

Report for June 2010



### **TABLE OF CONTENTS:**

I	FREEDOM OF EXPRESSION
II	MONITORING OF THE IMPLEMENTATION OF EXISTING LAWS 7
III	MONITORING OF THE ADOPTION OF NEW LEGISLATION 11
AND	MONITORING OF REGULATORY BODIES, STATE AUTHORITIES COLLECTIVE ORGANIZATIONS FOR THE PROTECTION OF (RIGHT AND RELATED RIGHTS
REGU	ULATORY BODIES14
STAT	TE AUTHORITIES 18
COLI	LECTIVE ORGANIZATIONS21
V	THE DIGITALIZATION PROCESS23
VI	THE PRIVATIZATION PROCESS23
VII	CONCLUSION24

#### I FREEDOM OF EXPRESSION

The period covered by this Monitoring Report features several cases that suggest possible infringements of freedom of expression.

#### 1. Threats and pressures

1.1. On June 1, 2010, the daily "Novosti" reported that Nikola Jankovic, "Novosti" correspondent from Uzice, was threatened by telephone with warnings that he would "end up in the graveyard" because of his texts about the newly-opened carwash facility "Art" in the center of Zlatibor. The text about the facility concerned was published on May 28 under the headline "Regulations are not same for all". An unknown person called the "Novosti" correspondent and threatened that he would "end up in the graveyard" on the day when the journalist was to meet with the owner of this facility, Aleksandar Andjic – clerk in the Municipality of Cajetina – his wife and the lessee of the carwash facility Mitar Djurovic. They all wanted to deny certain allegations from his text. Three days after this threat, Dragica Jevtovic, head of the Police Administration of Uzice, said that they had identified the person who had called the journalist by phone as Slobodan Djurovic from Cajetina, employed in Public Communal Company "Zlatibor". The police filed criminal charges against Djurovic, who is a cousin of Mitar Djurovic, the lessee of the carwash facility.

The Law on Public Information provides that no one shall restrict freedom of public information, in any manner aimed at restricting of free flow of ideas, information and opinions. The same Law provides that no one shall exert any kind of pressure, physical or other, on media or media staff, or any influence that can impede them in doing their job. For compromising a person's safety by threatening to attack his/her life or body, the Criminal Code envisages a prison sanction of up to three years of imprisonment. In accordance with the 2009 amendments, the Criminal Code also envisages an aggravated form of this criminal offence, in the event the person whose safety is threatened performs a function of public interest in the field of information, in connection with the job such a person is doing. In such an aggravated case, the envisaged sanction is between one and eight years of imprisonment. Please note that in the earlier trials for the threats directed at journalist Brankica Stankovic, conducted according to the amended provisions of the Criminal Code, Stefan Hadziantonovic from Belgrade was sentenced to 15 months of imprisonment in the first instance, Vladimir Samardzic from Novi Sad was sentenced to 3 months of imprisonment, also in first instance, whilst in the case of Goran Kljestan, Aleksandar Perisic, Milan Gudovic, Dragan Djurdjevic, Nemanja Odalovic, and Nemanja Bogdanovic, the First Basic Court in Belgrade rejected the indictment finding that the relevant acts of the indicted contained no elements compromising safety. The First Basic Prosecutor's Office in Belgrade lodged an appeal with the Appellate Court against the decision on the rejection of the indictment.

1.2. As reported by media on June 20, the Meshihat of the Islamic Community in Serbia most sharply condemned the publishing of the photomontage impersonating the chief mufti Muamer Zukorlic in the uniform of an orthodox priest with a cross on his head in the "Blic" daily. The Meshihat demanded an apology from the "Blic" editor in chief and owner, as well as a "symbolic" compensation of one hundred million euro. If the request is not met, they said that they would file criminal charges and invite the Muslims to boycott the "Blic" distribution and sale. "This act sends out a clear message to the general public about converting the Muslims, not sparing even the highest religions authority", reads the announcement of the Meshihat of the Islamic Community in Serbia. It is added that the Muslims are sent a message that "their spiritual values do not enjoy protection of the law and the legal system". On the same day, the "Blic" editors apologized to Mufti Muameru Zukorlic, the Mechihat of the Islamic Community of Serbia and all the believers in the Islamic religion because of the, as it was stated, "inappropriate photomontage published in "Blic" in the entertainment section". The editors underlined that the photomontage was deemed to be "unnecessary and unwise", but also that it "is not a "Blic" invitation and message to the Muslims to convert". On June 26, the Assembly of the Islamic Community published an announcement in which they "indignantly and most sharply condemned the way in which the "Blic" shamefully insulted the Mufti and the Muslims", which, as they said, symbolized continuation of the "genocidal policy" against the Muslims. This religious community has called upon a boycott of the "Blic", and repeated the demand for criminal liability for the perpetrator of the insult and the symbolic damages of 100 million euro.

The photomontage of Mufti Muamer Zukorlic in the clothing of an Orthodox priest, published in the satirical column of the "Blic" daily, first resulted in a sharp reaction of the Meshihat, and then of the Assembly of the Islamic Community in Serbia. If the court action announced by the Islamic Community is truly launched, it would be worthwhile to remember that Serbian case law is all but glorious when it comes to satirical content in media. Only two months ago, Stojan Markovic, editor in chief of Cacanske novine, was ordered in a first instance ruling, made by the Higher Court in Cacak, to pay to Velimir Ilic, the leader of Nova Srbija, 180.000 dinars as a compensation for consequential damage incurred to him by blemishing his honor and reputation. The Higher Court in Cacak found on that occasion that Ilic's honor and reputation were marred, among other things, by the humoresque "The Impotent Mandarin", published in February 2009. Admittedly, the difference is that Zukorlic, as opposed to Ilic, is a religious leader; however, these two cases have a number of similarities as well. In the first place, the Constitution of the Republic of Serbia guarantees not only freedom of opinion and expression,

but also the freedom of demanding, obtaining and disseminating information and ideas in speech, writing, image or otherwise, as well as freedom of artistic creation. Secondly, Muamer Zukorlic, as a public figure, should be obliged to demonstrate a higher level of tolerance towards media content concerning his role of the Chief Mufti of the Islamic Community in Serbia, satirical content included, regardless of its form in this specific case. Finally, demanding such huge claims for damages and invitation to a boycott, and particularly accusing media that their satirical content directed to one person, irrespective of the function such a person holds, constitutes not only an attack against all Muslims but continuation of "genocidal policy" against the Muslims as well, even the editors' message to the Muslims that they should convert, doubtlessly restrict freedom of public information, namely free flow of ideas, information and opinion, and may doubtlessly lead to further intensification of self-censorship in media.

