

MEDIA SUSTAINABILITY INDEX

2008

**The Development
of Sustainable
Independent Media
in Europe and Eurasia**



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The Development of Sustainable Independent Media in Europe and Eurasia

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Despite the slight drop in the overall MSI value, the score of 2.71 places Bulgaria solidly in the top tier of countries moving towards a sustainable and professional media sector. In general, the drop reflected a lack of forward progress as opposed to reversals.



BULGARIA

Bulgaria's EU membership, which commenced in 2007, brought hopes to the media sector. Many in the media believed that EU membership would bring stronger efforts to harmonize legislation and resume licensing of new broadcast outlets; more active self-regulation and adherence to ethical standards; and more foreign investment in the media. But at the end of the year, panelists agreed that such positive change was missing, adding to the generally critical judgment they made on key aspects of media development.

Objective 3, plurality of news sources, achieved the highest score as in years past. Additionally, Objective 5, supporting institutions, remained near sustainability despite a slight decrease from the previous year. The key reason cited by panelists is the waning activity of professional associations and free speech advocates.

The business management aspects of the media sector, Objective 4, ranked third. The generally favorable economic environment inevitably benefits the independent media. Outlets generate more advertising revenue, manage to keep up with the development of technology, and are in a position to offer quality productions to their audiences. However, there were no substantial improvements in the management that could multiply the benefits of an improving economy.

MSI panelists continued to view professional journalism, Objective 3, critically as they have in past years. The overall objective score of 2.49 reflects the lack of significant change. Most significantly, panelists noted that progress is still dependent on political and economic currents and not necessarily on the sector working to improve itself. Further, self-censorship remains a serious problem.

Objective 1, free speech, is the lowest scoring objective this year. Panelists' disapproval stemmed primarily from the practical halt of licensing of new outlets. Regulatory blunders, lack of strategy, and the clouded status of digital broadcasting all added up to a licensing standstill. Panelists were pessimistic about a quick resolution of the situation and the objective score is highly indicative of the dependency of the process on political and governmental forces.

Despite the slight drop in the overall MSI value, the score of 2.71 places Bulgaria solidly in the top tier of countries moving towards a sustainable and professional media sector. In general, the drop reflected a lack of forward progress as opposed to reversals. However, several aspects of the media sector have remained at consistently high levels, showing maturity and invulnerability to fluctuations in the political, economic, and social environment in the country. This holds true to the greatest extent for apolitical and unrestricted channels for media distribution, the virtually unlimited access of the media to international sources of information, free entry into the journalism profession, and private and apolitical sources of newsprint and printing facilities.

