media at national and local level should be terminated, if the goal is to fully apply the Competition Law, and provide support to the establishment of functional freedom of media. In the case of RTCG it is important to find a sustainable financial mode which will not require additional state aid from the budget of Montenegro, but will simultaneously affect the design of objective news program providing diversity and plurality of opinions.
- ✓ There is a need to normatively regulate the field related to potential influence of political structures, state institutions and bodies on the media market.

ANNEXES

Bodies that received requests for free access to information

Ministries

General Secretariat of the Government
Ministry of Justice
Ministry of Interior
Ministry of Defense
Ministry of Finance
Commission for allocation of the part of revenues from games of chance
Ministry of Foreign Affairs and European Integration
Ministry of Education and Sport
Ministry of Science
Ministry of Culture
Ministry for Information Society and Telecommunications
Ministry of Economy
Ministry of Transport and Maritime Affairs
Ministry of Agriculture and Rural Development
Ministry of Sustainable Development and Tourism
Ministry of Health
Ministry for Human and Minority Rights
Ministry of Labor and Social Welfare
Cabinet of the Minister without Portfolio

Administrations, Institutes, Directorates

Directorate for Anti-Corruption Initiative
Institute for Execution of Criminal Sanctions
Police Directorate
Customs Administration
Tax Administration
Games of Chance Administration
Property Administration
Real Estate Administration
Diaspora Administration

Directorate for Protection of Cultural Property
Directorate for Development of Small and Medium Sized Enterprise
Port Administration
Maritime Safety Department
Transport Directorate
Railway Directorate
Phytosanitary Administration
Veterinary Directorate
Forest Administration
Water Directorate
Directorate of Public Works
Bureau for Care of Refugees
Human Resources Administration
Administration for Prevention of Money Laundering and Financing of Terrorism
Public Procurement Directorate
Administration for Competition Protection
Administration for Inspection Affairs
Directorate for Youth and Sports
Secretariat for Legislation
Secretariat for Development Projects
Statistical Office - MONSTAT
Hydrological and Meteorological Service
Bureau for Education Services
Intellectual Property Office
Bureau of Metrology
State Archive
Direction for Protection of Confidential Data
Environmental Protection Agency

Local self-governments

Andrijevica
Bar
Berane
Bijelo Polje
Budva
Danilovgrad
Žabljak
Kolašin

Kotor
Mojkovac
Nikšić
Petnjica
Plav
Plužine
Pljevlja
Podgorica
Rožaje
Tivat
Ulcinj
Herceg Novi
Cetinje
Šavnik

Parliament

Judiciary

Constitutional Court
Supreme Court
Administrative Court
Supreme State Prosecution

Protector of Human Rights and Freedoms

Agencies

Agency for Civil Aviation
Agency for Electronic Communication and Postal Services
Agency for Electronic Media
Agency for Managing the City Harbor Herceg Novi
Agency for Real Estate Bar
Agency for Construction and Development of Herceg Novi
Agency for Construction and Development of Podgorica
Agency for Medicines and Medical Devices of Montenegro
National Security Agency
Insurance Supervision Agency

Designing and Planning Agency Niksic
Montenegrin Investment Promotion Agency MIPA
Real Estate Agency
Agency for Personal Data Protection and Free Access to Information
Centre for Ecotoxicological Research
Energy Regulatory Agency
Central Depository Agency
Tobacco Agency

Funds

Labor Fund of Montenegro
Investment Development Fund
Fund for Pension and Disability Insurance
Fund for protection and realization of minority rights
Deposit Protection Fund
Fund for Health Care Insurance

Umbrella sports associations

FSCG
RSCG
KSCG
OSCG
VSCG
TSCG
ASCG

Public enterprises and institutions

Pharmacy CG Montefarm
Institute for development and research in the field of protection at work
Exam Centre Montenegro
PE National Parks of Montenegro
PE Regional Waterworks Montenegrin Seaside
Airports of Montenegro
PE Coastal Zone
PI Institute for geological researches
Plantations "13" July
Electric Company of Montenegro
Port of Bar