#### 2. Legal proceedings

2.1. On June 2, a hearing was held before the Higher Court in Novi Sad in a lawsuit brought by Nebojsa Kolarski, Serbian Radical Party member from the Becej Municipal Assembly, against "Becejski mozaik" weekly and journalist Kristina Demeter Filipcev. Kolarski brought a claim against the publisher and the journalist for consequential damage compensation at the amount of 0.5 million dinars, because of the mental pain and anguish caused by an injury to his honor and reputation by the text "Radically black on white" from February 2010. In the said text, Kristina Demeter Filipcev said that, speaking about local action plans for Roma employment at a meeting of the Municipal Assembly, Kolarski used hate speech dividing the citizens to "black" and "white". The "Becejski mozaik" editorial stated earlier that it was only two months after the text was published that Kolarski came into the editorial and demanded that an "apology" be published. "As the legally prescribed deadline expired, the editorial offered to write a commentary, but Kolarski left the editorial saying 'you are insane'", stated "Becejski mozaik".

Pursuant to the provision of Article 82 of the Law on Public Information, a journalist, editor in chief, and a legal person – founder of the media shall not be liable for damage if incorrect and incomplete information from a public parliamentary debate was truthfully reported. Nebojsa Kolarski could have legal grounds to win this dispute only if his speech from the Becej Municipal Assembly was quoted wrongly or placed in an unacceptable context. Also, with regard to Kolarski's request relating to publication of an "apology" – this is not provided as a right in the Law on Public Information. Namely, an apology is a personal act, whereas the Law on Public Information provides only for the right of the individual, whose rights or interest the information was suitable to violate, to request that the editor in chief, without any compensation whatsoever, publish a reply in which it would be claimed that the information is untrue,

incomplete, or inaccurately reported. The request for publication of a reply shall be submitted within 30 days after the date of publication of the information in question in daily newspapers or daily broadcast program, or 60 days after the information was published in a periodical or periodically broadcast program. Finally, having in mind that Nebojsa Kolarski is a member of the Becej municipal parliament, his case is to be viewed from the standpoint of the provision of the Law on Public Information which explicitly provides that holders of public functions shall be restricted the rights the individuals the information relates to are entitled to if the information is of public importance, considering the fact that the person the information relates to performs a particular duty, proportionately to the reasonable public interest in each individual case.

2.2. On June 10, "Vecernje Novosti" reported that, for the first time since the 2009 Law on Amendments to the Law on Public Information came into force, the public prosecutor had filed a case against a media for violation of presumption of innocence. The hearing after the lawsuit against "Tabloid" magazine for violation of presumption of innocence of Dragan Sutanovac, Minister of Defense, was to be held before the Belgrade Commercial Court on June 9, but was postponed. The lawsuit is caused by the texts published in "Tabloid" in which Sutanovac was accused of abuse of office.

The 2009 Law on Amendments to the Law on Public Information envisages that, in case a newspaper identifies a person as a perpetrator of a punishable offense, or if a person is declared guilty or responsible before the final and enforceable decision is passed by the court or other competent authority, a fine between 25% and 100% of the total sum of the value of sold circulation, delivered to the distributors on the date of publication of the information and the value of the advertising space sold for that particular issue of the newspapers, shall be imposed for economic misdemeanor against the founder of the newspapers. For the same economic misdemeanor, a fine between 200.000 and 2.000.000 dinars shall be imposed against the responsible person in the founder of the newspapers, as well as the editor in chief of the newspapers. The Law further provides that, if the offense is committed for the first time, the court shall impose a suspended sentence and a protective measure of public announcement of the ruling. Here it is important to recall that the professional public assessed this provision of the Law on Amendments to the Law on Public Information, as well as the entire Law, as seriously restrictive of freedom of expression. In September 2009, the Ombudsman filed a motion with the Constitutional Court of the Republic of Serbia to find that the provisions of this Law were not in the compliance with the Constitution, Article 10 of European Convention for Protection of Human Rights and Fundamental Freedoms, and Article 19 of the International Covenant on Civil and Political Rights. Even though the Constitutional Court was to pass the decision on constitutionality of the Law on Amendments to the Law on Public Information in the end of March, it is still pending at end of June.

#### II MONITORING OF THE IMPLEMENTATION OF EXISTING LAWS

#### 1. Law on Public Information

- 1.1. Implementation of the Law on Public Information was partly discussed in the section on freedom of expression.
- 1.2. German company WAZ decided to withdraw from Serbia and start selling their stake in "Politika" and "Dnevnik". As stated in the press release published on June 15, WAZ President Bodo Hombach asked Serbian President Boris Tadic in a confidential letter to help their exit be fair and in compliance with law. According to the press release, Hombach described in the letter what WAZ had been through as an investor in Serbia. WAZ holds 50% of ownership in "Politika novine i magazini", the company publishing the "Politika" daily; it is also the majority owner of the Novi Sad "Dnevnik" daily and the sole owner of "Stampa sistem", a press distribution company. Supposedly, the reasons for their withdrawal are the obstacles which they encountered when attempting to take over "Novosti". Economists and experts for foreign investments in Serbia did not want to comment on the WAZ announcement, but they agreed that withdrawal of this media organization would affect future foreign investments, particularly the ones from Germany. The European Parliament rapporteur for Serbia Jelko Kacin said yesterday that the announced withdrawal of the WAZ media group from Serbia "is not good news for freedom of media in Serbia, or for attraction of foreign investments in Serbia". Kacin recalled that freedom of media and functional market economy, which implied equal treatment of domestic and foreign investors, and rule of law, were among the most important requirements for progress of Serbia towards joining the EU. On the other hand, Nebojsa Bradic, Serbian Minister of Culture, believes that the reasons for the announced withdrawal of WAZ are exclusively of economic nature and that their withdrawal is not expected to cause any significant turbulence on the Serbian media scene.