BULGARIA AT A GLANCE

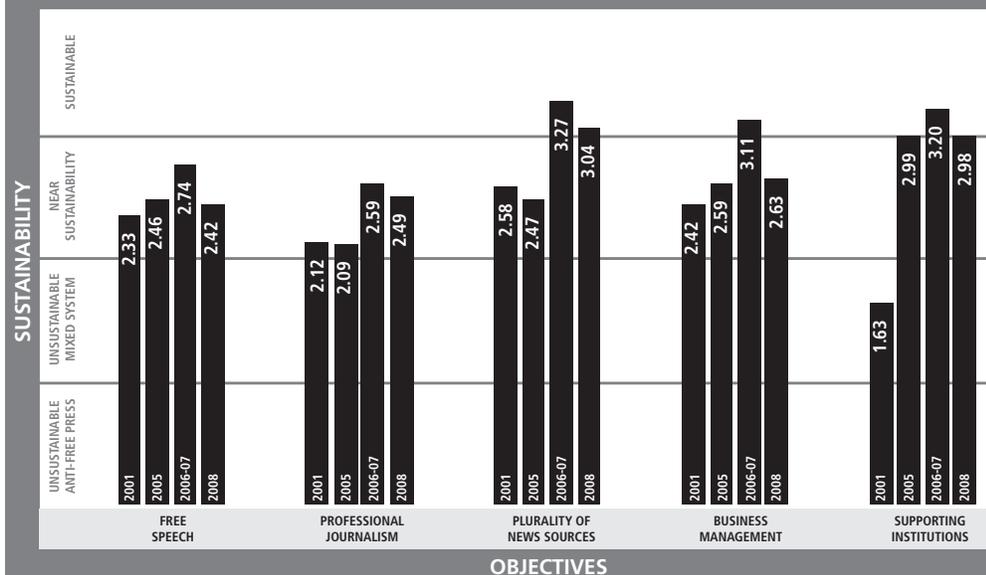
GENERAL

- > **Population:** 7,322,858 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Sofia
- > **Ethnic groups (% of population):** Bulgarian 83.9%, Turk 9.4%, Roma 4.7%, other 2% (including Macedonian, Armenian, Tatar, Circassian) (2001 census, *CIA World Factbook*)
- > **Religions (% of population):** Bulgarian Orthodox 82.6%, Muslim 12.2%, other Christian 1.2%, other 4% (2001 census, *CIA World Factbook*)
- > **Languages (% of population):** Bulgarian 84.5%, Turkish 9.6%, Roma 4.1%, other and unspecified 1.8% (2001 census, *CIA World Factbook*)
- > **GNI (2006-Atlas):** \$30.73 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** \$10,140 (World Bank Development Indicators, 2007)
- > **Literacy rate:** 98.2% (male 98.7%, female 97.7%) (2001 census, *CIA World Factbook*)
- > **President or top authority:** President Georgi Parvanov (since January 22, 2002)

MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 446 newspapers; Radio: 95; Television stations: 102 (*National Statistics Website*)
- > **Newspaper circulation statistics:** Total circulation: 325,733
- > **Broadcast ratings:** Top three: bTV, NOVA, BNT Channel
- > **News agencies:** Bulgarian Telegraph Agency (state-owned), Sofia News Agency, BGNES, Focus Information Agency, BulPhoto
- > **Annual advertising revenue in media sector:** \$386 million
- > **Internet usage:** 1,870,000 (2006 est., *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: BULGARIA



Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

OBJECTIVE 1: FREE SPEECH

Bulgaria Objective Score: 2.42

Objective 1 experienced a moderate decrease compared to the previous year, when it scored 2.74. Panelists gave high ratings, more than a point higher than the average, to Indicators 8 and 9, media access to international news sources and free entry into the journalism profession; Indicator 1, legal and social underpinnings of free speech, also received a strong score. However, Indicators 2 and 4, broadcast licensing and crimes against journalists, received scores more than a half point lower than the objective average.

Although Bulgaria has basic legislative and social guarantees necessary for a free and independent media, their implementation is not efficient enough to ensure the sustainability and irreversibility of positive trends in media sector. "As a whole, Bulgaria meets the international standards as regards the legal guarantees for the freedom of speech and media independence," said Petko Georgiev, executive director of BTC ProMedia. Yassen Boyadzhiev of Info Radio noted however, "A mixture of political and economic interests is posing obstacles to the proper implementation of the laws. There are not enough effective legal measures against instances of violating the freedom of speech. Bulgarian society does not fully appreciate the freedom of speech as a fundamental right. The public is over-tolerant of encroachments on free speech."

Bulgaria has legislation and rules by which the media exist and operate, but it turns out the regulatory framework fails to keep abreast of the rapid development of the media and to address the changing circumstances in the media sphere. This mostly holds true for the lack of an up-to-date strategy for the media sector. The strategy adopted a few years ago by the Bulgarian Parliament fails to address the key issues related to the licensing of new media outlets. This applies to both digital broadcasting and the framework for the development of regional broadcast outlets. Analog broadcast licensing is lagging behind seriously, while digital broadcasting is still largely uncertain. As Ivo Draganov, a media regulation expert, stated, "The Radio and TV Act is obsolete and the provisions in it are too general. Licensing was blocked for six years for political reasons. They messed up announcing the new National TV director general before the bid was over. It was a staged competition with the winner decided well in advance."

The licensing process came under substantial criticism for being politicized. The existing appeal procedure for unsuccessful bidders is capable of postponing the award of licenses almost indefinitely. Georgiev noted the political

control over the process, "...both the Council for Electronic Media and the Communications Regulation Commission are controlled by the government and, to a lesser extent, the president." Krassimir Dimitrov of Mixx Radio in Bourgas added, "The licensing procedures are overcomplicated, lengthy, and pointless. There are many ways to influence their implementation. Licensing is not unbiased and competitive. The procedure of electing members of the licensing bodies allows the awarding of licenses to be politicized; some members are appointed by the government. The process is not transparent—election criteria are vague and "flexible."

