

MAPPING DIGITAL MEDIA: CROATIA



Mapping Digital Media: Croatia

A REPORT BY THE OPEN SOCIETY FOUNDATIONS

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Mapping Digital Media

The values that underpin good journalism, the need of citizens for reliable and abundant information, and the importance of such information for a healthy society and a robust democracy: these are perennial, and provide compass-bearings for anyone trying to make sense of current changes across the media landscape.

The standards in the profession are in the process of being set. Most of the effects on journalism imposed by new technology are shaped in the most developed societies, but these changes are equally influencing the media in less developed societies.

The **Mapping Digital Media** project, which examines the changes in-depth, aims to build bridges between researchers and policymakers, activists, academics and standard-setters across the world. It also builds policy capacity in countries where this is less developed, encouraging stakeholders to participate in and influence change. At the same time, this research creates a knowledge base, laying foundations for advocacy work, building capacity and enhancing debate.

The Media Program of the Open Society Foundations has seen how changes and continuity affect the media in different places, redefining the way they can operate sustainably while staying true to values of pluralism and diversity, transparency and accountability, editorial independence, freedom of expression and information, public service, and high professional standards.

The Mapping Digital Media project assesses, in the light of these values, the global opportunities and risks that are created for media by the following developments:

- the switch-over from analog broadcasting to digital broadcasting;
- growth of new media platforms as sources of news;
- convergence of traditional broadcasting with telecommunications.

Covering 60 countries, the project examines how these changes affect the core democratic service that any media system should provide—news about political, economic and social affairs.

The **Mapping Digital Media** reports are produced by local researchers and partner organizations in each country. Cumulatively, these reports will provide a much-needed resource on the democratic role of digital media.

In addition to the country reports, the Open Society Media Program has commissioned research papers on a range of topics related to digital media. These papers are published as the **MDM Reference Series**.

Mapping Digital Media: Croatia

Executive Summary

Regarding digital switchover, Croatia is well ahead of the curve. Experimental broadcasting via digital signals began in 2002 and the last analog television signals were switched off in September 2011. The country has the highest free-to-air digital terrestrial coverage in Europe, exceeding 99 percent of national territory, and it is the main television platform for the majority of the population.

Television remains the dominant medium for both information and entertainment, and viewing time has been relatively stable over recent years. Among alternative platforms, cable television subscriptions also experienced a growth spurt as a result of digitization. Its penetration is now matched by IPTV, which, around the time of switchover, was the preferred mode of television in some 15 percent of households.

However, according to recent survey data, the internet is the most trusted medium for news and information. Although broadband rollout was slow to get going and the proportion of the population active online is still relatively small, growth in the number of users has shown no sign of leveling out and the figure nearly doubled between 2005 and 2010. Broadband take-up has also increased exponentially in recent years, catalyzed by a new legislative framework for universal service implemented in 2004.

Radio has experienced a marginal decline in listenership, but print media have been hit hardest by the global economic downturn and audience migration online. Except for the leading national tabloid, all major titles have experienced significant contraction in circulations. But this has not corresponded to declining audience reach as digital editions of newspapers are among the most popular websites in the country, and increasingly accessible on a variety of platforms.

To this extent, digitization has increased the availability, reach and number of news and information sources in Croatia. Of the top ten most popular Croatian-based websites, seven are news-focused and four of these feature in the top ten most popular websites overall. What's more, two of these are independent websites not owned or operated by traditional media.

There has also been a “democratization” of access to news, with controversial stories seeing the light of day through digital channels. Traditional media have on occasion been compelled to take note of these stories, which might not have surfaced in the public domain were it not for digital media.

However, there is still some way to go before the promise of digital news is fulfilled. There is a dearth of news analysis online and still limited deployment of interactivity and multimedia resources. And in spite of the success of television switchover in terms of access, it has so far resulted in only a handful of new channels, the majority of which are entertainment-focused. All of these are provided by commercial broadcasters and at the time of writing, the public broadcaster had yet to launch the two new channels that were scheduled to start broadcasting in 2011, including a dedicated news channel. The increased competition that has resulted from digitization looks set to continue a trend of commercialization in public broadcasting. There have also been indicators of tabloidization across television news in recent years, with bulletins becoming shorter and covering a greater number of topics in less depth.

This report also finds that the benefits of new media diversity are still largely restricted to a media-literate minority. Online civil and political activism tends to be the preserve of groups and citizens who were already active and engaged in the pre-digital era. However, activity is growing and social networking—Facebook in particular—has become the key mobilization tool. There are also significant homegrown activism platforms which have worked in tandem with Facebook and the mainstream media to bring issues to critical mass audiences. This has occurred in a handful of cases to date, with one notable protest producing tangible results at the level of policy and reform. In 2008, an online campaign against the new national examination for school leavers evolved into mass demonstrations by students. The Government responded by admitting its failures in preparing and managing the project, which was postponed for another year.

Other online-led initiatives against tuition-fees and corruption in public institutions have been notable in their reach but produced little or no response from policymakers. Websites promoting the rights and interests of minorities in Croatia have also emerged but have not yet had a significant impact on the coverage of such issues in the broader media. Overall, it is clear that digital civil society in Croatia still depends on television for its publicity power.

Opportunities for civic engagement are also being neutralized by the pressure on journalists to produce ever greater volumes of news output within ever shorter timeframes. Multi-skilling in the newsroom has come at the expense of accuracy in reporting and original newsgathering. The culture of copy-paste journalism that has emerged is particularly acute in the online news domain. New technologies have also led to a growing instinct among editors to prioritize the visual elements of news output. This has favored soft news over hard news and has fostered the “internetization” of print media, with newspapers increasingly adopting the format and style of online editions.

Investigative journalists have benefitted to some extent from the digital explosion of sources, and the increasing online availability of official data. But uncovering political corruption, fraud and other illegal activities still

depends on old-fashioned personal contacts. And digitization does not seem to have diminished the threats and occasional violence against investigative journalists, particularly in the arena of organized crime.

In terms of dissemination, no prominent blogs publish investigative reporting, and stories published through other new platforms tend to be overlooked by the mainstream media. Investigative stories online have occasionally touched a nerve in the public consciousness, or generated sufficient awareness to force the mainstream media's hand. In certain cases the gestation of such stories online has made it easier for conventional media to cover them. They can avoid potential lines of fire by following up on investigations that are already in the public domain, rather than launching new investigations.

But the reach of online news is constrained in the first instance by a lack of resources which has meant minimal investment in operational journalism. The sector's long-term sustainability remains in the balance as advertising migration has yet to provide a viable business model for online news. At the same time, conventional media have suffered significant loss of advertising revenue following the global economic downturn in 2008 and it remains to be seen how far this will be recovered.

Overall, traditional media brands continue to hold sway over the public agenda and operate with an increasingly concentrated market. More than 90 percent of daily newspapers are owned by just two multinational conglomerates. Recent legislation has introduced measures to limit cross-media ownership and media concentration in general, but these have so far proved relatively weak and ineffectual. Similarly, legislation aimed at enhancing the transparency of media ownership has born little fruit and no action has yet been taken against companies who are in breach of the rules.

In other areas, however, the government has been proactive in responding to the social and economic challenges posed by digitization. Since 2005, for instance, a portion of the license fee for public broadcasting has been ring-fenced to support pluralism and diversity within local broadcasting. In respect of switchover, the government took the unusual step of offering financial support to all citizens purchasing digital signal receiving equipment. Alongside this, a dedicated switchover call-center was set up to offer information and advice to viewers and a help scheme facilitated access for the elderly and disabled.

One of the most important elements of the successful switchover was coordination of the process by the Central State Administrative Office for e-Croatia. Regular meetings between all stakeholders established a discussion forum for stakeholders, the sharing of information and, eventually, collaboration over problems thrown up by implementation.

Recent media legislation has offered clear definitions of the public interest and new distinctions such as that between linear and non-linear broadcasting. Although the broad structure of regulatory authority has remained unchanged, both licensing and content regulation are generally perceived as independent, fair and transparent. Public consultations are commonplace, even if it is not always obvious how much influence they have on actual policy.

In the final analysis, this report finds that policy has been responsive to digitization and that the process has done much to democratize and pluralize Croatian media. It has not yet, however, neutralized the power of dominant media organizations, or indeed the influence wielded by political elites and advertisers. There is also evidence that in response to digitization, journalism across sectors has become increasingly tabloid and oriented towards soft news, and there are uncertainties as regards the sustainability of public interest media.

Context

The Republic of Croatia is a South-East European and Mediterranean country, at the crossroads of the Pannonian plain, the Balkan Peninsula, and the Adriatic Sea. The area of Croatia is 56,594 km².

