V THE DIGITALIZATION PROCESS

The implementation of the Strategy of the Transition from Analog to Digital Radio and TV Program Broadcasting in the Republic of Serbia, adopted by the Government of the Republic of Serbia on July 2, 2009, was compromised from the very beginning. Namely, most of the activities envisaged by the Action Plan adopted in parallel with the Strategy, providing for deadlines by the end of 2009, have not been realized. Namely, the Parliament of Serbia has still not adopted the Law on Verification of the Final Acts of the Regional Conference on Radio Communications for the Planning of the Digital Terrestrial Broadcasting Service in Frequency Ranges 174-230 MHz and 470-862 MHz (RRC-06); the conceptual design of the distribution network project, namely the selection of channels according to distribution zones, which is the task of RATEL and the Ministry of Telecommunications and Information Society, has not been drawn up; furthermore, the financial plan for the procurement and distribution of set top boxes, which is the task of the Ministry of Telecommunications and Information Society and the Government of the Republic of Serbia, has not been laid down. The Ministry has posted on its website a portal about the digitalization process at the address http://digitalizacija.gov.rs/, but the portal was inadequately promoted and advertised.

However, on December 10, 2009, the Government appointed the Chairman and the members of the management board of the public company "Broadcasting equipment and communications". We remind that, in accordance with the adopted Strategy, this company is tasked with managing the broadcasting infrastructure that represents the broadcasting system of the Republic of Serbia. That system has been created by separating the equipment from the Broadcasting Institution Radio Television of Serbia. Pursuant to the Strategy, the public company "Broadcasting equipment and communications" will be obliged to apply the same, non-discriminatory conditions pertaining to quality, accessibility and fees to all broadcasters. The fees for its broadcasting services shall be cost-based, while the company's role will be purely a technical one, without the possibility of influencing choices related to program and program content.

The following persons, unknown to the wide public, have been appointed to the Managing Board (MB): Marina Kendereski, Graduated Lawyer and Assistant Secretary of the City Council of Pancevo, was named Chairperson of the MB; Nenad Filipovic PhD, Associate Professor on the Department for Applied Mechanics and Automated Steering of the Faculty of Mechanical Engineering of the Kragujevac University, as the Deputy Chairperson; Jovan Todorovic, Economist from Loznica; Nikola Spasic, Graduated Mechanical Engineer and Senior Associate in the ICT Sector of the public company JP PTT "Srbija" from Nis; and Bojana Vitanovic, Graduated Lawyer and Petar Djekic, Graduated Electrical Engineering Engineer, as the representatives of employees.

VI THE PRIVATIZATION PROCESS

After a two-year break, only 4 of 12 media companies were privatized at an auction held on December 11, 2009 in the Privatization Agency. Radio Smederevo was privatized at the price of 9.3 million dinars; Radio Obrenovac at the price of 134.000 dinars, while TV Cacak and Radio Cacak were sold to the same bidder at the initial price of 12 million dinars. The new owner of Radio Smederevo is Milos Lukic, the son of the businessman and one of the top local officials Milan Lukic. The new owner of TV Cacak and Radio Cacak is Milos Bojovic, the son of the businessman and owner of the local paper "Cacanski glas" Zoran Bojovic. According to media reports, Bojovic is also the owner of "Ishrana", a company making bread and pastry with 54 retail stores in Cacak, Lucani, Ivanjica and Gornji Milanovac. Bojovic also owns the trade company Agrostroj. The new owner of Radio Obrenovac is Dejan Jovanovic from Obrenovac.

The auction for TV Smederevo has been postponed, while the privatization of RTV Vrnjacka Banja has been cancelled, which was explained by a "legal omission while calling the public tender". RTV Vrnjacka Banja had already been privatized for an incredible 191 million dinars two years ago, but the buyer quickly gave up his acquisition. There were no interested buyers for Radio Valjevo, the Public Information Company "Mladenovac", the public company "Regional Television Valjevo", Radio and Television "Pozega" and the Information and Culture Public Company "Barajevo". New auctions have been scheduled for February 19, 2010.

The media have also reported that the local authorities in Paracin decided not to allow the continued privatization of Radio Paracin. The privatization was suspended two years ago, when this radio station started to air a segment of its program in the Roma language, which served as grounds for avoiding privatization, pursuant to the Law on Local Self-Government.

At the same time, the media that have been successfully privatized are also facing problems. For instance, Radio Srbobran was dispossessed of its premises after the local council of Srbobran passed a decision annulling a prior decision assigning these premises to the station back in 1991. The said premises were part of the privatization agreement and the station had been using them since 1982. The owners of Radio Srbobran expect that the controversial decision of the local council will be annulled in proceedings before the Constitutional Court.