In the recent period, information about the controversial takeover of "Novosti", in which WAZ was one of the involved parties, was made publicly available by different sources. Controversies with regard to this takeover are now being linked with the WAZ announcement to withdraw from Serbia. Namely, Stanko Subotic Cane, Serbian businessman living in Switzerland, indicted in Serbia for abuse of office as a result of the police action "Mreza" – investigation of cigarette trafficking schemes, claims that in 2005 WAZ were already prevented in their attempts to take over "Novosti" directly. WAZ confirmed that they had used their own funds to finance the 2006 takeover of "Novosti" by Ardos Holding GmbH, Trimex Investments GmbH, and Karamat Ltd. These companies are now being linked to the Serbian businessman Milan Beko. Stanko Subotic

Cane claims that, with his own bank guarantees, he guaranteed that Ardos Holding GmbH, Trimex Investments GmbH and Karamat Ltd would eventually transfer the majority package of shares in "Novosti" to WAZ, but this has not happened yet. On June 23, WAZ stated that they had taken over Ardos Holding GmbH and that the takeover was only a mechanism which WAZ intended to use to sell their stake in Novosti within their announced withdrawal from the Serbian market. On the same day, June 23, Ivica Dacic, Serbian Minister of the Interior, said that the police, acting upon order from the prosecutors' office, instigated an investigation with regard to the privatization of "Novosti". Although this announced investigation is yet to discover what is really behind the takeover of "Novosti", it is indisputable that this case has made obvious the extent to which media ownership in Serbia is non-transparent, and the business environment in which the market is being abandoned even by large European media companies with extensive experience in doing business in transitional democracies. The case of "Novosti" has also shown that the 2009 Amendments to the Law on Public Information, which introduced a media register in Serbia, have also failed to ensure any progress with regard to transparency of media ownership.

#### 2. Broadcasting Law

- 2.1. In this Report, implementation of the Broadcasting Law will be partly discussed in the section addressing the matters of monitoring of the work of the competent regulatory body, the Republic Broadcasting Agency.
- On June 2, 2010, the RTS program "Da, mozda, ne" (Yes, Maybe, No) of the author 2.2. Olivera Kovacevic, in which the "Satellite" scandal was to be discussed, was cancelled only a few minutes before its recording was to start. The official explanation was that the RTS legal team did not allow indicted Prvoslav Davinic to appear in the program. Olivera Kovacevic claimed that it was not before around 6.30 p.m. that she learnt about the cancelation. "This program is recorded between 8.15 p.m. and 9.30 p.m., and then broadcast half an hour later. About 6.30 p.m., I was informed by the Head of the RTS Legal Department Stanislav Veljkovic that it was decided that a person an indictment was issued against should not appear as a guest of the Public Service Broadcaster. We were not aware that having him as a guest could result in any legal consequences for RTS. My team had invited the representatives of the Prosecutors' Office to be the guests in the program too, but they rejected the invitation. I have been doing the "Da, mozda, ne" program for two years already, and this is the first time that something like this has happened," Kovacevic said. Besides Davinic, his lawyer Dragan Pasic, former Minister of Defense Zoran Stankovic and former Director of Military-Information Agency Branislav Anocic were also announced as the guests of the program.

The prohibition of interviewing indicted persons during the course of criminal proceedings is not envisaged by the Criminal Code or the Law on Criminal Proceedings, or the Law on Public Information. Quite on the contrary, these regulations insist on observance of presumption of innocence. The Broadcasters' Code of Conduct ("Official Gazette of the RS", No. 63/2007) passed by the Republic Broadcasting Agency pursuant to the provision of Article 8 and Article 12 of the Broadcasting Law, also fails to provides grounds for the RTS legal team opposing the appearance of indicted persons in the program. Namely, in the part addressing reporting on investigations, the Code envisages that the broadcasters shall not in any way whatsoever impede the investigation while it is still in progress and shall not interview the perpetrators while the investigation is still in progress. The investigation against Davinic, however, was completed and an indictment was issued. Also, let's take note that back in the beginning of 2008, Belgrade Centre for Human Rights filed an initiative for assessment of constitutionality of the Broadcasters' Code of Conduct, for the reasons including the instructions for reporting on investigations. It is not known whether the Constitutional Court stated its opinion with regard to this issue. It could be that the RTS legal team is concerned about the criminal offense of prohibition to comment on court proceedings, introduced into the Criminal Code by the 2009 amendments. Namely, Article 336a of the Code envisages that anyone who gives public statements in media while court proceedings are in progress and before a final and enforceable decision is made, with the intention to infringe presumption of innocence or independence of court, will be punished a fine or a prison sentence of up to six months of imprisonment. If the concern of the RTS legal team that the violation of the above provision of the Criminal Code could occur, namely that Davinic or his lawyer could abuse their appearance in the program so as to influence the judiciary independence was the real reason for canceling of the program, this could be a signal that the RTS management harbors serious distrust in their authors' and journalists' capabilities to manage the course of the programs they host, and the evidence of increased self-censorship in the programs of the public service broadcaster.

#### 3. Law on Local Self-Government

3.1. In the beginning of this month, Velimir Stanojevic, Mayor of Cacak, signed contracts on "information of local importance" with the directors of five media outlets established in this town. The total of one million dinars is to be distributed among the editorial boards of these media every month. "In this year's city budget, ten million dinars is allocated for information, and it is our primary duty to allocate these funds for the purpose of providing timely information on all local developments to citizens. Besides, I believe that these contracts will have a positive effect on the financial conditions of Cacak journalists, whose professional standards were never under a question mark", said Mayor Stanojevic for the "Politika". The "Politika" reports that this is a new redistribution of the "information dinar" in this town,

considering that until the end of the previous year these budget funds mostly ended up with the editorial staff under the auspices of "Cacanski glas", founded by the Town. Since December, however, all Cacak media are privately owned. The contract with regional TV Cacak provided for allocation of 350.000 dinars a month, with the obligation to produce and broadcast the planned number of items of daily programs and one-hour program entitled "TV parliament" every week. Local RTV Galaksija 32 is to be allocated 200.000 dinars a month. The "CA-video" production concluded a contract at the amount of 128.000 dinars, while Radio Cacak was allocated 80.000 dinars. "Cacanski glas" was allocated 95.000 dinars a month. Media organizations are obliged to inform the citizens "truthfully, objectively, fully and in a timely manner, in accordance with law, rules of the profession and ethics in journalism"; they are also required to attach to their invoices a stamped and signed overview of the program broadcast and texts published. Within this week, the registry office of the Cacak Town Administration received bids from Radio Ozon and "Cacanske novine" the decision on which Mayor Stanojevic will pass at a later time. Since the Law on Public Procurement was not applied with regard to these contracts, a call for submission of proposals was never published and the proposals were submitted based on an internal call made to the editorial boards established in Cacak. Live coverage of the meetings of the Town Assembly is paid from that same item of the town budget. By the decision of the Assembly, this job was entrusted to Radio Cacak, at the price of 68.000 dinars for a day of TV coverage.