After the Second World War, Croatia was one of six republics within the Socialist Federal Republic of Yugoslavia. The first multi-party elections in Croatia were held in 1990, as relations among the Yugoslav republics worsened. The elections were won by the Croatian Democratic Union (HDZ), led by Franjo Tuđman, who became the president and head of state. In 1991, with portions of the country under effective control of Croatia's Serb minority, armed and supported by the Yugoslav People's Army, the government declared independence. By the time the Croatian War of Independence ("Homeland War") ended in 1995, some 20,000 lives had been lost, and some 500,000 citizens had been displaced from their homes.¹

HDZ governed the country until its leader, President Tuđman, died in office at the end of 1999. Throughout the decade of HDZ government, international human right bodies as well as Croatian civil society organizations voiced concern about the state of human rights and high rates of corruption and, altogether, about the lack of respect for the rule of law. Although at the beginning of the nineties the new parliament introduced new media regulations that led to initial democratic changes, media continued to remain under strong state control.

Major changes came with parliamentary elections in January 2000 when a center-left coalition of six parties took power and launched a series of reforms of the existing state structures. Most important, constitutional changes limited presidential powers. Croatian politics changed from isolationist to pro-European as the pro-reform coalition put Croatia on track to join the European Union (EU). The country underwent many liberal reforms. Most Croatian laws, including those dealing with media, were revised.

1. I. Goldstein, *Dvadeset godina samostalne Hrvatske* (Twenty Years of Croatian Independence), Zagreb: Novi liber, 2010; M. Kasapović and N. Zakošek, "Democratic Transition in Croatia: Between Democracy, Sovereignty and War," in I. Šiber (ed.), *The 1990 and 1992/93 Sabor Elections in Croatia. Analyses, Documents and Data*, Berlin: Wissenschaftszentrum Berlin für Sozialforschung, 1997, pp. 11–33; M. Kasapović (ed.), *Hrvatska politika 1990–2000*. (Croatian Politics 1990–2000) Zagreb: Fakultet političkih znanosti, 2001; M. Thompson, *Kovanje rata—Mediji u Srbiji, Hrvatskoj i Bosni i Hercegovini* (Forging War: The Media in Serbia, Croatia, Bosnia and Hercegovina), Zagreb: Hrvatski helsinški odbor/ Građanska inicijativa za slobodu javne riječi/ARTICLE 19, 1995.

In the November 2003 general elections, a less nationalist HDZ regained power. A series of political, legal and social reforms led to the opening of Croatia's EU accession negotiations in October 2005. In the 2007 elections, HDZ won in coalition with three smaller parties and representatives of national minorities. In April 2009, Croatia joined NATO. Negotiations on accession to the EU were formally concluded in June 2011. HDZ lost power in December 2011. Social Democrats regained power this time in the so-called Kukuriku coalition (consisting of four parties: Social Democratic Party, Croatian People's Party, Istrian Democratic Assembly and Croatian Party of Pensioners). A referendum in January 2012 produced a vote in favor of acceding to the EU. Croatia is expected to become the 28th member of the EU on 1 July 2013.

Social Indicators

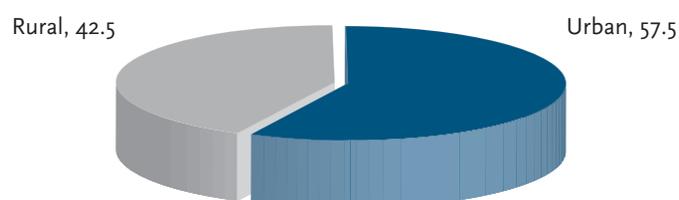
The most recent census was carried out in April 2011.

Population (number of inhabitants): 4.29 million

Number of households: 1.53 million

Figure 1.

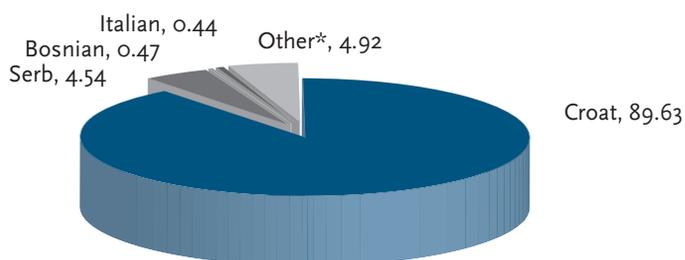
Rural–urban breakdown (% of total population)



Source: International Telecommunication Union (ITU), 2009

Figure 2.

Ethnic composition (% of total population)

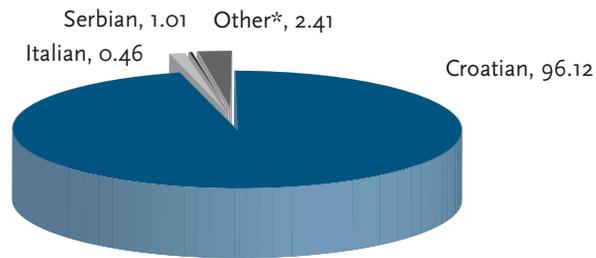


Note: * “Other” includes Albanian, Slovene, Czech, Bohemian, Montenegrin, Slovak, Macedonian, etc.

Source: Census 2001 www.dzs.hr; Data on ethnic, linguistic and religious composition from 2011 Census will be available in 2012

Figure 3.

Linguistic composition (% of total population)

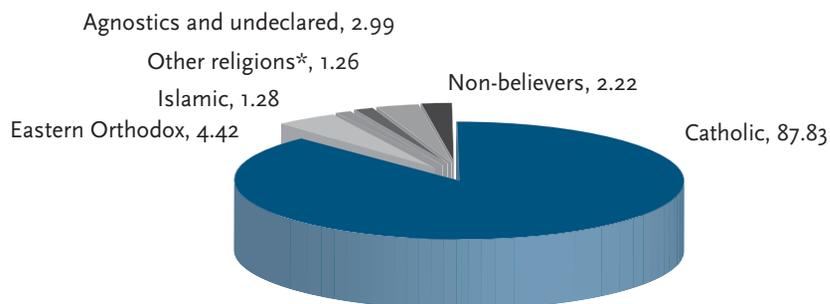


Note: * Other languages include Italian, Albanian, Hungarian, Slovenian, Bosnian, Romani, Czech, Serbo-Croatian, etc.

Source: Census 2001, at www.dzs.hr; Data on ethnic, linguistic and religious composition from 2011 Census will be available in 2012

Figure 4.

Religious composition (% of total population)



Note: * Other religions include Eastern Rite Catholic Church, Jehovah's Witness, etc.

Source: Census 2001, at www.dzs.hr; Data on ethnic, linguistic and religious composition from 2011 Census will be available in 2012

Economic Indicators

Table 1.
Economic indicators

	2005	2006	2007	2008	2009	2010	2011	2012f
GDP (current prices), total in US\$ billion	44.803	49.882	59.366	69.887	63.442	60.834	63.842	61.822
GDP (current prices), per capita in US\$	10,086	11,234	13,382	15,758	14,324	13,775	14,456	13,999
Gross National Income (GNI), per head, current \$	15,290	16,690	18,390	19,180	19,260	18,890	n/a	n/a
Unemployment (% of total labor force) ²	17.9	16.6	14.8	13.2	14.9	17.4	17.8	n/a
Inflation (average annual rate in % against previous year) ³	3.3	3.2	2.8	6.0	2.3	1.0	2.2	2.2

Note: f: forecast; n/a: not available

Sources: IMF data (*World Economic Outlook Database*, April 2012)

2. In 2005 there were 308,738 unemployed out of 1,729,312 total labor force, http://www.hzz.hr/DocSlike/HZZ_Godisnjak2006.pdf, page 17. In 2006 there were 291,616 unemployed out of 1,759,492 total labor force, <http://www.hzz.hr/DocSlike/Godisnjak2007-HR-web.pdf>, page 16. In 2007 there were 264,448 unemployed out of 1,781,357 total labor force, http://www.hzz.hr/DocSlike/HZZ_Godisnjak_2008.pdf, page 8. In 2008 there were 236,741 unemployed out of 1,791,546 total labor force and in 2009 there were 263,174 unemployed out of 1,761,958 total labor force, http://www.hzz.hr/DocSlike/HZZ_Godisnjak_2009.pdf, p. 8. In 2010, there were 302,425 unemployed out of 1,734,879 total labor force, and in 2011, there were 305,333 unemployed out of 1,716,571 total labor force, http://www.hzz.hr/DocSlike/HZZ_Godisnjak_2011.pdf, p. 10.

3. CPI inflation rate.

1. Media Consumption: The Digital Factor

1.1 Digital Take-up

1.1.1 Digital Equipment

Croatian households are well equipped to access content provided by digital media. The most popular source of information in Croatia is television, which is present in 98.8 percent of households. On the other hand, the PC is present in 55 percent of households. According to the Croatian Bureau of Statistics (*Državni zavod za statistiku*, DZS), in the first quarter of 2009, 76 percent of individuals used the internet for reading magazines and newspapers (a 10 percent increase, compared to the same period in 2008).⁴ In 2009, radio was present in 89.4 percent of households. The most widely used media platform in Croatia is the mobile phone, with a penetration of 139.57 percent in the third quarter of 2010.

The results of the latest Best Buy Awards research, conducted by GfK Croatia–Market Research Centre,⁵ shows the largest share of consumers finding that the internet provides the best value for money (24.8 percent), followed by television (15.4 percent), with radio in sixth place (3.5 percent).