At the same time, new broadcasters are emerging through consolidation of ownership. With the acquisition of an outlet, the new owner takes possession of its license, and the radio station or television channel gets renamed and reformatted. This process represents a way to get around the dormant licensing process and get new media up and running. In the process of consolidation in radio, the big national networks acquire local stations, which brings increased advertising revenue and the advantage of a slick popular format against the remaining local competitors. With this consolidation, some of the developed regional media cease to exist and the rest are being weakened and lose their competitive edge. As Dimitar Lipovanski of the Association of Bulgarian Broadcasters (ABBRO) noted, "The consolidation of the market is practically obliterating regional and local outlets. The state has no clear view of whether it wants local media or not. The EU promotes regions and decentralization. But local media here are economic weaklings, and those that

LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

have been around long enough are fed up. Whenever a big player is buying, they readily sell.”

Small media outlets are additionally burdened by transmission fees and their other liabilities to the state. Their revenues are impacted to the extent that they cannot afford to improve their programming and technical equipment. As Dimitrov argued, “Compared to other industries, broadcasters are burdened by excessive fees, which are incommensurate with the market reality. There are different market conditions for different types of media; print media don’t pay fees and don’t require licenses.”

Other than the broadcast licensing process, however, entry to the market as a business is as open as it is for other businesses. Media outlets in Bulgaria have no tax advantages over any other business.

Georgiev noted that violence and threats against journalists remains a problem: “Another alarming fact is the growing violence against people in the media by organized crime groups and individuals, and by those in power. The public is little responsive to such incidents, the professional community is reacting but that’s not enough.” The public does not see crimes against journalists as acts of violating free speech. They are considered a rather personal and private matter. The low indicator rating reflects in part the lack of public outcry to such occurrences.

While there are no legal advantages given to public media in terms of general operations, panelists still gave a relatively low rating to Indicator 5. This is mostly attributed to the fact that public media are legally allowed to have two sources of revenue: a state budget subsidy and advertising. This puts private outlets to a disadvantage, as their only source of revenue is advertising

The panelists noted progress as regards the legal treatment of libel. It is a civil code issue and there have been no libel lawsuits over the past year. Additionally, Internet service suppliers are no longer held liable for the content created using their services. These developments, the panelists noted, provide hope for journalists engaging in investigative and business reporting.

Panelists identified problematic issues related to accessing public information. An Access to Public Information Act exists and journalists and public officials have increased awareness of the act, but obtaining public information is still far from problem-free. The requirement for those seeking information to justify their inquiries encumbers the process. Panelists felt that the situation in this area was worsening. As Yuliana Toncheva, a former member of the Council for Electronic Media noted, “The changes to the Access to

Public Information Act are a setback.” Georgiev seconded her comments, “Access to public information is increasingly problematic. Although the regulations are in place, the practice is increasingly negative. There are more and more institutions failing to comply with the law. The lack of serious penalties and public response aggravates the problem.”

On a different note, unconditional sustainability has been achieved in terms of the unrestricted access of media outlets to international sources of news and information, as well as the free and unimpeded entry into the journalism profession. While the former is an undoubted accomplishment in the development of Bulgarian media, the latter involves subtle nuances worth considering according to some panelists. The ease of entry into the journalism profession in effect opens the door to people with inadequate experience and background required for fair and unbiased coverage of events. This reality also contributes to the excessive fluidity of the workforce and increases the need for continuous training.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Bulgaria Objective Score: 2.49

The 2007 scores on Professional Journalism show little change from the previous year. Progress was noted in the level of technical outfitting of the media—an aspect that has been strong traditionally in Bulgaria; as such, Indicator 7 received a score roughly a point higher than the overall average. Also scoring well was Indicator 4, journalists cover key events. One of the low scoring indicators showed improvement this year: Indicator 3, self-censorship. Pay levels for journalists, Indicator 5, also received a low score.

JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Fair, objective, and well-sourced coverage of events was not a quality the panelists could attribute without qualification to the media in Bulgaria. On this, panelists decried the quality of the workforce in journalism as new reporters with inadequate experience enter the profession due to the outflow of qualified reporters to other higher paying jobs. The panelists felt much of this weakness in this indicator was from unintentionally one-sided reporting or failure to provide context by new and inexperienced reporters. Follow-up on issues is also weak. As Konstantin Markov, a media expert noted, "Quite typical of our media, something gets unveiled, looked at, and investigated, and eventually resolved. Nothing happens next—no attempts at a follow-up, no context."