The Law on Local Self-Government provides that municipalities and towns are responsible for taking care of public information of local interest and creating conditions for public information in Serbian language and languages of national minorities used in the territory of the Municipality. The Law, however, does not define the way in which these funds are to be allocated and, accordingly, relevant practices vary among different local self-governments. Local self-governments therefore decide, at their sole discretion, whether they will apply a call for proposals, procedure for public procurement of services, or direct negotiation process with a particular media; sometimes they opt for a combination of these models. In the Cacak case, as well as in similar practices observed in some other municipalities, the issue of criteria according to which local authorities will evaluate whether the media informs the citizens "truthfully, objectively, fully and timely, in accordance with the law, rules of the profession and ethics in journalism" is a major factor of concern. While a uniform solution is being found for this financing, as well as the mode which will provide for protection against abuse aimed at gaining unlawful influence on reporting about functioning of local authorities, the concern remains whether, particularly at the times of crisis, establishment of conditions for and taking care of public information of local interest is turning into a new media control mechanism of local authorities. And it is in this context that it is especially good to hear that the ministries for culture and for public administration and local self-government have supported the initiative of three media associations to make recommendations about the manner of and criteria for distribution of funds from local budgets to local media. Namely, it was announced that the Independent Association of the Journalists of Serbia, Association of Independent Electronic Media, and "Local press" would as soon as possible develop recommendations with criteria for distribution of funds, which would be then forwarded to local self-governments by the two above mentioned ministries and the Standing Conference of Towns and Municipalities.

#### 4. Law on Free Access to the Information of Public Importance

On June 29, 2010, the Commissioner for Information of Public Importance and Personal Data Protection organized an international conference "Freedom of Access to Information and Position of Whistleblowers" with over 50 participants. The motive for organizing this conference was the Resolution of the Council of Europe Parliamentary Assembly on the protection of whistleblowers that was adopted in April 2010. The Resolution established standards for protection of whistleblowers and envisaged other measures intended for protection of persons who disclosed information in the public interest.

Notably, with the Amendments to the Law on Free Access to the Information of Public Importance from December 2009, the provisions on releasing the persons who made particular information publicly available from liability were for the first time adopted in Serbia. Unfortunately, these provisions do not present adequate and essential protection of whistleblowers, considering that protection pertains to disclosure of the information which, in accordance with general principles of right to free access to information, is already publicly available. Also, these provisions do not ensure comprehensive protection of whistleblowers since they concern only the persons employed with public authorities and not the persons employed in the private sector. The conclusion of the conference was that, in order to establish a legal system for protection of right to access to information, it was necessary to have efficient protection of whistleblowers, provided by law and that whistleblowers ought to be protected against all forms of retaliation.

#### III MONITORING OF THE ADOPTION OF NEW LEGISLATION

#### 1. Law on Electronic Communications

1.1. On June 8, 2010, the Ombudsman Sasa Jankovic submitted to the competent committee of the Serbian Parliament the Amendments to the Draft Law on Electronic Communications

which, in accordance with the Constitution, requires that police and secret services cannot have access to citizens' electronic communication data before they acquire a relevant court decision. The amendments also eliminate the possibility of different interpretations of the law so as to narrow the powers of the Commissioner for Information of Public Importance and Personal Data Protection in supervising of lawfulness of data processing. The ruling coalition MP group chief Nada Kolundzija said to Ombudsman Sasa Jankovic that the first Ombudsman's amendment was unnecessary. Kolundzija said that the Law on Electronic Communications could not regulate competences of some other authorities, courts, or Security-Information Agency (BIA). The Serbian Parliament Transportation and Communications Committee rejected this amendment on June 14. Jankovic announced that, if the Law was adopted, he would file a suit with Serbian Constitutional Court. Jovan Stojic, Head of the Cabinet of the BIA Director Sasa Vukadinovic, said that nothing much would be changed with the adoption of this Law since the services and the police had never needed consent of the court to see who was communicating with whom, when, to what extent and where from. "We can do all this based on the Law on BIA, Military Security Agency and Military Information Agency. On the other hand, a court decision is necessary in the case of interception", Stojic said. On June 29, Serbian Parliament adopted the Law on Electronic Communications, without the Ombudsman's amendment.

The Draft Law on Electronic Communications, Article 128, paragraph 1, envisages that every telecommunication operator shall retain the data related to the type of communication, its source and destination, commencement, duration and end, identification of the user equipment, including mobile user equipment, with the aim of implementing the investigation, discovering criminal offenses and conducting criminal proceeding, in accordance with the law governing criminal proceeding, and as required in view of protection of national and public security of the Republic of Serbia, in accordance with the laws governing operations of security services and the operations of police authorities of the Republic of Serbia. The Ombudsman submitted a proposal of the amendment by which the reference to the laws governing the operations of security services of the Republic of Serbia and the operations of police authorities is being avoided. Namely, some of these regulations envisage a possibility of supervising of the telecommunications and information systems in order to collect data about telecommunication traffic and users' locations, without having access to their content, without a court order; insisting on the order is possible only if access to the content of communication is to be made or, in other words, in the case of interception of communication. The Ombudsman took position that above regulations were not in full compliance with the provision of Article 41 of the Constitution of the Republic of Serbia, which guarantees confidentiality of mail and other means of communication, with aberrations that are allowed only for a limited period of time and only based on a court decision. Notably, on May 28, 2009, the Constitutional Court of the Republic of Serbia ruled that the provision of Article 55, paragraph 1 of the Law on Telecommunications was not in compliance with the Constitution. Before the intervention of the Constitutional Court, Article 55, paragraph 1 of the Law on Telecommunications had envisaged that all activities or the use of devices affecting or impairing privacy and confidentiality of messages transmitted via telecommunication networks were forbidden, unless the user had given his/her consent or the activities were being undertaken in accordance with law or a court order issued in accordance with law. After the intervention of the Constitutional Court, only three words (the law or) were deleted from the above provision since the Court took the position that privacy and confidentiality of messages might be impaired only in the manner provided by the Constitution, namely only based on a court order issued in accordance with law. Considering that the Law on Electronic Communications replaces the Law on Telecommunications, restoration of human rights protection, to the level at which it had been before the quoted Decision of the Constitutional Court was made on May 28, 2009, would be the direct consequence of the adoption of this Law without the amendment proposed by the Ombudsman. On the other hand, it is true that the root of this problem is not in the Law on Electronic Communications but rather in other regulations this Law refers to; accordingly, the issue of powers of the police and security services should be resolved through regulations governing such powers and not indirectly, through telecommunication regulations. As for the consequences that adoption of the Law on Electronic Communications has on media, they mostly relate to the fact that it allows easier identification of journalists' information sources since access to their outgoing and incoming call listings is permitted and this means that the provision of the Law on Public Information guaranteeing journalists the right to protect their sources is being eschewed.