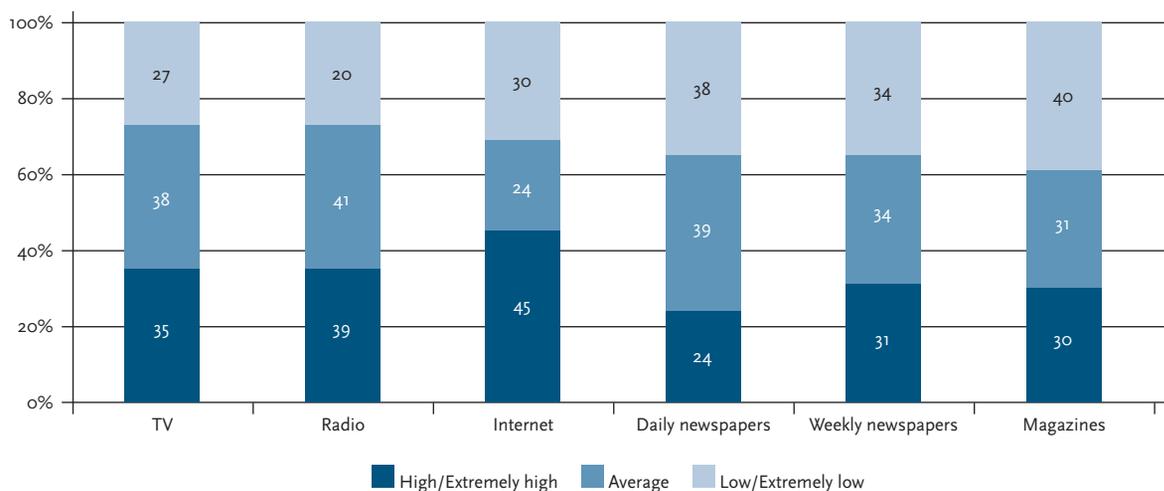
According to the “Trust in Media” research project, conducted in 2009 by the Faculty of Political Science of the University of Zagreb and the independent research center Media Metar (hereafter the “Trust in Media” study), Croatians trusted the Catholic Church more than any other institution (3.44), followed by scientists, educational institutions, the army, certain trusted intellectuals, and the leader of their preferred political party. Domestic media (2.78) and journalists (2.73) came after all these. The information platform most trusted by citizens is the internet (45 percent), followed by radio (39 percent) and television (35 percent).⁶

4. Croatian Bureau of Statistics, The First Release No. 2.1.9., 28 January 2010; Usage of Information and Communication Technology (ICT) in Households and by individuals in 2009, first results, http://www.dzs.hr/hrv/publication/2009/2-1-9_1h2009.htm (accessed 26 November 2010).

5. Research conducted on a nationally representative sample of 400 respondents in September 2010, published on 1 December 2010

6. Research is conducted on a nationally representative, proportionally stratified and probabilistic sample, of 1,000 adults (examinees) in Croatia. A Likert scale and five-level Likert item was used (1 = do not agree at all, 5 = fully agree). See results in V. Car, “Television in new media environment,” *Media Studies* 1 (1–2), pp. 91–104.

Figure 5.
General Trust in media in Croatia



Source: Trust in Media, Faculty of Political Science and Media Metar, Zagreb, 2009

Given current trends, in the coming years we can expect further and faster growth of the number of PCs and consumption of digital content via the internet, especially on smart phones. This shift towards electronic consumption of media is closely related to the rise of internet usage in Croatia. Changes in consumers' media habits are a direct consequence of these changes.

During the last few years, the number of internet users has increased significantly. From 1.47 million in 2005, it rose to 2.67 million in 2010, with particularly significant growth in broadband penetration. Broadband development began with a considerable delay: in 2003 there were only 4,400 broadband internet connections and a penetration of 0.01 percent. At the end of 2004, the government introduced a new legislative framework and began drafting the first national strategy for broadband access, especially in underdeveloped and isolated areas. In 2010, the number of broadband connections reached 1,132,212 (26 percent penetration).⁷

7. Croatian Post and Electronic Communication Agency, at <http://www.hakom.hr/UserDocsImages/2011/e-trziste/GOD%20Broj%20korisnika%20Interneta%202010.pdf>; <http://www.hakom.hr/UserDocsImages/2011/e-trziste/GOD%20Broj%20prijlju%C4%8Daka%20%C5%A1irokopojasnog%20pristupa%20internetu%202010.pdf> (accessed 23 May 2011).

Table 2.
Households owning equipment⁸

	2005		2006		2007		2008		2009		2010	
	No. of HH	% of THH										
TV sets ⁹	1,463,460	95.3	1,457,318	94.9	1,477,281	96.2	1,495,709	97.4	1,520,279	99.0	1,524,886	99.3
Radio sets ¹⁰	546,686	35.6	546,686	35.6	537,472	35.0	981,271	63.9	1,372,858	89.4	n/a	n/a
PCs ¹¹	462,226	30.1	502,153	32.7	752,461	49.0	813,887	53.0	844,599	55.0	921,381	60.0

Notes: HH = Total number of households owning the equipment; THH = Percentage of total number of households in the country; n/a = not available

Source: Croatian Bureau of Statistics, ITU and AGB Nielsen Media Research (more detailed in footnotes)

1.1.2 Platforms

The principal platform for delivery of news and information is television. Terrestrial reception of the television signal is dominant. According to data from the Croatian Post and Electronic Communication Agency (*Hrvatska agencija za poštu i elektroničke komunikacije*, HAKOM), when television switchover began in January 2010, 60.6 percent of households had terrestrial reception, 16.25 percent households had Internet Protocol television (IPTV), 11.54 percent had satellite, and 9.56 percent had cable reception.

IPTV has experienced the most significant growth over recent years, especially in 2009, due to an improved offer from the providers; users doubled over one year, from 8 percent of the population in 2009 to some 16 percent in late 2010. With 271,382 television subscribers at the end of the third quarter of 2010, MAXtv,¹² operated by T-Com Croatia, a subsidiary of Deutsche Telekom, remains the largest single player in Croatia. Other providers of IPTV services are Metronet, Iskon Internet, and Optima Telekom.

8. In this table we use Croatian Bureau of Statistics (CBS) data as the only official data in Croatia. Comparing these data with ITU data, the differences are max. +/-1.9 percent. Only for 2010, there are no official CBS data yet, therefore we used ITU data (provided by OSF) for number of PCs, and AGB Nielsen data for number of television sets, because for television sets there were no ITU data. As a referent number of households we use number of 1,535,635 households in 2001, as the only official data from the census. Data from census in 2011 are not published yet. In between there were no yearly projections of the number of households in Croatia.

9. Data for 2005, 2006 and 2007: Croatian Bureau of Statistics, http://www.dzs.hr/hrv/publication/2008/14-1-1_1h2008.htm; data for 2008: Croatian Bureau of Statistics, *Results of Households Budget Survey*, 2008, page 56; <http://www.dzs.hr/hrv/publication/2009/SI-1400.pdf>; data for 2009: Croatian Bureau of Statistics, *The Household Budget Survey: Basic Characteristics of Household Consumption and Household Income*, The First Release No. 14.1.1., 8 July 2010, 2009, http://www.dzs.hr/Hrv_Eng/publication/2010/14-01-01_01_2010.htm; data for 2010: AGB Nielsen, Croatia.

10. Data for 2005, 2006 and 2007 include only Hi-Fi set, single radio set is excluded: http://www.dzs.hr/hrv/publication/2008/14-1-1_1h2008.htm; data for 2008: Croatian Bureau of Statistics, *Results of Households Budget Survey*, 2008, p. 54; <http://www.dzs.hr/hrv/publication/2009/SI-1400.pdf>; data for 2009: Croatian Bureau of Statistics, The First Release No. 14.1.1., 8 July 2010, *The Household Budget Survey: Basic Characteristics of Household Consumption and Household Income*, 2009, http://www.dzs.hr/Hrv_Eng/publication/2010/14-01-01_01_2010.htm.

11. Data for 2005 and 2006: http://www.dzs.hr/hrv/publication/2008/14-1-1_1h2008.htm; data for 2007 and 2008: Croatian Bureau of Statistics, Statistical information 2009, p. 56; <http://www.dzs.hr>; data for 2009: Croatian Bureau of Statistics, *Usage of Information and Communication Technology (ICT) in Households and by Individuals in 2009*, The First Release No. 2.1.9., 28 January 2010, first results, http://www.dzs.hr/hrv/publication/2009/2-1-9_1h2009.htm; data for 2010: ITU, provided by OSF.

12. Croatian Telecom, Press release: Business results for the third quarter of 2010, at http://www.t.ht.hr/press/novosti_disp.asp?id=1609.

Cable television subscribers have also increased, but more slowly. In September 2010, they reached 148,700. The largest cable operator in Croatia is bNet, formed in 2007, by merging Digital City Media (DCM)¹³ and Adriatic Cable. Until recently it has provided triple-play services in major cities, and since December 2010 it is available through a satellite platform across the entire country. Other providers of triple-play service are Kerman and Magic Telekom. Total television and DigiTV offer direct-to-home (DTH) satellite service. In December 2010, T-Com Croatia launched a DTH satellite package as well.