Panelists did express concern over self-regulation in the media sector. The majority of outlets have subscribed to the Code of Ethics, but for a certain number of publications (such as those in the Monitor Press Group and the sensationalist tabloids), not signing the code is a conscious choice. Even those outlets, however, must see a point in ethical self-regulation, since they have turned to the Ethics Council for arbitration. With separate councils for print and broadcast media, the councils are impeded by the rising trend of joint coverage or investigations carried out by a print and a broadcast outlet. As Petya Mironova from the Ethics Council for print noted, "The practice of joint journalistic investigations is spreading. There's such an agreement between Nova TV and the *Novinar* daily. One story gets aired in the morning and gets printed word-for-word the next day. Neither bothers to cross-check and source it, and in case of a complaint it's a complete mess as to which Ethics Council should be dealing with it."

Outlets' penchant for different topics is dictated by the ownership's business priorities or political affiliation. Journalistic self-censorship is officially disguised as editorial policy. The concept implies a clear distinction between priority topics and issues that are consciously overlooked. The narrowing down of priority topics by editors limits a reporters' ability to carry out in-depth coverage and investigations. This is mostly the case in regional media, which are more exposed to pressure by advertisers or local powers. Regardless of the slightly higher score, this indicator remains among the most underachieving aspects, substantially undermining the country's media professionalism and, consequently, public trust in the media.

Daily news coverage is still comprehensive, according to panelists. The media cover key events and issues without giving advantage to some or suppressing others. Concerning the entertainment and news ratio in the programs of media outlets, panelists noted that the two types of programming are clearly signposted, and even though entertainment is clearly on the rise, it is not at the expense of news and

information. The scores reflect the recent upsurge of entertainment programming rather than any negative effect on the news and information presented. As Dilyana Kirkovska of the Monitoring Directorate of the Council for Electronic Media noted, "Quality entertainment does not eclipse news. But entertainment in general is given a lot more time. When entertainment is coming in large quantities, the news and information get sidelined."

Pay levels continue to lag in the media, contribute to turnover, and are an incentive for corruption. In addition to pay level discrepancies between media and other professions where an experienced journalist can make a larger salary, there is also a clear disproportion between pay levels for journalists in the national and regional media as well as between public and commercial outlets. These conditions continue to contribute to the workforce outflow into other industries. However, panelists admitted that even sufficiently high pay levels fail to guarantee resistance to attempts at corrupting journalists.

Facilities for gathering, production, and distribution of news are consistently within sustainability range and observations of this situation in 2007 reinforce this. There are no major obstacles to the media to update their equipment and raise the technical quality of the product they offer to the audience.

Panelists remarked that niche reporting had maintained its level of development over the year. Specialized coverage in different beats, especially investigative reporting, is well developed in the large national media outlets. However, it still fails to become a far-reaching characteristic of the whole media environment. Small and/or regional outlets are particularly handicapped by a limited workforce with insufficient experience that can be developed into beat reporters. Lipovanski of ABBRO, speaking of regional media, noted, "Beat reporting is a rarity and money is the reason."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Bulgaria Objective Score: 3.04

The plurality of the media environment has been evolving steadily over the last several years. In 2007, this objective remained the most notable achievement in the country's media development. Regardless of the minor decrease from the prior MSI survey, the major indicators are scoring high enough to suggest sufficient sustainability and independence from direct economic and political influence. Most citizens can access a wide range of news and information throughout Bulgaria. Print, broadcast, and on-line media are readily accessible and largely affordable to most. Domestic and

international sources are available. And citizens have choices between sources within Bulgaria itself, allowing them to see different perspectives.

There remains one troublesome component of this objective, however. Transparency of media ownership continues to lag behind; panelists rated Indicator 6 more than a point lower than the average as a result. It is consistently the major deficit of the Bulgarian media environment, and together with the ever-intensive media consolidation, it questions the ability of outlets to maintain their independence from the economic interests behind them. The big media groups (such as Balkan News Corporation, which owns a number of television channels and radio stations; German WAZ, dominating the market of daily newspapers; and Economedia, with its big portfolio of business and other niche newspapers and magazines) are purely media conglomerates with no other non-media related businesses. They are focused on their media projects and related activities (printing, distribution, consulting). Nonetheless, the solidifying conglomerates are putting enormous competitive pressure on the small independent outlets.