1.2. The Draft Law on Electronic Communications brings inspection supervision over implementation of this Law back under the competence of Ministry for Telecommunications and Information Society, or the Autonomous Province authorities in the territory of Vojvodina. Inspectors will be particularly authorized to, among other things, take measures including prohibition of further operation, sealing and seizure of electronic telecommunication equipment or a part of such equipment, if it has been used contrary to the prescribed conditions or if it is established that the operation of electronic communication equipment presents a direct and serious threat to public safety or the environment. Inspectors will also be authorized to temporarily suspend performance of business activities by closing down the premises in which such activities are being performed or in other suitable manner, in case they are prevented from performing supervision. An appeal may be filed with the Ministry for Telecommunications and Information Society against a decision issued by an inspector; however, filing of an appeal shall not push back execution of the decision.

The parliamentary debate on the Draft Law on Electronic Communication, but in general public as well, has almost completely turned into a polemic about the extent to which this regulation impairs the constitutionally guaranteed confidentiality of means of communication. What went almost unnoticed, however, were some new solutions that raised hope that the issue with radio piracy, as one of the gravest on the Serbian media scene, would be solved. Namely, in accordance with the Law on Public Administration, inspection supervision could be performed only by the authorities of the Republic and, apart from them and as delegated tasks, only by the authorities of an autonomous province, municipality, town, and the City of Belgrade. The Law on Telecommunications did not envisage the existence of a telecommunication inspection but, instead, the telecommunication controllers within the Republic Telecommunication Agency. Based on the Articles of association of the Republic Telecommunication Agency as an independent regulatory body, its telecommunication controllers were not allowed to perform inspection supervision and, consequently, prohibit further operation or seal and seize equipment. This proved to be a serious obstacle in combating pirate broadcasters who took undue advantage of the fact that telecommunication controllers were not authorized to seize their equipment and simply ignored whatever decisions RATEL issued based on controls that were performed. It is expected that, by restoring fully authorized inspectors, the Law on Electronic Communication will finally allow for fight against radio piracy to be effective.

# IV MONITORING OF REGULATORY BODIES, STATE AUTHORITIES AND COLLECTIVE ORGANIZATIONS FOR THE PROTECTION OF COPYRIGHT AND RELATED RIGHTS

#### **REGULATORY BODIES**

#### 1. REPUBLIC BROADCASTING AGENCY (RBA)

1.1. The RBA Council decided to produce a list of events of national interest for the citizens of Serbia, which included about 60 cultural and sports events. The Decision, in which it is said that it was passed on the RBA Council meeting on May 21, was published on June 11. The cultural events include Nisvil, Bitef, Oktobarski salon, Gitar art festival, Exit, Fest, Kustendorf, World Media Freedom Day, and many others. There are more than 30 sports events of importance for Serbian public, including the Olympic Games, world and European championships in football, basketball, water polo, volleyball, handball, track & field, swimming, etc. The list also includes

tennis events – Davis Cup and Fed Cup and all four Grand Slam tournaments, namely the Grand Slam matches with participation of Serbian players, and other different sports events.

Article 71 of the Broadcasting Law envisages that the Republic Broadcasting Agency shall draft a list of the events of interest for all citizens of the Republic of Serbia, which may be transmitted exclusively by a broadcaster with national frequency. The same Article of the Law envisages that the broadcaster with the exclusive right to transmit the events from the list defined by the RBA shall allow and enable all other interested broadcasters to record and broadcast short reports from these events, in the duration of up to ninety seconds, containing authentic images and sounds from such events. Article 9 of the European Convention on Cross-border Television, which Serbia ratified in 2009, also envisages that each signatory state shall examine and, where necessary, take legal measures, such as introduction of the right to short reporting on events of high interest for the public, to avoid undermining of the public right to information due to a broadcaster which exercises its exclusive rights, transmitting or retransmitting such an event. Article 9bis of the same Convention envisages that each signatory state retains the right to take measures to ensure that a broadcaster within its jurisdiction does not exclusively broadcast events, which are regarded by that signatory state as of major importance for the society, in such a way as to deprive a substantial portion of the public in that signatory state of the possibility to follow such events by live coverage or deferred coverage on free television. If it does so, the signatory state concerned may have recourse to drafting of a list of designated events which it considers to be of major importance for society. In Serbia, there have been no events referred to in Article 9bis of the Convention with a regional or local television station purchasing exclusive rights to broadcast an event of national importance, at least not to the best knowledge of the author of this Report. On the other hand, the events referred to Article 9 of the Convention are extremely numerous, particularly with regard to major sports events where, as a rule, the principle of national exclusivity is respected in exploitation of broadcasting rights. That is why it is very positive that RBA has finally made a decision on defining a list of events of national interest, especially in view of the fact that this allows other interested broadcasters the right, which the broadcaster holding the exclusivity rights need to bear, to record and broadcast short reports that contain authentic image and sound from such an event, in the duration of up to ninety seconds. The reasons why the RBA has drafted this list now, although it had the right to do that ever since the adoption of the Broadcasting Law in 2002, lie in the fact that the World Football Cup took place this summer. The publication of this list on the World Cup commencement date allowed the broadcasters to, irrespective of the fact that the RTS was a holder of exclusive rights to broadcast the World Cup matches, broadcast short reports with authentic image and sound from South Africa.

On June 21, 2010, the RBA announced that its Council had decided to file misdemeanor 1.2. charges against TV "Pink", TV "Kosava", and RTS. In the case of TV "Pink", misdemeanor proceedings will be instigated because of the content of the "Farm" reality-show program, which can harm physical, mental, or moral development of children and adolescents. After an earlier intervention of the RBA Council, it is stated in this announcement, TV "Pink" made an apparent effort to make the "Farm" program comply with applicable regulations and, thereafter, no infringements to the Broadcasting Law or the Broadcasters' Code of Conduct were recorded. However, the decision on instigation of misdemeanor proceeding was made because of the earlier, unacceptable excesses on TV "Pink" which is broadcasting this reality-show program. For the same infringement of the Broadcasting Law, it was decided to file a lawsuit with regard to the "Luda kuća" (Mad house) program on TV Kosava. The RBA will file misdemeanor charges against RTS because of broadcasting of beer advertisements, which is not allowed outside the time interval between 6 p.m. and 6 a.m. These advertising contents are broadcast on RTS immediately before the broadcasts of the World Cup football matches. The charges will also be filed to the magistrate court against all national broadcasters where any infringements of the Advertising Law were noted, announced RBA.