Table 3.

Platform for the main television reception and digital take-up¹⁴

	2005		2006		2007		2008		2009		2010	
	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH
Terrestrial reception	1,099	76.3	1,087	75.5	1,067	74.1	1,008	70.0	962	66.8	860	59.7
– of which digital	0	0.0	13	0.9	19.0	1.3	43	3.0	81	5.6	832	57.8
Cable reception	204	14.2	189	13.1	173	12.0	166	11.7	171	11.9	225	15.6
– of which digital						n/a						
Satellite reception	135	9.4	157	10.9	194	13.5	194	13.5	181	12.6	135	9.4
– of which digital						n/a						
IPTV	0	0.0	7	0.5	17	1.2	69	4.8	128	8.9	219	15.2
– of which digital						n/a						
Total	1,440	100.0	1,440	100.0	1,440	100.0	1,440	100.0	1,440	100.0	1,440	100.0
– of which digital						n/a						

Note: n/a: not available

Sources: Mediametrie/Eurodata television Worldwide

Table 4.

Internet penetration rate (total internet subscriptions as percent of the total population) and mobile penetration rate (total active SIM cards as percent of total population)¹⁵

	2005	2006	2007	2008	2009	2010
Internet ¹⁶	33.1	37.9	44.8	50.8	56.5	60.7
– of which broadband ¹⁷	7.8	14.9	19.5	30.4	37.5	42.3
Mobile telephony	82.1	99.1	113.7	133.0	136.8	144.4
– of which 3G	n/a	1.7	5.3	17.2	33.2	45.4

Note: n/a: not available

Source: Croatian Bureau of Statistics and HAKOM

13. Digital City Media (DCM) was the biggest cable television provider in Croatia at the time, in 2007.

14. The figures refer to the main television set in multi-television households.

15. ITU data for the projection of the population in Croatia in 2005: 4,441,986, in 2006: 4,433,791, in 2007: 4,425,995, in 2008: 4,418,387, in 2009: 4,410,864, and in 2010: 4,403,330.

16. Total number of internet users covers total number of dial-up and broadband users. Croatian Bureau of Statistics, *2010 Croatia in figures*, p. 22, at http://www.dzs.hr/Hrv_Eng/CroInFig/croinfig_2010.pdf (accessed 20 August 2011).

17. Broadband access subscribers (DSL, cable networks, etc.). See Croatian Bureau of Statistics, *2010 Croatia in figures*, p. 22, at http://www.dzs.hr/Hrv_Eng/CroInFig/croinfig_2010.pdf (accessed 20 August 2011).

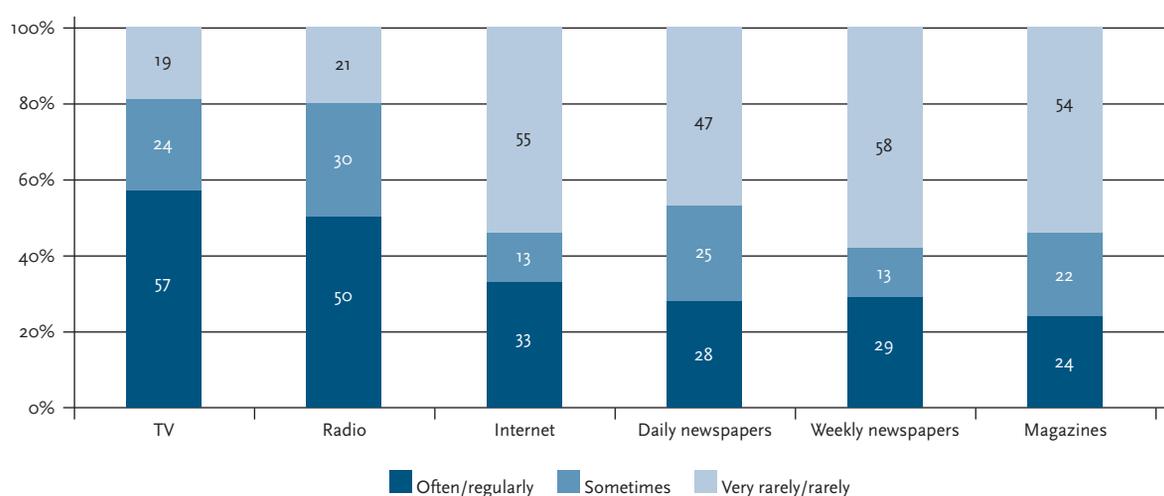
1.2 Media Preferences

1.2.1 Main Shifts in News Consumption

Results of the “Trust in Media” study showed that 57 percent of the population watches television (see Figure 6) often or regularly, confirming television as the most consumed medium in Croatia. Television is followed by radio and the internet, which is “very rarely or rarely” used by 55 percent of those surveyed. The most watched content on television is sport (35.9 percent), local news (32.4 percent), movies and serials (23.4 percent), and international politics (20 percent). Only 7 percent of viewers found political issues in Croatia to be interesting. Information about culture is the least interesting to viewers (1.8 percent).

Figure 6.

Frequency of media consumption



Source: Trust in Media, Faculty of Political Science and Media Metar, Zagreb, 2009

Finally, the “Trust in Media” study suggests that users consider the internet to be a democratic medium, where censorship may occur but can be easily bypassed. It also shows that media-literate and educated users believe they can relatively easily find reliable information online. Therefore, the internet beats attractive and live television pictures in the context of credibility and trust in media.

The number of newspapers in Croatia increased between 2005 and 2008 by 52 titles, but went down by 20 between 2008 and 2009 alone.¹⁸ The number of periodicals did not stop its growth, jumping by 666 titles from 2005 to 2,678 in 2009, according to the same source.¹⁹ Circulations also increased for daily newspapers from 448,600 sold copies in 2005 to 504,000 five years later.²⁰

18. According to Croatian Bureau of Statistics, *2010 Croatia in figures*, p. 18, at http://www.dzs.hr/Hrv_Eng/CroInFig/croinfig_2010.pdf (accessed 20 August 2011).

19. Croatian Bureau of Statistics, *2010 Croatia in figures*, p. 29, at http://www.dzs.hr/Hrv_Eng/CroInFig/croinfig_2010.pdf (accessed 20 August 2011).

20. These are estimates from Rajko Naprta at the Croatian Chamber of Economy, in an interview on 16 May 2011.

In 2009, there were 2,992 titles of dailies, weeklies and monthlies printed in Croatia, most of them in Croatian (89.5 percent), and the rest of them in foreign languages (10.5 percent: the top three foreign languages were English, German, and Italian).²¹

Radio listenership decreased from 68.4 percent of the population listening often to the radio in 2002 to 65.4 percent four years later, according to the latest data available from Media Metar.²²

As mentioned earlier, television is still the most important platform for news and information. Table 11 shows viewing patterns over the years, by comparing the average number of minutes that each individual in Croatia spends in front of the television set per day. This number decreased from 2005 to 2008 by 24 minutes to 248 minutes. However, since 2009 it has been rising again, reaching 284 minutes in the first half of 2010, according to data from AGB Nielsen Media Research, 2010.

Croatian Radio-Television (*Hrvatska radiotelevizija*, HRT), the public service broadcaster, was the most influential media outlet in Croatia for 20 years, until 2010. Croatian Television (*Hrvatska televizija*, HTV), the public television network, comprises two terrestrial channels, HTV1 and HTV2, and one satellite channel, HTVPlus. There are two commercial national television channels—NovaTV and RTL—and 21 local stations.

HTV got its first commercial competitor with national coverage in 1999, when NovaTV began to broadcast. From the beginning its founders fought for company control. In 2003 one of the owners, Ivan Čaleta, was shot and wounded on the street. The fear this incident generated is believed to have led the shareholders to sell NovaTV in 2004 to the Central European Media Enterprises (CME).²³

Also, a new Law on Telecommunications was adopted in July 1999.²⁴ This was significant because it provided the legal framework for the sale of HTV's third channel. But procedures for obtaining a broadcast license, the ownership model, and the new owner's commitments were not regulated before the Electronic Media Act was adopted in 2003.²⁵ Privatization of HTV's third channel brought a second competitor to HTV. The channel was sold to RTL Television, a company owned by the German corporation RTL Group,²⁶ and it began broadcasting in April 2004.

In 2010, 24 television broadcasters were registered: public service HTV, two commercial national channels, and 21 local television broadcasters. (The number of television stations in Croatia was 23 in 2009, 21 in 2008, 19 in 2007, and 17 in 2006.)

21. Croatian Bureau of Statistics, First Release, "Published books and brochures, newspapers and magazines, 2009," number 8.3.1. At http://www.dzs.hr/Hrv_Eng/publication/2010/08-03-01_01_2010.htm (accessed 9 December 2010)

22. "Often" is defined in the survey as "every day or almost every day." See Media Metar, "Medijske navike Hrvata" (Media Habits of the Croats), 2006.