Post Office of Montenegro
Montenegrin navigation SC Kotor
Railroad infrastructure of Montenegro
PI Centre for Culture -Berane
PI Daily centre "Tisa" -Bijelo Polje
PE "Communal services" -Danilovgrad
PE "Waterworks and sewage" -Danilovgrad
PE Waterworks "Bistrica" -Bijelo Polje
PE for residential-communal services -Andrijevica
PI "Ratkovićeve večeri poezije" Bijelo Polje
"Montenegro defense industry" -Podgorica
Container terminals and general cargos-SC Bar
Montenegrin operator of the market of electric energy -ltd Podgorica
Galenika Montenegro -ltd Podgorica
Montenegrin electric transfer system-SC Podgorica
Castell Montenegro -Pljevlja
Budvanska rivijera -SC Budva
Barska plovidba -SC Bar
Ulcinjska rivijera - SC Ulcinj
University of Montenegro
Broadcasting Centre of Montenegro - ltd Podgorica
Procon -ltd Podgorica
Transoceanic navigation-SC Kotor
Maintenance of railroad vehicles-SC Podgorica
Montenegro bonus -ltd Cetinje
Montenegro Airlines -SC Podgorica
Montecargo -SC Podgorica
Monteput -ltd Podgorica
Marina -SC Bar
PI Centre for culture and sport -Andrijevica
PI "Artistic colony" -Danilovgrad
PI Cultural center "Nikola Đurković" -Kotor
PCE -Kotor
PE Communal -Berane
Municipal public institution "Muzeji" - Kotor
Port of Kotor -SC Kotor
"Vodacom" -ltd Tivat- Kotor
Touristic organization Kotor
PI "Waterworks and sewage" -Kotor

PI "Anderva" –Nikšić
PI Centre for culture – Nikšić
PI" Waterworks and sewage –Berane
PI Daily centre for children with special needs – Nikšić
PE Communal – Nikšić
PI "Waterworks and sewage – Nikšić
Centre for immigrants
Centre for social work –Kolašin
Centre for social work –Podgorica
PI Ljubica Popović
PI "City Theatre –Podgorica"
PI Ambulance
Clinical-hospital centre of Montenegro
Medical chamber of Montenegro
Institute for textbooks and teaching aids
Montenegrin academy of sciences and arts
Centre for social work Cetinje
PI Centre for culture Rožaje
PI "Gradac" –Mojkovac
Touristic organization Žabljak
Touristic organization Mojkovac
PI Centre for culture "Nenad Rakočević"
Centre for culture Žabljak
PE Waterworks and sewage Rožaje
PI "City Theatre" –Budva
PE Communal residential public enterprise –Budva
PE Waterworks and sewage –Budva
PE "Funeral services" –Budva
PE "Parking services" –Budva
PI Sports' arena –Tivat
Vodacom –Tivat
PE Communal –Tivat
PE "Sports center" –Cetinje
PE Centre for sports and recreation –Pljevlja
PE for maintenance for local roads –Pljevlja
PI Daily centre for children and youth with difficulties in development –Pljevlja
PE Waterworks and sewage –Bar
PE Communal services –Bar
"Plodovi Crne Gore" –AD Podgorica

Centre for social welfare –Danilovgrad
PE “Sports center” –Berane
PE Waterworks and sewage –Ulcinj
Tourist organization –Rožaje
PE Maintenance – Pljevlja
PI “Centre for sport” –Bijelo Polje
PE “Sport centre” –Nikšić
Tourist organization Plužine
PI National Library “Stevan Samardžić” –Pljevlja
PE “Waterworks and sewage” – Cetinje
PE “Waterworks and sewage” – Tivat
PI Centre for culture –Tivat
PE “Rumija” –Bar
PE “Heating” –Pljevlja
PI Heritage Museum –Pljevlja
PE Cultural Centre –Bar
Ltd “Academy of knowledge” –Budva
SC “Techno base” –Nikšić
PE “Mediterranean advertizing” –Budva
PI “Museums, galleries and library” - Budva
PE “Communal services” – Šavnik
Foundation “Kotor Teater festival for children” –Kotor
Memorial Home Crvena komuna
JP Waterworks –Pljevlja
PE Sports and recreational center Bar
JPSKD “Lim” – Bijelo Polje
PE for communal services Cetinje
PI Public library “Njegoš” - Cetinje
Ltd Eko katun “Štavna” –Andrijevisa
Tourist organization Šavnik
PI “Center for support of children and family” –Bijelo Polje
Hemomont
Bauxite mine -Nikšić
Coal mine –Pljevlja
Centre for culture –Bijelo Polje
Polimski Museum - Berane
Centre for Culture-Danilovgrad
JSKP -Plužine
JPK -Ulcinj

Sports centre -Rožaje

PE Communal services -Rožaje

Budva holding

Sport and recreational center Mediteran -Budva

Tourist organization of Tivat

Institute "Dr. Simo Milošević"

LITERATURE AND SOURCES

IREX: Media Sustainability, Index-2012, available at: http://www.irex.org/system/files/u105/EE_MSI_2012_Full.pdf.

”Soft Censorship–strangling Serbia’s Media”, Wan-Ifra, Center for International Media Assistance, September 2013

European Commission Montenegro 2013 Progress Report

European Commission Montenegro 2014 Progress Report

Dragan D. Štavljanin, Democracy and the media in the era of globalization, Belgrade, 2012

Maja Vujašković, Montenegro and EU: Role and importance of media in European integration process, Podgorica, 2013.