The RBA announcement refers to the provisions of Article 68, paragraph 1, items 5 and 6 of the Broadcasting Law. Article 68, paragraph 1, item 5 of the Law lays down the prohibition of broadcasting program, the content of which can harm physical, mental or moral development of children and adolescents in the period between 6 p.m. and 12 p.m., and an obligation was envisaged for these programs to be clearly designated if broadcast between 6 p.m. and 12 p.m. Article 68, paragraph 1, item 6 of the Broadcasting Law lays down the prohibition of broadcasting a program containing pornography or contents that present and support violence, drug abuse, or other forms of criminal behavior, or the programs abusing gullibility of viewers or listeners. The sanction provided for these misdemeanors is a fine ranging between 300.000 and 1.000.000 dinars for the founder, and a fine ranging between 20.000 to 50.000 dinars for the responsible person. The RTS is believed to have infringed the provision of Article 68, paragraph 2, item 2 of the Advertising Law, which prohibits advertising of beer and vine, including any presentation of a trademark or other designation of beer or vine or a beer or vine producer, in radio and television programs, except in the period between 6 p.m. and 6 a.m. It is not clear, however, why is it stated in the announcement that misdemeanor charges were filed against RTS when whatever the public broadcasting institution is charged with constitutes an economic misdemeanor for which the fine envisaged amounts to 300.000 to 3.000.000 dinars for a legal person, or more if a profit of more than 1.500.000 dinars was made by such advertising, but not exceeding the triple value of the profit made. For the same economic misdemeanor, a responsible person in the legal person will be fined with 50.000 - 200.000 dinars.

#### 2. REPUBLIC TELECOMMUNICATIONS AGENCY (RATEL)

2.1. As reported by the "Danas" daily on June 15, 2010, referring to the data of the Republic Agency for Telecommunications, the battle against pirate stations in Serbia has been more effective since the beginning of 2010, compared to a year and a half earlier. Namely, the number of broadcasters, presently operating without a license in Serbia, amounts to 52, while the number of frequencies that are occupied by illegal broadcasting amounts to 70, RATEL claims. According to their data, the number of illegal broadcasters who are no longer operating is 134, and the number of freed up frequencies is 146. The "Danas" notes that, since September 2008, in the campaign aimed at closing down of radio and television stations broadcasting program without a license, RATEL has registered 181 pirate broadcasters with 211 frequencies; before January of current year, only about 70 stations were closed down. Besides, the number of illegal broadcasters changes on daily basis, considering that many stations, whose premises and equipment are sealed, break the official seal and resume their operations. RATEL maintains that the largest number of broadcasters without license is broadcasting in the territories of Novi Sad, Zrenjanin and Subotica.

One of the reasons that caused the battle against pirate broadcasters to be that long and rather ineffective, was explained in the section of this Report dealing with adoption of the Law on Electronic Communications. This law shall replace the 2005 Law on Communications, which replaced telecommunications inspectors with RATEL controllers; these controllers are not authorized to seize telecommunications equipment, namely illegal radars or their parts. The recently published report of the Independent Association of Journalists of Vojvodina (NDNV) states that the largest concentration of radio pirates is around Novi Sad, where "undue advantage is taken of the natural, dominant position of Fruska gora and broadcasting is made from local cafes and holiday homes". A number of illegal radio stations have brought claims with different courts with the aim to procrastinate the process as much as possible, broadcasting the program and selling advertisements, taking advantage of the situation where RATEL cannot seize their radars. Others simply move to another location or shift to another frequency, also taking advantage of the fact that RATEL is not in a position to seize radars. In the report "Media in Vojvodina, Political Compromises or Professional Reporting", NDNV underlines that most pirates are broadcasting music "with inevitable best wishes and greetings, which, considering they are ordered via text messaging or specially rated telephone calls, provides considerable income". This is especially so having in mind the fact that illegal broadcasters do not have expenses for licenses, copyrights and performing rights, which guarantee their profit.

2.2. On June 14, 2010, RATEL website published a statement of the President of the Agency's Managing Board, Prof. Jovan Radunovic, PhD, in which he was informing the public that, taking account of the pending adoption of the new Law on Electronic Communications, he made a personal decision to resign. In his statement, Radunovic mentions the accomplishments of the Agency in the previous period and in the broadcasting field he particularly underlines that the conditions have been created for the use of satellite DTH technology, as well as the conditions to start introducing digital television.

Article 14 of the Law on Telecommunications envisages, among the events in which the term of office of the President of the Agency's Managing Board shall be terminated, his giving notice to the National Assembly of the Republic of Serbia, in writing. Article 12 of the Law, however, envisages that, where a new member of the Managing Board is not appointed before the term of office of his predecessor is terminated, the member of the Managing Board, whose term of office has expired, shall continue discharging his/her duty until the completion of the procedure for appointment of the new member of the Managing Board. The transitional and final provisions of the Law on Electronic Communications envisage that on the day on which the Law comes into force, the Republic Telecommunications Agency shall continue operations as the Republic Electronic Communications Agency, while the members of the Managing Board of the Republic Telecommunications Agency shall continue operations until the appointment of the members to the managing board of the Republic Electronic Communications Agency, in accordance with the provisions of the new Law.

#### **STATE AUTHORITIES**

#### 3. THE PARLIAMENT OF THE REPUBLIC OF SERBIA

In the period covered by this Report, the National Assembly of the Republic of Serbia adopted the Law on Electronic Communications, which was discussed in more detail in the section dealing with monitoring of adoption of new legislation.

### 4. THE MINISTRY FOR TELECOMMUNICATIONS AND INFORMATION SOCIETY

4.1. On June 11, 2010, the Ministry for Telecommunications and Information Society initiated a public debate on the Draft Strategy for Electronic Telecommunications Development in the Republic of Serbia 2010 – 2020. The Draft Strategy was published on the e-Government portal of the Republic of Serbia. The previously initiated public debate on the Strategy of

Information Society Development 2010 – 2020 and the Strategy for Electronic Telecommunications Development jointly comprise a kind of Digital Agenda for the Republic of Serbia.