Panelists saw this as troubling. As Yassen Boyadzhiev argued, "Problems with the transparency of media ownership are intensifying compared to last year, given the obscuring in licensing and the consolidation of ownership." However, Petko Georgiev of Broadcast Training Center cautioned against overstating the problems with transparency, "The issue of ownership transparency is overrated in Bulgaria. The national radio and TV are the most transparent outlets in terms of ownership, but that doesn't make them the least

vulnerable to political influence. Transformation of ownership is not the only way to uphold business interests. Ministers, and the government in whole, have no problems pushing their own agendas in the private media."

Panelists were critical also of the ability of the state and public media to reflect the diversity of opinions in society and serve the public interest. Bulgarian National Radio (BNR), Bulgarian National Television (BNT), and the Bulgarian News Agency have had their public status for a relatively short time. Their budgets are determined largely by the subsidy allotted in the state budget. The funding is not earmarked and can be used for improving the competitive ability of public media over commercial outlets. Public outlets' news and public affairs and educational programs are objective and comprehensive, but their general managers are appointed by regulatory bodies, which elect members based on political quotas.

Panelists did note that money remains an issue for accessing media, though less so than in the past. This mostly applies to using cable and digital television programs and household Internet service. Subscription fees for the new television services are not affordable for the whole population, especially in small and rural communities. Given that the services require new technical equipment, their availability is largely dependent on people's income. Boyadzhiev reiterated this point, "Media diversity is still inadequate in many regions. Access to a variety of media and news sources (let alone the Internet) is very unevenly spread." However, as Dimitrov of Mixx Radio noted, "Minority groups are probably number one in terms of access to satellite content."

The low purchasing ability of the population also affects the sales of daily newspapers and high-quality print magazines. Readership surveys note decreasing sales of newspapers and magazines. Part of the audience is making up for the decrease with viewing the online versions of the publications, while others are turning to radio and television and cheaper publications. Citizens have unrestricted access to international media. Language limitations and costs for satellite are the only reason that the full advantage of the unrestricted access is still not achieved.

Independent news agencies gather and distribute quality news for the print and broadcast media. No limits are imposed on using the agencies other than the subscription fees, which are sometimes unaffordable for small regional outlets and account for the still-inadequate access to these agencies.

Panelists also noted that private media produce their own news programs and even cable providers are required by their license to produce their own programming. However, this is a financial burden for cable companies and often the quality of programming is compromised. Generally

MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

speaking, no obstacles block the production and distribution of in-house programming. As Ivo Draganov noted, “Almost every outlet has own programming; there are no problems here. Even the much-debated SKAT TV is entirely showing its own programs. The channel is known for its propensity for giving an emphatically nationalistic account of the Bulgarian transition. At the same time, two young reporters are making some of the most courageous investigations into corruption and wrongdoing.”

Conditions are quite favorable for the existence and distribution of minority media, including minority-language outlets. Each minority group (including Roma, Armenian, and Turkish) has its publications in their own language. However, their reach is quite limited, not because of special restrictions imposed, but because of the cultural and social integration of minorities. National public media, such as BNT and BNR, as well as commercial television and radio cover minority issues and their views, religion, and cultural activities in the Bulgarian language for a wider audience. As journalist Violeta Draganova said, “The commercial outlets are often beating the public media on their own ground. The public media do not always live up to their purpose. The only example of minority-language information is the BNT Turkish language news.”

OBJECTIVE 4: BUSINESS MANAGEMENT

Bulgaria Objective Score: 2.63

In the process of shaping the Bulgarian media environment, media outlets continue to develop their business and management standards and clearly see them as a prerequisite for editorial independence. However, this objective has suffered a drop from last year as panelists raised questions about reliable broadcast ratings and the use of market research by media. Indicator 7 in particular scored more than a point below the overall average. However, Indicator 5, government subsidies for private media, continued to be strong and scored a point higher than the average.