23. CME (Central European Media Enterprises, Ltd.) was founded in 1994 by Ronald S. Lauder and is one of the largest television groups in Central and Eastern Europe. Besides NovaTV, CME owns television stations in Romania, Slovenia, Slovakia, Ukraine, the Czech Republic, etc.

24. *Official Gazette*, NN 76/99.

25. *Official Gazette*, NN 122/03.

26. RTL Group is Europe's leading entertainment network with 45 television channels and 32 radio stations in 11 European countries.

In 2009, as compared to 2008, the total number of in-house produced hours of programming (excluding satellite transmissions) increased by 9.3 percent and the satellite transmissions by 12.5 percent, while the share of television repeats in the total programming (excluding satellite transmissions) fell by 1.7 percent. The share of information and documentary programs of all television broadcasters was 16.4 percent, out of which television broadcasters that cover the whole country (hereafter national television broadcasters) had 14.9 percent, regional television broadcasters 18.8 percent, and local broadcasters 16.4 percent.

According to the Electronic Media Agency (*Agencija za elektroničke medije*, AEM),²⁷ there were about 300 internet portals registered in Croatia in November 2010. AEM is responsible for registering internet portals in Croatia. On 30 March 2012, only 78 internet portals were listed on the AEM official web page,²⁸ clearly an implausible number. Unofficial estimates put the number at between 300 and 400. This suggests that AEM lacks the competence or resources to provide a reliable number. The Electronic Media Act requires registered websites to pay 0.5 percent of their annual income to the Agency, the same proportion as other electronic media (radio and television outlets).²⁹

Internet portals are still quite underdeveloped, and there is a shortage of skills among content providers. There is limited use of interactivity, and insufficient application of the tools offered by the internet for providing depth and detail to stories, as well as limited internet radio, internet television or video-on-demand. Website content is usually limited to text, still photographs (even slide-shows are considered revolutionary), a short video package, and a comment option.

1.2.2 Availability of a Diverse Range of News Sources

In the years 2005–2010, print media faced the biggest drop in market share. Print readership has declined steadily. Even though the share of internet usage remains relatively small, it continues to grow. Terrestrial radio and television are not yet endangered by online rivals because domestic internet radio and internet television (e.g., specialized video-on-demand online content providers) are not well developed. Watching television online and downloading audiovisual content are rare.

The data presented below indicate a drop in television news ratings, except for NovaTV (which invested significantly in content and promotion, and has managed to grow). This fall can be attributed to the availability of other platforms for news delivery and viewing. As a result, television news may have suffered some audience loss, yet remains amongst the most viewed program strands.

Fragmentation appears to be the main change in news and information consumption. Every day consumers are faced with increasing amounts of information, available on various devices, to choose among. However, the inadequacy of qualitative audience research makes it impossible to attribute this development to digital migration.

27. The AEM is the main regulatory body for electronic media; see <http://www.e-mediji.hr/>.

28. http://www.e-mediji.hr/files/repozitorij/Knjiga_pruzatelj_elektronic_kih_publikacija.pdf, (accessed 20 May 2012).

29. *Official Gazette*, NN 153/09.

1.3. News Providers

1.3.1 Leading Sources of News

Print Media

Over the last five years, there was a consistent popularity of the tabloid *24 sata* (24 Hours), which is also the cheapest. It costs HRK 4 (approx. US\$0.70), while all other dailies cost HRK 7 (approx. US\$1.30). Two serious national dailies, *Večernji list* and *Jutarnji list*, share second and third places. *Slobodna Dalmacija*, *Novi list*, *Glas Istre*, and *Glas Slavonije* are dailies with national distribution but a stronger local (county) focus. On 20 April 2012, the only state-owned daily, *Vjesnik*—a newspaper with a 72-year history (since 1940)—published its last print issue.³⁰ The Government decided to close it down due to huge debts and unsuccessful negotiations with a possible new owner. *Vjesnik* online (www.vjesnik.hr) was closed a few months later. *Vjesnik*, because of its strong links with the government, was not considered a credible source of information.

The magazine with the highest readership is the women's weekly *Gloria*; *OK!* is a teenagers' magazine, *Story* is a celebrity/gossip/lifestyle magazine, while the two political weeklies *Globus* and *Nacional* are in 7th and 12th place, respectively.³¹

Table 5.

Daily newspapers' readership measured in average issue readership (AIR) among readers aged 10–74

Newspaper	Profile	Readership (% of total population)					
		2005	2006	2007	2008	2009	2010
24 sata	National, tabloid	11.0	20.2	30.1	32.9	31.0	26.7
Jutarnji list	National, quality	17.6	18.7	18.1	15.6	13.6	10.9
Večernji list	National, quality	16.0	17.3	16.5	15.2	13.4	10.7
Slobodna Dalmacija	Local (county)	6.9	7.5	8.1	7.2	6.8	5.7
Sportske novosti	National, sport	4.4	5.1	5.6	5.0	4.4	3.4
Novi list	National (with local focus)	4.1	4.6	4.7	4.3	3.9	3.4
Glas Istre	Local	2.4	2.3	2.4	2.4	2.2	1.9
Glas Slavonije	Local (county)	1.5	1.7	1.8	1.8	1.8	1.3

Sample: Total population of Croatia that suits target group of age from 10 to 74. N = 50,000

Source: Ipsos, MEDIApuls, Croatia, 1.1.2005–31.12.2010; Trend report–AIR by Year

30. On 14 February 2012 the vice prime minister officially stated that the Government had decided to declare the bankruptcy of *Vjesnik*. As a result, from 21 April 2012 on the daily continued exclusively online. Article “Čačić potvrdio: Vjesnik ide u stečaj” (Čačić confirmed: Vjesnik Goes into Bankruptcy) published at <http://dnevnik.hr/vijesti/hrvatska/sluzbena-potvrda-vlade-vjesnik-ide-u-stečaj-2.html> (accessed on 14 February 2012).

31. *Nacional* published its last issue in June 2012, at the time of final editing of this report.

Radio

In 2009, there were 146 radio stations in operation, which was the same number as in 2008 (in 2007 there were 144, and in 2006 there were 142). There were four stations that broadcast nationwide. Others were regional or local.

According to their licenses, 20 stations were considered public service and 126 private, commercial outlets. In 2009 as compared to 2008, the total output of stations' original programming, expressed in hours, increased by 2 percent, of which the public service output did not change, regional output increased by 9.5 percent, and local output by 1.1 percent.

As a proportion of original content, the average share of news and information programming of all radio stations was 14.8 percent. For public service radio stations, that share was close to the national average, at 14.5 percent; in regional ones it was 19 percent, and in local ones 14.3 percent. The share of advertising time in all radio stations averaged 7.2 percent; at public service stations this figure was 4.7 percent, while in regional stations it was 7.5 percent, and in local stations, 7.3 percent.

The basic trends in Croatia are that music radio stations have become increasingly popular, while news and talk programs, such as public service output, are not as popular as they were 10 years ago. Further, many radio stations have given up talk programs and they have shortened the news as well.

Table 6.
Radio listenership in Croatia, 2005–2010

Radio	Profile	Average daily reach in %*					
		2005	2006	2007	2008	2009	2010
Narodni radio	Pop and folk music	11.0	11.4	12.0	11.9	10.0	9.1
Antena Zagreb	Croatian hit music	3.4	3.8	3.4	5.3	8.7	9.1
Otvoreni radio	International hit music	7.1	7.7	7.3	7.0	6.1	5.0
HR1	Public service	6.3	6.1	5.4	5.3	5.0	4.6
Radio Dalmacija	Local/ Dalmatia county	2.8	3.3	3.5	3.6	3.6	3.2
HR Sljeme	Public service/city of Zagreb	3.6	3.6	3.8	3.7	3.3	2.7
HR2	Public service	3.1	3.6	3.6	3.4	2.8	2.6
Radio 101	Local / Zagreb / urban	4.1	4.2	4.1	3.9	3.4	2.4
HR Split	Public service/city of Split	3.1	3.2	3.0	2.9	2.5	2.1
Radio Banovina	Local	1.7	2.9	3.4	3.3	2.6	2.1

Note: * The percentage of listeners who tuned in the previous day for at least five minutes

Universe: Total population of Croatia that suits target group of age from 10 to 74. N = 50,000

Source: Ipsos, MEDIApuls, Croatia, 1.1.2005–31.12.2010; Average Daily Reach by Year

Television

HTV1 was the most watched television channel between 1990 and 2010. HTV1 content is primarily news, politics, documentaries, and other public service material. HTV2 shows sport, music and entertainment. The commercial stations NovaTV and RTL feature popular content; NovaTV's news programs are of better quality. Beside the prime-time newscast “*Dnevnik NoveTV*” (NovaTV News) at 7:15 p.m., NovaTV broadcasts early evening news at 5 p.m., a late evening news bulletin, and a weekly current affairs program, “*Provjereno*” (Checked). Besides a prime-time newscast “*RTL Danas*” (RTL Today) at 6:30 p.m., RTL broadcasts “*Exkluziv Tabloid*”—a daily infotainment program.

