V THE DIGITALIZATION PROCESS

On September 27-28, Agency for Electronic Media and the Electronic Communications and Postal Activity Agency of Montenegro organized the first technical meeting and the meeting of the Executive Board of the SEE Digi.TV Project in Budva. The aim of the project, realized under the auspices of the SEE Transnational Cooperation Program 2007 – 2013 and funded with the support of EU structural funds ERDF, IPA and ENPI, is the harmonization of the legal, economic and technical aspect of digitalization, as well as of the framework that ought to ensure quality information for the consumers and the protection of their interests in this process. The project involves Slovenia, Italy, Austria, Hungary, Croatia, Bosnia-Herzegovina, Serbia, Montenegro and Albania. The RBA is involved as Serbia's representative. In the course of the meeting in Budva, the representatives of regulatory bodies and their partnership organizations focused on key project segments, in the scope of which they will analyze the current situation and formulate recommendations for improving the legal, technical and economic framework relevant for a successful TV digitalization process. The topics of the meetings were also concerns and concepts that should enable timely and quality information and the familiarization of viewers and consumers with all the relevant aspects of this process. The participants will prepare, for the next meeting scheduled for November, the first versions of documents that will serve as a basis for further work and organization of professional and public debates both on the national and regional level.

The goal of the project is to establish a platform for the digital switchover in the region and to speed up the transition process and contribute to the development of more efficient technologies; improve the harmonization of the legal and technical framework with that of the EU in order to avoid the fragmentation of the market; develop a regional proposal for the optimum usage of the released spectrum for broadband services; and improve the management of the digital dividend. A major concern is, however, the fact that, as opposed to some other countries in the region, which are represented in the project both by media regulatory bodies and electronic communications regulatory bodies (Croatia, Montenegro) or by a single regulator for both fields (Bosnia-Herzegovina, Italy), Serbia was represented by the RBA only. Logically, this raises the question of competences and capacities relative to the projected goals and in particularly those goals that in Serbia are in the competence of RATEL.

VI THE PRIVATIZATION PROCESS

The absence of a clear strategy of the state with respect to the privatization of media has shown all its adverse consequences in the case of Radio Sombor. Although the privatization thereof was revoked more than three years ago, after which the station was placed under the control of the state via a representative appointed by the Privatization Agency after the dismissal of the previous representative, it seems that nobody wants to discharge that function. Viorika Blazin from Zrenjanin, appointed by the Agency to that post, according to the daily Dnevnik, has apparently given up the "mission impossible" to save Radio Sombor. We remind that the station has been receiving, in the course of 2010, financial support both from the local government and the authorities on the level of the province and the republic, through the funding of project concerning information in the language of ethnic minorities. Radio Sombor has now been left without management and facing unfair competition by three pirate radio stations in its coverage zone.

In the case of Novosti, which we have also been covering in our reports, the majority owner Milan Beko is yet to inform the Securities Commission whether he will tender an offer for the purchase of the remaining stock or he will issue an order to sell his share in the said media company. We remind that the Securities Commission passed a decision on June 23, determining that Beko has, through his three affiliated companies registered abroad – Ardos, Trimaks and Karamat – purchased 62.4% of Novosti and that he has failed to fulfill his legal duty to tender an offer for the remaining shares. Beko was ordered to tender an offer within three months for the takeover of the shares from Novosti's minority shareholders or to sell a 25% stake – this deadline expired in late September. Until the issue of ownership in Novosti is not settled, the managing rights of Ardoks, Trimaks and Karamat are limited, which has created a situation where the majority of the votes in the company's bodies is held by the state with 29.5% of the shares. The remaining shares are also held by the government pension and disability fund (7.15%) and small shareholders with 0.92%. We remind that, according to past media reports, Milan Beko has purchased Novosti with the funds provided by the Germany-based WAZ-Mediengruppe. The Competition Protection Commission has not, however, issued an authorization to WAZ for the takeover of Novosti and has suspended the decision-making procedure about that concentration pending a decision of the Administrative Court of Serbia in a dispute initiated by WAZ. The said Court announced on September 27 that it had rejected WAZ's claim and the Competition Protection Commission is now expected to resume the procedure.

Meanwhile, the unprivatized media in Serbia remain exposed to pressure from local political leaders. This is best evidenced by a case in Leskovac, where the journalists of commercial media have stood by their colleagues from the public company Radio Leskovac and jointly left a press conference of the opposition Serbian Radical Party (SRS), in protest against the criticism of the work of local media voiced by SRS councilor Miodrag Jovanovic. The journalist of TV Leskovac Dragan Marinkovic told the daily Blic that he had been receiving, on daily basis, phone calls and sometimes even threats, from many politicians that were trying to put pressure on the editorial policy of the station.