The Draft Strategy for Electronic Telecommunications Development deals with digital television and networks for radio and television programs broadcasting to an extent to which digitalization is in actual fact an instrument for creation of digital dividend, namely for freeing up a part of the spectrum for the requirements of mobile broadband access. The Draft Strategy refers to the research conducted in 2009 by the World Bank, which shows that the 10% increase in broadband penetration rate produces a 1.3% increase of GSP. From these data, the Draft Strategy deduces that it is necessary to develop an independent national broadband communication network which should provide an environment conducive for introduction of communication services for the requirements of public administration, health care, education, the judiciary, military and police, distribution of television and radio, and other audiovisual and other services.

On June 16 and 17, 2010, in cooperation with the GSM Association, the Ministry for 4.2. Telecommunications and Information Society organized the South-East Europe Ministerial Conference on Digital Dividend. Jasna Matic, Minister for Telecommunications and Information Society in the Government of the Republic of Serbia, said that it was necessary to reach an agreement on the utilization of digital dividend at regional level. At the Ministerial Conference, Matic stressed that the countries of South Eastern Europe would decide on the manner in which they would be using the part of the spectrum freed up within the digitalization process. This includes the decision about the services that part of the spectrum would be intended for, namely on how to divide the freed up spectrum optimally among televisions, mobile operators, and different social users in electronic communications, she explained. According to the research presented in the ministerial conference, the estimated potential profit from digital dividend to be made in Serbia once the transition is made from analogue to digital transmission of television program, ranges between 572 and 950 million euro, provided digital dividend is used for other intended uses in addition to broadcasting, such as for broadband internet access.

Notably, in accordance with the Action Plan accompanying the Digitalization Strategy, the Ministry for Telecommunications and Information Society was to propose the decision on allocation of digital dividend to the Government of the Republic of Serbia in the first quarter of 2010, which the Government was to adopt in the second quarter. This deadline, as well as most other deadlines from the Action Plan accompanying the Digitalization strategy, has not been

complied with. It is good, however, that even though they are sometimes organized in cooperation with the association of mobile operators and the industry dealing with GSM telephony which would definitely like to get a piece of the digital dividend cake, these conferences encourage public debate on allocation of digital dividend. After all, the spectrum is a public asset and its allocation must be made to satisfy the broadest possible public interest, and not the interest of any individual industry.

#### 5. THE MINISTRY OF CULTURE

On June 25, 2010, the Media study, developed by the experts hired by the European Commission, Bent Norbi Bond, Aleksandar Benzek, and Andrej Zmecek, was presented as a foundation for development of the Media Strategy at the joint conference of the Ministry of Culture and the European Union Delegation to Serbia, under the title "European Path for Serbian Media". The plan was that more than two months of public debate followed the first presentation of the Media Study. Natasa Vuckovic-Lesendric, Deputy Minister of Culture in charge of media, stressed that, in the past ten years, no systemic efforts had been made to solve a single problem encountered by media, which was why the ministry asked European experts to make this study. "The Media Study is an extensive paper with clear guidelines for finding a solution for the issues that have piled up on Serbian media scene as a result of, among other things, an excessive number of regulations, poor administrative capacity, and absence of selfregulation," Vuckovic-Lesendric underlined. Vincent Degert, European Commission Representative in Serbia, explained that the Media Study is only the first step in restructuring of Serbian media scene and introduction into a wide-ranging public debate. "It is clear that all media in the world and in Europe face the economic crisis that has affected all economic sectors. Media, however, are frequently victim not only of economic but also political pressures, which can affect editorial freedom and professional standards", Degert said. "I expect to see disagreements and controversies, which are important in a democratic process, but it is most important that a public debate has begun", he said. Later at the Conference, the consultants involved in development of the Media Study compared Serbian media scene with those in Denmark, Austria, and Germany. It was announced that six more round table sessions would be held in the coming period within the public debate on restructuring of media scene in Serbia.

Stating that it is a good thing that the Media Study was composed and that it is even better that, almost a year after work on the Strategy for the Development of Media in Serbia was announced, presentation of this Study starts a debate about restructuring of the media scene in Serbia, taking into account that this extensive document, whose original text in English, together with annexes, amounts to more than 360 pages, and which, before expiry of the period covered by

this Report, was not made available in Serbia, we will analyze the Study as such and its recommendations in our next report.

#### **COLLECTIVE ORGANIZATIONS**

### 6. OFPS, the collective organization for the protection of phonogram producers' related rights

On 21 June 2010, the President of the Managing Board of the organization for protection of phonogram producers in Serbia – OFPS Branislav Stojanovic and the President of the Managing Board of the Organization for Collective Administration of Performing Rights – PI Zivorad Ajdacic, signed an agreement on business cooperation, in accordance with Article 127 of the Law on Copyright and Related Rights. The information about signing this Agreement, but not the text of the Agreement, is published on OFPS website. The text of the Agreement is available on the website of the Organization for Collective Administration of Performing Rights – PI.

Article 127 of the Law on Copyright and Related Rights provides that producers of published phonograms shall receive compensation for phonograms broadcasting and rebroadcasting, public communication of phonograms and public communication of phonograms that are broadcast, and that users shall be charged, as one-off payment, fee for broadcasting and rebroadcasting of interpretations from a recording published on a sound carrier, for public communication of performances broadcast from a recording published on a sound carrier, and for public communication of performance from a recording published on a sound carrier. The one-off fee shall be collected by one organization, designated by the agreement between the performers' organization and phonogram producers' organization. The above agreement provides that the organizations shall define the cost level for collection of the one-off fee and the time interval for transfer of a part of the one-off fee to other organization. This Agreement shall be published in the "Official Gazette of the Republic of Serbia", and the costs of publication shall be borne by the organizations. The agreement that was signed provides that the one-off fee shall be collected by OFPS on behalf of both organizations. The basic accounting period for the transfer of funds is a calendar month. The Agreement provides that the gross amount of collected one-off fee for the accounting month, diminished by the amount allocated for fund for financing of working groups/expert bodies provided by the Agreement (joint OFPS - PI collection service, the Council of Phonogram and Producers and Performers, and PI Coordinator, the competences of which are laid down in the Agreement), diminished by the amount allocated for financing of court fees for court collection of one-off compensation, and diminished by the amount allocated for financing of agents in the field and the amount of totally invoiced VAT shall be divided in two parts, and that the amount obtained in this way shall be transferred by OFPS to PI. The Agreement provides that the amount allocated for financing of working groups/expert bodies that are provided by the Agreement cannot be less than 10% or more than 20% of the total collected fee at annual level. The amount to be set apart into the fund for financing of court fees shall be defined by the Council of Phonogram Producers and Performers, at the proposal of the Head of the Joint Services who shall submit this proposal upon previous consultations with the legal department. The amount allocated into the fund for financing of agents in the field shall be defined by the Head of the Common Services as a percentage and proposed to the Council to accept or reject it. It is obvious at first glance, however, that these two collective organizations did not manage to keep the costs related to collection of one-off payment within the limits of the percentage laid down in the Law on Copyright and Related Rights. Namely, the Law provides that the costs incurred in connection with collection of the one-off fee may not exceed 10% of its value. In the Agreement that was signed it is declaratively stated that the contractual parties share an intention to have the total costs covered from the total of the difference between the basic and increased fee and 10% of the basic fee; here, basic compensation is the compensation collected from the users who have concluded a contract with the organizations and thus obtained a permit to use phonograms and performances, while increased compensation is the compensation collected from the users who have not concluded a contract with the organizations, namely who have not obtained a permit to use phonograms and performances. In any case, according to the Agreement, the costs for financing of working groups/expert bodies involved in collection are defined at the level not less than 10% and not more than 20% of the total collected fee at annual level. Thus, considering that the amounts of court fees and remuneration for the agent in the field should be added, it is obvious that costs related to collection will significantly exceed the upper limit laid down by the legislator.