Table 7.
Television viewership in Croatia, 2005–2010

Channel	2005		2006		2007		2008		2009		2010	
	TI*	18–54**	TIS	18–54								
HTV1	36.7	32.0	34.6	29.4	33.1	27.3	32.6	26.0	31.5	25.3	26.8	20.9
HTV2	16.6	17.6	17.7	18.8	16.0	17.2	14.0	14.9	12.3	12.7	11.3	11.9
NovaTV	13.6	13.7	15.0	15.5	17.5	18.4	19.4	21.8	20.5	22.6	23.1	24.6
RTL	24.9	28.0	24.6	27.7	23.7	27.3	22.8	25.6	22.1	25.1	21.3	23.7

Notes: * TI: Total individuals, ** Share within viewers of the age 18–54. Share in percent of the population that watched television program at the moment

Source: AGB Nielsen Media Research. Date: 01.01.2005–31.12.2010; Day part: 02:00:00–25:59:59 (MTWTFSS); Target: Total Individuals Universe: 4,160,035 Cases: 1,855; Age :18–54 Universe: 2,270,008 Cases: 996

Internet

Data for online media have been available since January 2008. The number of visitors is measured monthly, not annually, so January is taken here as the reference point.

Table 8.
Number of unique visitors of major web portals*

	Profile	Jan 2008	Jan 2009	Jan 2010	Jan 2011
Net.hr	News portal	(2) 674,409	(1) 814,552	(1) 841,130	(1) 898,904
Index.hr	News portal	(5) 499,006	(4) 638,458	(2) 777,314	(3) 801,932
Tportal.hr	News portal of telecoms provider T-Com	(1) 678,019	(2) 728,963	(3) 702,761	(2) 828,141
Forum.hr	Online forum on topics ranging from health to investments	(4) 523,205	(3) 650,646	(4) 652,071	(4) 760,125
Blog.hr	Blog	(3) 567,279	(5) 584,629	n/a	n/a
24sata.hr	News portal of the tabloid daily 24 sata	n/a	n/a	(5) 604,026	n/a
Njuskalo.hr	Free classified ads	n/a	n/a	n/a	(5) 728,444

Notes: * rankings in brackets, n/a: not available

Source: Gemius/Valicon, gemiusAudience, at <http://www.audience.com.hr/pages/display/visitors>

1.3.2 Television News Programs

Table 17 shows the viewing shares of the three prime-time television newscasts. HTV and NovaTV have some scheduling overlap as NovaTV's "Dnevnik" starts at 7:15 p.m. and HTV's "Dnevnik" starts at 7:30 p.m. RTL broadcasts at 6:30 p.m. NovaTV's "Dnevnik" is 45 minutes in length, which makes it the longest among Croatian newscasts. HTV's "Dnevnik" is 30 minutes long, while RTL's "Vijesti" (News) lasts about 20 minutes. HTV's "Dnevnik" has consistently had the highest ratings of all programs (not only news) on all three stations. To highlight this, one of its anchors, Zoran Šprajc, often began the newscast with, "Good evening, the most watched 30 minutes are starting now!"

Since 2005, NovaTV's "Dnevnik" has seen the highest growth in ratings. NovaTV frequently attempts new formats in its primetime news, allows its hosts to act casually, and often strays from the set format; in contrast, HTV's "Dnevnik" is far more structured and formulaic. RTL's "Vijesti"—which recently changed its name to "RTL Danas" (RTL Today)—is somewhere between: it is not as consistent as HTV, and much more casual. HTV was the leader in ratings for the main newscast until 2010, when it was displaced by NovaTV's "Dnevnik."

An analysis of primetime television newscasts for the period 1991–2009³² confirms that news bulletins are getting shorter, and contain an increasing number of stories. In the early 1990s, it was common to have reports of five minutes and more. Today, a block of short news items (each of 25 to 45 seconds), read from the studio, brings more news, especially international news. After those short items, the presenters of commercial television newscasts often refer viewers to their stations' websites for further details.

Table 9.
Television primetime newscast viewership

Channel	Newscast	Share					
		2005	2006	2007	2008	2009	2010
HTV1	Dnevnik	71.9	62.0	52.4	48.3	44.9	35.2
NovaTV	Dnevnik NovaTV	20.9	21.2	24.5	30.0	32.8	36.4
RTL	Vijesti RTL*	28.2	27.4	28.9	32.0	29.7	30.5

Note: * Newscast Vijesti RTL changed its name into RTL Danas

Source: AGB Nielsen Media Research. Target: Total Individuals Universe: 4,160,035 Cases: 1,855; age 18–54 Universe: 2,270,008 Cases: 996; AMR: Average Minute rating of the total population; SHR: Share in percent of the population that watched television program at the moment.

32. V. Car, *Mythical Structures and Narratives in Croatian Television News*, PhD Dissertation, University of Ljubljana, Faculty of Social Sciences, 2009; V. Car, *Politika i političari—glavna tema i glavni junaci televizijskih vijesti* (Politics and Politicians—Main Topics and Main Characters on Television News), 2010, *Anali HPD-a*, Vol. 7: 193–212.

It is difficult to place the data in the context of digital switchover as Croatia has made only the first big step towards the opportunities it presents. Final switch-off was in October 2010, and since then three new digital channels were introduced: RTL2, DomaTV (the second channel of NovaTV) and Kapital Network—a business channel. Still, the offer has stayed pretty much the same (new channels did not offer content diversity; therefore, the quality of the offered content remains the same; new channels often broadcast re-runs of sitcoms and serials, which were previously broadcast on the “old channels”). It is more a question of the content offer from each specialized channel that influences the share distribution among the channels, rather than the analog/digital switchover that opens new possibilities for interactive television.

All domestic media production is in Croatian. Only specialized programs on HRT for ethnic national minorities, and a few on local radio and television stations, are produced in the languages of the ethnic groups (see Figure 2).

1.3.3 Impact of Digital Media on Good-quality News

Information has become more available and there is no chance any more for censorship because, even if HRT decides not to report on something, the information will be published online. For example, one of the biggest secrets in Croatia since the Homeland War (1991–1995) was a full list of veterans. The number was estimated at over 500,000, and the list was not public. There was speculation that many people had been awarded veterans’ benefits through political connections, without having fought in the Homeland War. While the government declined to publish the list, it nonetheless appeared online in April 2010 at www.registarbranitelja.com. However, it is impossible to verify the exact number of names as it is not published as a list, but as a database only searchable by name. The introduction notes that the list is not complete, containing 90 percent of half a million veterans. The identity of the publisher has never been discovered. According to the newly appointed minister of war veterans, Fred Matić, this list shall be published before 1 July 2013, when Croatia enters the EU.³³

With numerous sources of information, thanks to the internet, it is much easier today to check information, to find different angles and greater context for a story. This is beneficial for users, but also for journalists. On the other hand, because the workflow in the newsroom has picked up speed, journalists often lack time to check information. With pressure to publish first, journalists and editors have become less professional. For example, HTV broadcast a fake (photoshopped) picture of Osama bin Laden’s body when he was killed by U.S. forces in Pakistan in spring 2011. Journalists often publish unchecked data such as the number of unemployed, data on government expenses, the state budget, etc., publishing the incorrect numbers first, then correcting them later.

33. “Ministar Fred Matić: Registar do ulaska u EU...” (Minister Fred Matić: Register will be published before Croatia enters the EU...), published in *Slobodna Dalmacija* on 18 May 2012; <http://slobodnadalmacija.hr/Hrvatska/tabid/66/articleType/ArticleView/articleId/174977/Default.aspx>, (accessed 25 May 2012).

1.4 Assessments

New digital channels have only recently been introduced in Croatia. And new media have definitely had an impact on news. News is often packaged in smaller formats now. News stories have become shorter, and images more important than the written text. Information can be easily searched, so it has become standard that everything can be published. Even someone's private Facebook status can be used as news (e.g. Croatian actress and starlet D.L. is going to have a baby); other celebrities, both local and international, report their personal news on social media platforms. However, Croatia still has no serious political websites with interactive, multimedia analysis of politics and elections. And there are few online portals devoted exclusively to news.

Traditional electronic media reporting in Croatia has not yet faced up to the major challenges posed by digitization. Journalists and editors are not fully taking advantage of the opportunities and challenges of interactivity. Meanwhile, the future viability of traditional media is in question (see section 6).

2. Digital Media and Public or State-Administered Broadcasters

2.1 Public Service and State Institutions

2.1.1 Overview of Public Service Media; News and Current Affairs Output

From 1990 until the end of 1999, Croatian Radio-Television (HRT) was by law³⁴ defined as public service television, but under the rule of HDZ throughout that time it was in reality state television, strongly influenced by the political authorities. During that period it had five general managers, all of whom were influential members of the ruling party. A few of HTV's chief news editors were honorary members of HDZ,³⁵ and the terms "state" and "public service" television were used interchangeably. Finally, with a new government in 2000, this began to change.