Panelists noted the most significant decrease in the objectivity and reliability of broadcast ratings and circulation figures. In this aspect, Bulgaria seems to demonstrate a consistent problem: the perceived unreliability of the data. Until a year ago, there was only one peplemeter system for television, the ownership of which was alleged to have conflicting interests in the advertising and media markets. Now Bulgaria has introduced an alternative peplemeter system, managed by GFK, but it still fails to match the original, which continues to be favored by a significant number of advertising agencies and outlets.

The more important issue is that reliable figures on radio audiences are essentially non-existent despite the rapid development of the radio market and the active restructuring in anticipation of new licensing. There are many regional and small outlets that are practically excluded from the surveys, and work with no awareness of their market standings and potential.

Circulation and sales figures for the press are not provided by the existing (but *de facto* inactive) Audit Bureau of Circulation (ABC). After the ABC was conceived and set up, it never actually received circulation figures on a regular basis by most publications. Hence, the public and advertising agencies have no reliable information regarding the circulation of publications. This contributes to a media environment developing in the dark, without clear indicators to help outlets position themselves more precisely and make the best of the audiences they attract.

In general though, panelists indicated that many media are well run and do generate profits. Additionally, an adequate number of commercially driven printing facilities and distribution networks exist and effectively secure media production and distribution free of partisan considerations.

Private media generate their revenue from advertising mostly. They receive no government subsidies. Panelists from regional media claim their problem is the lack of accurate and objective information about their audience, which leads to regional media being ignored by nationwide advertising agencies and media shops. Hence, their major advertisers are limited to local businesses, which often work based on political influence or common interest with media owners.

INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

The rapid development of the advertising market and growing size of advertising budgets fail to cover the whole media landscape. The big outlets remain most favored, as they are linked to the advertising agencies allocating the budgets. The big media groups, especially those combining radio and television, close the circle of distribution of advertising and small niche and regional outlets are often sidelined. Local advertising markets are underdeveloped significantly and the resources they offer regional outlets is inadequate. Krassimir Dimitrov felt that “Advertising agencies are not after the best coverage, but after discounts and friendly media.” Tsveta Nenova of Arena Media noted, “It’s hard for small outlets to make a living. Big media work with advertising agencies; agencies do no business with the local outlets. They prefer networks and transmission points.” Dimitar Lipovanski of ABBRO echoed this point, “On the regional level, media don’t work with agencies. It’s increasingly rare for a Sofia-based agency to buy local media.”

Petko Georgiev pointed out, “The problem...is the lack of transparency in the advertising market, which is heavily manipulated in favor of a few leading national outlets. Ratings are quite questionable—the big advertising money goes in the same closed circle of advertising agencies, rating agencies, and outlets. The Internet media are still relatively independent in terms of attracting advertisers, but this is rapidly changing.”

Advertising agencies are well run and professional. They are a mixed bunch of affiliates of some of the leading international agencies and local companies. There is an alleged connection, which is hard to prove, between media outlets and advertising agencies controlled behind-the-scenes by the same persons or entities. Hence, it is believed that some outlets are favored at the expense of others when it comes to receiving advertising budgets.

No change is visible on the indicator of the share of advertising revenue in the total income of outlets. Print media count on revenue primarily from advertising as well as from subscriptions and sales. The situation is expected to evolve with the growth of free newspapers as advertising becomes more important. Ivo Draganov, a media expert, noted some other sources of revenue: “Outlets are generating profits, but their most cashable asset is influence—on the local and national levels alike. Revenue is generated mostly from advertising, but there’s sponsorship, hidden PR, and publicity, which create dependencies. The advertising market is thriving, but the criteria for selection of outlets are still not clear enough.”

Panelists noted that market research is mostly employed by the big national-coverage stations and largely ignored by small or niche outlets which need comprehensive data

for more precise targeting of their audience. The most straightforward evidence is the current state of affairs on the radio market, which is now teeming with similar formats as a result of the recent transformation of ownership. Although research is slowly evolving, the volume of the audience still takes priority over finer segmentation.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bulgaria Objective Score: 2.98

The institutions supporting independent media in Bulgaria have consistently advanced towards sustainability during the course of MSI studies dating back to 2001. In 2007, however, there was a slight reversal, reflected by the drop in ratings to 2.98. The objective manifests sufficient sustainability and independence of political and economic currents, but to a lesser extent compared to the previous year’s survey. Particular weaknesses evidenced by panelists’ scores include professional associations (Indicator 2), supporting NGOs (Indicator 3), and academic journalism programs (Indicator 4); these all received scores more than a half point below the average. On the other hand, scores for Indicators 6 and 7, access to printing facilities and newsprint and apolitical distribution networks, remained strong, receiving scores in excess of half a point of the average score.