## 7. SOKOJ, the collective organization for the protection of musical authors' copyrights

On June 30, 2010, SOKOJ announced that the total funds to be allocated to the authors for broadcasting, public performance and public communication of music works in 2009, amounted to 327.668.624 dinars. Compared with the accounting year of 2008, this fund has been increased by 23%. SOKOJ also announced that, based on the calculation for 2009, the allocation involved 7.816 authors and holders of copyrights, and that average royalties for authors and holders of the rights for the accounting year of 2009 amounted to 22.206,46 dinars. As it is stated there, disbursement was made in the period June 25 – 30, 2010.

Although the data that SOKOJ published with regard to the level of funds entered into the fund for allocation to authors and other holders of copyrights are not sufficient for a comprehensive analysis, a number of things are clear right away. Namely, even though one cannot see what part of the funds that were collected was collected from broadcasters, or whether SOKOJ's collection related costs have decreased, it turns out that, at the time of crisis, SOKOJ increased the allocation fund by an unbelievable 23%. If you take into account that, in the same period, radio and television advertising market, as estimated by some, dropped by 50%, and that the crisis affected other fields of business of importance for the users from which SOKOJ is collecting the fee, this large increase of the allocation fund only shows how unsustainable is this burden imposed on the users by this compensation for the utilization of the works of music.

#### V THE DIGITALIZATION PROCESS

Besides the activities of the Ministry for Telecommunications and Information Society described in the section of this Report dealing with monitoring of state authorities, which are indirectly connected with the digitalization process since they are a kind of introduction into a public debate about the allocation of digital dividend, there were no steps forward with regard to the digitalization process.

#### VI THE PRIVATIZATION PROCESS

"Vecernje Novosti" reported that "Hemo" Company, owned by Davor Cicic from Kraljevo, was the new owner of "Ibarske novosti", which until recently was the largest media house, including weekly with the same name, a regional television and a local radio station. The relevant decision was made by the Creditors' Board upon the evaluation of the proposals submitted under the public call for sale of this media house which, after a failed privatization process, was subjected to bankruptcy procedure in the end of January. It was later announced that the company went bankrupt. "It was nothing spectacular and we have survived. In the meantime, we have started the television and radio programs, and now we have an ambition to revive the magazine that has not been published since August last year", said Zorica Cerovina-Nikodijevic, Editor in Chief of TV Kraljevo.

After the failed privatization of their company in the end of past year and the transfer of responsibility for the company to Serbian Share Fund, employees of RTV Krajina from Negotin

asked the competent authority to help them instigate the bankruptcy procedure. They have decided to take this step because they do not see the way out of the crisis in which they have been almost since the privatization. For two years already, the employees of this media house have not been paid health insurance, or salaries, and they are not sure whether other due contributions have been paid. After three decades, they are no longer broadcasting, since their frequencies have been seized, and they were even left without their work equipment, which is being sold pursuant to a final and enforceable court decision that was made in a lawsuit instigated by eight persons who were formerly or are still employed with the company.

The above examples reflect the general situation where we have both privatized and not-yet privatized local and regional media in Serbia struggling for survival, on a narrow line between hardly surviving and appealing to the competent authorities, not to help them survive, but to help them go bankrupt. The competent authorities are still not offering any systemic solutions which, in the interest of local communities, would give at least minimum hope for sustainable development of local media in Serbia.

#### VII CONCLUSION

Several negative things marked Serbian media scene in June. The "Novosti" scandal escalated and resulted in the German WAZ Company deciding to withdraw from Serbia. The Assembly of the Islamic Community called the Muslims to boycott the "Blic" because of a photomontage of Mufti Muamer Zukorlic, published in the satirical section of this daily, making accusations that the publication of the photomontage symbolized a continuation of the "genocidal policy" against the Muslims, and claiming damages of 100 million Euros. A TV program that was to address the affair that was based on irrational and non-transparent spending of tax payers' money, was taken off from the public service broadcaster's program only a few minutes before its recording was to start. A blurred explanation that the elimination of this program was demanded by the RTS legal team, without a single sentence about the position taken by the editorial team in this regard, opened up the question of how capable RTS editors and management are to resist pressure if and when it is exerted on them, particularly in the light of the fact that in the end of the month the RTS Managing Board entrusted to present Director Aleksandr Tijanic another four-year term as the head of this media house by majority vote. The authors of this Report did not address the matter of Tijanic's reappointment in any detail here, considering that the relevant decision of the Managing Board, with due explanation of the appointment, has not yet been published. The Law on Electronic Communications was adopted and its text opens up the possibility to, by reviewing the listings of journalists' incoming and outgoing calls, discover their

information sources. No positive steps were made with regard to media privatization. On the other hand, the Law on Electronic Communications did introduce some positive novelties, namely it provides reason to believe that the battle against pirate radio and TV stations in Serbia will finally become more effective. Moreover, a year after the commencement of work on drafting the Serbian Media Development Strategy, with the presentation of the Media Study for the development of which the experts engaged by the European Commission were involved, the issue of the strategy finally moved from the deadlock. Regardless of the view one might have about the recommendations of the Study, it is undisputable that with it a public debate was started, and it was the absence of public debate and arbitrary decisions made without consultations with media, media and journalists' associations, were the key elements of the times when Serbian media scene ended up in this unenviable position it is faced with at the moment.