The 2001 Croatian Radio-Television Act³⁶ (hereafter, HRT Act) was the first step towards the final transformation of HRT into a public service broadcaster. For the first time, politicians were not allowed to apply to the HRT Program Council. Since then, political influences on HTV programs were eased significantly. An analysis of political content in HTV's programming conducted by the Croatian Helsinki Committee confirmed that HTV was no longer "a Government propaganda machine as it was in 1999," but its programming was still "far from a genuine and quality public interest service."³⁷ It was in 2003 when the new HRT Act³⁸ and Electronic Media Act were adopted.³⁹ Since then, further changes of the HRT Act were

34. Croatian Radio-Television Act, *Official Gazette*, NN 28/90, NN 35/91 (amendments), NN 33/92 (amendments), NN 43/92, NN 24/96 (amendments), NN 17/01, NN 25/03, NN 137/10.

35. This was the most direct influence HDZ had on HTV's news program. In February 1997, HTV's editor-in-chief Hloverka Novak-Srzić (the current chief editor of the news program), news program chief editor Obrad Kosovac, primetime news (*Dnevnik*) editor Ljiljana Bunjevac-Filipović and a few others accepted the announcement of the Fourth HDZ General Assembly and President Tuđman that they were appointed into the HDZ's Main Board (T. Kraljić, *Forum 21 i njegov utjecaj na HTV* (Forum 21 and its influence on HTV), Zagreb: Faculty of Political Science, 1998, not published.).

36. *Official Gazette*, NN 17/01

37. G. Stantić, *Politika u programu HTV-a*. (Politics in HTV Programming) Zagreb: Hrvatski helsinški odbor za ljudska prava, 2003, p. 154.

38. *Official Gazette*, NN 25/03.

39. *Official Gazette*, NN 122/03.

introduced in 2010,⁴⁰ strengthening the public broadcaster's independence. Unfortunately, the latest changes adopted in July 2012 make the majority in the Parliament responsible for electing the HRT general manager, four out of five members of HRT Supervisory Board, and all 11 members of HRT Program Council.⁴¹ Many international media organizations reacted negatively to these changes, among them the Vienna-based South East Europe Media Organisation (SEEMO),⁴² an affiliate of the International Press Institute (IPI), which stated that "the latest amendments would allow for political interference in the public broadcaster's management. In SEEMO's view, this legal solution does not comply with international standards of public broadcasting."

Beside the legal changes, it is important to note that HTV was not prepared for commercial competition. When NovaTV was launched in 1999, HTV continued broadcasting output that reflected the monopolistic environment it enjoyed in the past. Guaranteed license fees and of its secure position in the advertising market ensured HTV's position of market leader.⁴³ Also, the newly launched commercial competitor was financially and technically weak; it was initially unable to compete with HTV.

Nothing changed until 2004 when RTL was launched and NovaTV got a new owner (CME) and finally started to compete for viewers. HTV reacted to the new environment but with a flawed strategy that further hurt its position. Instead of fulfilling its public service mission, its response to the competition was to try to adapt to new market conditions. Not wanting to lose its share of the advertising pie, it began to commercialize its programming, allowing advertisers to involve themselves in the process of selecting content. In a morning show hosts got coffee cups on their desk, and cups were of the Nescafé brand. On afternoon show journalists prepared reports on, for example, health food, and a chain of health food shops was presented, or journalists edit a report on scuba diving and in the report they promote a specific scuba diving school. In its pursuit of audience share it began to "popularize" its content to make it more accessible to mass audiences. HTV's program schedule radically changed every new season as it attempted to make programs similar to those aired on commercial television. HTV reduced its production of news, documentaries, and children's programs, as well as cultural and arts shows, and increased entertainment programming, which had larger audience appeal.⁴⁴

After NovaTV launched the popular "*Story Super Nova*" show (a reality talent competition for young people), HTV responded with a similar show, "*Coca-Cola Music Star*," which closed before the end of its scheduled run. By putting the sponsor into the show's name, HTV commercialized its program beyond what was reasonably acceptable. Soon after, in 2004, RTL offered the Croatian audience its first reality show:

40. *Official Gazette*, NN 137/10.

41. *Official Gazette*, NN 76/12.

42. <http://www.scoop.co.nz/stories/WO1206/S00637/croatian-radio-television-law-changes-mean-political-control.htm> (accessed 30 June 2012)

43. HRT's financial model includes money from the license fee, which every household that has a television set or radio must pay, and from advertising.

44. See more in V. Car, *Transformation from State to Public Service Television—Comparative Analyses of Croatian Public Service HRT and Slovenian Public Service RTV Slovenia*, Master's Thesis, Zagreb: Faculty of Political Science, 2005, not published.

“*Big Brother*.” Its rating of 31.1 percent put the show in second place, right behind HTV’s primetime newscast “*Dnevnik*” (41.4 percent).⁴⁵ HTV responded by importing the British format quiz show “*Who wants to be a millionaire?*”. This was not a bad decision, according to the ratings. Soon afterwards, however, HTV’s editors launched the reality show “*Survivor: Odisjejev otok*.” It was the first and only season of the Croatian version of the Swedish show “*Expedition Robinson*,” or “*Survivor*,” and it aired in 2005. The show failed, HTV lost public money in a failed programming venture, and as a result, lost credibility, too.

Commercial competitors are usually the strongest critics of public service media. In Croatia, however, it was the state that often assumed that role. Politicians thought that HTV’s programming was not delivering on its public service remit. And while HTV’s editors cited low ratings as reasons for implementing program schedule changes, it was also the reason the public used to justify non-payment of license fees.

Despite all that, HTV had the best ratings until 2009. Unlike many other transition countries’ public broadcasters, HTV held up against commercial competition for a long time.

HRT today has the status of a public entity whose activities, delivery of public service, financing, management, control and mode of operations are governed by the HRT Act (*Official Gazette*, NN 76/12). HRT performs public service broadcasting activities and the Republic of Croatia provides for its autonomous and independent financing through the license fee. Since 1 October 2010 the monthly amount of the license fee is HRK 80 (approx. US\$14.50). Between 2005 and 2009, the number of households paying the license fee in Croatia rose from 1.236 million to 1.321 million, according to HRT’s Office for Public Relations.

HRT has three national radio channels (HR1, HR2 and HR3), eight local radio channels, two television channels distributed within the Digital Video Broadcasting—Terrestrial (DVBT) multiplex (HTV1 and HTV2), and one satellite channel (HRT Plus). There were plans for HTV to offer two specialized channels in 2011: a news channel and a family channel. This has now been postponed to 2012, and has not taken place at this time of writing.

Data on the output of news and current affairs (as a percentage of total programming) is not provided in HRT’s business and program reports, nor is there any relevant research on public service radio and television programming. Compared to commercial channels, HTV provides significantly more news programming. On the first channel there is a morning show with three news blocks, daily news at 10 a.m., 12 p.m., 2 p.m., 5 p.m., 7:30 p.m. (the flagship newscast), 10 p.m., and an adequate range of weekly political talk shows, current affairs programs, etc. On the second channel, which has more sport and entertainment content, there is a daily local (county) newscast at 3:30 p.m. (with different news for each county), and there are re-runs of some current affairs programs.

45. “Country Focus Croatia: New Player, New Game,” *deScripto*, 2005, 2: 18–21.

HTV's "Dnevnik" used to be the most watched television program in Croatia for years (see Table 1.16), but since 2005 it has been continuously losing viewers. At the same time, the ratings of the NovaTV primetime newscast, also called "Dnevnik," have been rising, and in 2010 it became the most watched newscast in the country.

One reason why HTV's "Dnevnik" had been losing viewers was the pro-government bias in news. NovaTV has a more critical approach, it is more politically balanced (more neutral),⁴⁶ and its newscast is produced in a more popular style. Through the popularization of news, commercial television stations attract an audience segment which would not watch a serious newscast.⁴⁷ Although simplified for viewers, commercial television newscasts still report important information, contributing to informing that part of the audience which had not previously been exposed to news.

Table 10.

Topics covered in HTV's Dnevnik newscast (% of total program airtime), 1991–2009

	1991–1995	1996–1999	2000–2003	2004–2006	2007–2008	2009
Homeland War, its repercussions, ICTY	41.2	13.5	11.7	8.3	6.8	3.2
Politics	34.5	36.6	33.3	30.7	28.6	23.1
International politics	23.3	22.6	11.7	21.7	17.4	7.3
National politics	11.2	14.0	21.6	9.0	11.2	15.8
Business news / finance / privatization	7.7	22.3	16.6	12.0	9.8	13.9
Culture and science	4.7	6.6	8.9	11.1	9	5.8
Entertainment / celebrities	1.3	0.7	0	1.0	5.8	5.8
Accidents / disasters / crime	0.3	0.9	4.1	10.3	6.5	4.3
Other	10.3	19.4	25.4	26.6	33.5	20.8
N*	240	192	192	168	389	532

Notes: * N = number of units. A unit of the research was a single television report broadcast in a primetime newscast HTV's "Dnevnik"

Source: Car, Viktorija (2009), *Mythical Structures and Narratives in Croatian Television News*, PhD Dissertation, unpublished, University of Ljubljana, Faculty of Social Sciences. Data compiled by author

2.1.2 Digitization and Services

The HRT website was launched in August 1995, and re-designed in 2008. At that time it was criticized for its similarity to the British Broadcasting Corporation's (BBC) website (the visual design was, and still is, quite

46. V. Car, *O čemu i kako nas informiraju?* (About What and How Do They Inform Us?)—content analysis of primetime newscasts on HTV, NovaTV and RTL; Zagreb: Matica hrvatska, 2010, at http://www.matica.hr/www/odjel_za_medije/Opercent20naspercent20informiraju.pdf (accessed 14 July 2011).