Centre for international media support, annual report „How Governments Around the Globe Use Money to Manipulate the Media“, 2013, available at: <http://cima.ned.org/publications/research-reports/soft-censorship-how-governments-around-globe-use-money-manipulate-medi>

Coronel, Sheila, “The Role of Media in Deepening Democracy”, <http://www.aiou.edu.pk/gmj/artical1%28AUT-08%29.asp>

IREX „The Development of Sustainable Independent Media in Europe and Eurasia”, <http://www.irex.org/project/media-sustainability-index-msi-europe-eurasia>

Strategy of Public Administration Reform in Montenegro for the period 2011-2016, <http://www.gov.me/vijesti/104737/Strategija-reforme-javne-uprave-u-Crnoj-Gori-za-period-od-2011-do-2016-godine.html>

Internal Public Sector Restructuring Plan, Ministry of Interior and Ministry of Finance, 2013

Law on Media of Montenegro, “Official Gazette of Montenegro”, no. 51/2002”from 20.9.2002

Law on Public Broadcasting Services of Montenegro, “Official Gazette of Montenegro”, no.79/2008” from 23.12.2008

Law on amendments to the Law on Public Radio-Broadcasting Services of Montenegro “Official Gazette of Montenegro”, no 45/2012”od 17.8.2012

Draft amendments and changes to the Law on Radio-Broadcasting Services of Montenegro with the Report on conducted public debate, <http://www.gsv.gov.me/biblioteka/predlozi-zakona>

Law on Electronic Media of Montenegro, “Official Gazette of Montenegro”, no.46/10 from 06.08.2010, 40/11 from 08.08.2011, 53/11 from 11.11.2011

Law on Control of State Aid of Montenegro, “Official Gazette of Montenegro”, no 74/09 from 13.11.2009, 57/11 from 30.11.2011

Amendments of the Decree on more detailed criteria, conditions and manners for granting state aid of Montenegro, “Official Gazette of Montenegro”, no. 34/2011 from 12 July 2011

Annual report about granted state aid in Montenegro in 2013, <http://www.kkdp.me/index.php?IDSP=217&jezik=lat>

Law on Protection of Competition of Montenegro “Official Gazette of Montenegro”, no. 44/2012 from 9.8.2012

Report on the work of the Agency for protection of competition with end balance for 2013

Law on Budget and Fiscal Accountability “Official Gazette of Montenegro”, no.20/2014” from 25.4.2014

Law on Budget of Montenegro for 2013”Official Gazette of Montenegro”, no.66/2012” from 31.12.2012

Draft Law on Final Budget Account of Montenegro for 2013, <http://www.mif.gov.me/biblioteka/predlozi-zakona>

Law on Budget of Montenegro for 2014 “Official Gazette of Montenegro”, no. 61/2013” from 30.12.2013

Draft Law on Budget of Montenegro for 2015, <http://www.mif.gov.me/biblioteka/predlozi-zakona>

Financial Report of RTCG for 2013, <http://www.rtcg.me/rtcg/poslovanje.html>

OSCE-CEDEM „Media, media freedoms and democracy”, 2012, <http://www.osce.org/me/montenegro/84642?download=true>

CGO, Annual report „How much and to whom do the citizens in Montenegro pay for advertizing, 2012, <http://media.cgo-cce.org/2013/09/cgo-izdavastvo-koliko-i-kome-poreski-obveznici-u-crnoj-goric-placaju-za-reklamiranje-2011.pdf>

CGO, Report „ How much, to which media and related agencies did municipalities in Montenegro pay for their services“, 2012, <http://media.cgo-cce.org/2013/09/cgo-izdavastvo-koliko-kojim-medijima-i-srodnim-agencijama-opstine-u-crnoj-gori-placaju-za-usluge-2011.pdf>

CGO, Annual report „How much and to whom do the citizens in Montenegro pay for advertizing, 2013, <http://media.cgo-cce.org/2013/09/cgo-izdavastvo-koliko-i-kome-poreski-obveznici-u-crnoj-goric-placaju-za-reklamiranje-2012.pdf>

Action Plan for Chapter 23, „Judiciary and Fundamental Rights”, September 2013.

Annual Report on performed audits and activities of the State Audit Institution of Montenegro for the period October 2013- October 2014, October 2014

Institute Alternative: Municipalities breaching the Public Procurements Law, May 2014, available at: <http://institut-alternativa.org/saopstenje-opstine-krse-zakon-o-javnim-nabavkama/>

Report on Public Procurement in Montenegro for 2013, Public Procurement Administration, May 2014

”Towards a Better Parliamentary Scrutiny of Public Procedure”, Institute Alternative, 2013

“Procurement in Montenegrin municipalities?”, Institute Alternative and Centre for Civic Education, 2013.

”Corruption and public procurement”, Institute Alternative, 2012

Rules of Procedure of the Coordination body for monitoring and implementation of the Strategy for Public Procurement System Development for the period 2011-2015

Draft Law on amendments to the Public Procurement Law, July 2014

Public Procurement Law, “Official Gazette of Montenegro”, no. 42/2011 from 15. 8. 2011