Trade associations continued to receive relatively high marks. Reflecting their effective advocacy work. As Georgiev noted, “ABBRO is evermore shaping as a lobbyist structure—which, by the way, is great for its members.” ABBRO, which represents the private broadcast media in the country, is working actively and professionally with Parliament, the government, and the regulatory bodies to protect and promote the business interests of its members. The Union of Newspaper Publishers (UNP), representing the major print publications, is also developing as a strong voice for the industry and as an important player in the field of media self-regulation. Both organizations are professionally managed and are financially sustained by their members. ABBRO and UNP regularly initiate and participate in public service campaigns in partnership with NGO’s and public institutions.

In contrast to the effectiveness and maturity of trade associations, the professional associations protecting journalists’ rights are far from this level of performance and assistance. Panelists felt this was the weakest component of supporting institutions. This reflects the still-inadequate activities of the Union of Bulgarian Journalists (UBJ). Despite the entry of younger reporters into the organization, a large part of the UBJ membership is senior or retired journalists with little input and influence over the shaping of policies

or professional trends. However, Petya Mironova, of the Ethics Council noted some positive trends: “In all fairness, the professional qualification of journalists is taken seriously over the last couple of years. Maybe the establishment of the National Council for Journalism Ethics served as an incentive for UBJ. The Investigative Journalists’ Club was restored, along with the International Journalists’ Club. And legal protection has always been a priority; the UBJ has always provided legal support to its members.”

NGOs supporting free speech and independent media are clearly showing less involvement and activity than in previous years. The support and advocacy organizations brought together in the Bulgarian Media Coalition are less active and less successful in trying to modernize media legislation and represent the community and individuals involved in the development of the media sector. Backpedaling can be explained partly with the maturity of the media sector in Bulgaria. Media and free speech are arguably regulated and self-regulated enough with a Code of Ethics and the two ethics councils in place. Petko Georgiev added, “We have a very bad situation and it’s getting worse. The Bulgarian Media Coalition broke apart in scandal, and no one wants to take responsibility.... But there’s not one serious media NGO out there.”

Panelists criticized degree programs in journalism, noting they are failing to meet the requirements of a modern media market, especially with regard to practical experience. As journalist Violeta Draganova added, “Academic journalism education lacks quality, especially in advanced journalism degrees. Opportunities to study abroad are also limited.” Panelists said the curricula are outdated and the training received is not sufficient to produce skilled media staff.

SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists’ rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

The deficits of academic journalism education are partially compensated by the availability of short-term training programs. However, fewer short-term programs are offered than in past years, in part due to declining donor support. Panelists noted the discontinuation of subsidized, free training is a deterrent to media owners and managers investing in upgrading the skills of their staff.

Finally, as in the past, Bulgarian media enjoy essentially unlimited and unpoliticized access to printing facilities, newsprint, and distribution networks. Broadcast media own their transmitters and this is not a source of political pressure.

List of Panel Participants

Assya Kavrakova, chairperson, Broadcast Media Ethics Commission, Sofia

Petya Mironova, chairperson, Broadcast Media Ethics Commission, Sofia

Violeta Draganova, Roma mainstream freelance journalist, Sofia

Konstantine Markov, Association of Bulgarian Broadcasters, Sofia

Dimitar Lipovanski, director, Arena Media Russe, Russe

Tzveta Nenova, head, Russe Media Festival, Russe

Krassimir Dimitrov, manager, Glarus Radio Burgas, Burgas

Petko Georgiev, executive director, BTC ProMedia Foundation, Sofia

Juliana Toncheva, media expert and former spokesperson, The Council for Electronic Media, Sofia

Ivo Draganov, TV documentarian, National Academy of Film and Theatrical Arts, New Bulgarian University, Sofia

Jassen Boyadjiev, director, Info Radio, Sofia

Dilyana Kirkovska, Council for Electronic Media, Monitoring Directorate, Sofia

Moderator and Author

Rumyana Bachvarova, consultant, Market Links Research and Consulting, Sofia

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