47. It should be noted that only 8 percent of Croatia's population has a university degree. See <http://www.dzs.hr/> (accessed 14 July 2011).

similar). Beside news and information, Hrt.hr streams all of HRT's radio channels and the first television channel. It is possible to listen to Croatian Radio on a smartphone as well. A large proportion of HRT-produced programming is available on demand. The website content can be shared on social networks like Facebook and Twitter.

The analog switch-off in Croatia began on 26 January 2010 and was finalized on 31 December 2010. Therefore, it is too early to determine its impact on public service media.

However, in the recently adopted the HRT Act, debated during the year of digital switchover, the public broadcaster committed to providing audio and audiovisual media services, multimedia services and other online services as public services by transmitting two new specialized television program channels nationally in digital broadcasting.⁴⁸ One specialized channel will be a news channel, and the other one will be a "family channel." Both channels were scheduled to start broadcasting on 15 May 2011, on the 55th anniversary of Croatian Television's first broadcast,⁴⁹ but they did not. Digital switchover of terrestrial platforms created conditions for larger audience reach of public service media, but the process of developing new programs and its implementation is very slow. HRT was poorly prepared for this process. Its management lacks will, equipment and money to do so. Over the years, HRT has become a bloated and inefficient organization, and the slow take-up of opportunities offered by digitization has made this glaringly obvious. Instead of being the flagship of the digitization process, today HRT is the only national television channel in Europe that still broadcasts in 3:4 format and has never launched any new programs.

As for the territorial coverage of public service media, according to measurements by the network operator Transmitters and Communications, Ltd. the current national coverage of the digital signal on multiplex A is 98.3 percent, while multiplex B is 95.9 percent, and multiplex D is 73.7 percent.⁵⁰

2.1.3 Government Support

There was no state financial support for the digitization of public service media. Only the users got subsidies for buying digital receivers. Still, we can say that HRT was privileged because while all new specialized television channels, like the specialized channel of NovaTV (DomaTV) and RTL (RTL2), Sportska televizija (Sport television, television channel of the Croatian Olympic Organization) and two cable channels, Kapital Network and CMC (Croatian Music Channel), had to participate in a public tender to be allocated within one of the multiplexes, HTV's two future specialized channels, which still do not exist, were automatically allocated within MUX B by the HRT Act (Article 50).

48. The HRT Act (OG 137/10), at http://narodne-novine.nn.hr/clanci/sluzbeni/2010_12_137_3515.html.

49. See <http://www.hnd.hr/hr/homepage/vijest/64041> (accessed 21 February 2011).

50. Transmitters and Communications, Ltd (OiV)

2.1.4 Public Service Media and Digital Switch-over

The process of digitizing terrestrial platforms has helped public service media to increase their reach. Yet it is not possible to ascertain if it helped increase their influence, and to engage more effectively with their audience. Digitization has likewise helped radio channels to become easily available to a vastly larger audience (via web streaming, radio on demand, and radio on smartphones). Unfortunately, there is no data on listenership and viewership for these online platforms. It is not known how many people watch HTV on demand, or how many stream HTV1.

2.2 Public Service Provision

2.2.1 Perception of Public Service Media

The public service mission of the media is generally seen as essential by society, and citizens are ready to support it by paying the license fee. However, at the same time, HRT is widely criticized by the public, other media outlets, and media experts for not fulfilling its public service mission. The main areas of criticism relate to the commercialization, popularization and even tabloidization⁵¹ of HTV's content.⁵² In addition, some media experts find HTV's news programming biased in favor of the ruling political elites.⁵³

On the other hand, politicians are unhappy with all media in Croatia—they ask for more time in the media and always complain about bias. Politicians would like to exert a more direct influence over the media.⁵⁴ Commercial competitors find that HRT holds an unfair position on the media market because of how it is financed: by a combination of license fee plus advertising income.

51. According to the Media Monitoring 1/2012 report by Zrinjka Peruško, "Media system and media policy in Croatia 2010–2011," public dissatisfaction with HRT stems mainly from dissatisfaction with program quality and the abolition of several informative programs, such as "Otvoreno" (Openly) and "Euromagazin," which were replaced by infotainment programs, such as "In medias res". See <http://cim.fpzg.hr/uploaded/monitoring%20medija12012.pdf> (accessed 21 May 2012).

52. For example, in January 2012 the Croatian journalists' association (HND) and 27 nongovernmental associations sent the Parliament and the Government an appeal for the establishment of the credibility of the public function of HRT, in which they requested immediate discussion of public television. Signatories of this appeal have stated that the transition of HRT from state to public medium during the last decade has proved to be unsuccessful. Therefore, they requested from the Parliament to find a way to open space for changes, both on the legislative and executing level. According to this appeal, incompetence, nepotism and opportunism rule at HRT while its reputation is at rock bottom. Furthermore, they have noticed the decline of quality of information programs, especially of the main news newscast "Dnevnik," which becomes increasingly irrelevant. Finally, they have expressed their opinion that the public assets of HRT are endangered due to reckless and non-transparent reconstruction, while program and technological development lag. More information available at <http://www.hnd.hr/hr/arhiva/show/65065/> (accessed 21 May 2012).

53. See research and papers: V. Car, "Javni medijski servisi—čuvari demokracije" (Public Service Media—Guardians of Democracy), in M. Romić (ed.), *Izolacija ili integracija (Isolation or Integration)*, Zagreb: BaBel, 2011, pp. 41–62; V. Car, "Budućnost javnog medijskog servisa: Po mjeri modernih građana" (The Future of Public Service Media: Tailored for Modern Citizens), *Novi pogledi (New Views)*, Sarajevo (Journal of the Association of Alumni Center for Interdisciplinary Graduate Studies), 2010, (17): 26–29; V. Car, "Javna i komercijalna televizija u službi građana" (Public Service Television and Commercial Television at the Citizens' Service), *Medijska sfera (Media Sphere)*, (2): 346–357. (*Public media services and private broadcasters at citizens service e—Report from Croatia*); Novi Sad: Novosadska novinarska škola (Novi Sad Journalism School), at <http://www.novinarska-skola.org.yu/NNS/frameset.html>; V. Car, "Digital Television in Croatia: Is Television Becoming a New Media?," *Medijska istraživanja (Media Research)*, 13 (2), 2007, pp. 5–21.

54. See research and papers: V. Car, *Mythical structures and narratives in Croatian television news*. PhD Dissertation. University of Ljubljana, Faculty of Social Sciences, 2009; V. Car, "Politika i političari—glavna tema i glavni junaci televizijskih vijesti" (Politics and politicians—Main Topics and Main Characters on Television News). *Analiza HPD-a*, (7), 2010, pp. 193–212; V. Car, *O čemu i kako nas informiraju?* (About What and How Do They Inform Us?)—content analysis of primetime newscasts on HTV, NovaTV and RTL. Zagreb: Matica hrvatska, 2010, at http://www.matica.hr/www/odjel_zameditelje/Opercent20cemupercen20ipercent20kakopercen20naspercen20informiraju.pdf (accessed 14 July 2011)

2.2.2 Public Service Provision in Commercial Media

According to the Electronic Media Act (*Official Gazette*, NN 153/2009) commercial media are required to broadcast their main newscast during prime time (between 6 p.m. and 10 p.m.). There are no other obligations imposed on them regarding public service content. Local media are encouraged to produce and broadcast public service programs which are of public interest (e.g., for national minorities, for social minorities, programs on social issues, etc.) with funding available from the Electronic Media Fund. There have been no significant changes in this respect since 2003, and there are no changes related to digitization.

2.3 Assessments

As switchover happened in Croatia almost two years ago, it is obvious that the opportunities offered therein are not being used. This is especially true for HRT. Public television remains the only national television channel that has not launched new television channels although it has obtained two (free of charge) reserved multiplex places for their programs. It was expected that public television would be at the forefront of the digitization process paving the way for commercial television. However, this did not happen. Questions are being asked when these two channels will start broadcasting and with what content. According to the Monitoring of Media 1-2012 report “Media system and media policy in Croatia 2010–2011,” in February 2012 the decision has been made to introduce the HTV3 channel, which will broadcast cultural and educational programs. Seven respected cultural institutions (e.g., University of Zagreb, Croatian Academy of Sciences and Art) are supporting this decision and have signed an agreement to participate in the creation of this channel.

On the other hand, an agreement signed between HRT and the Government does not anticipate the launching of a cultural and educational channel, but of a family channel. Another problem lies in the fact that the same agreement, according to this report, does not assume financing of the two new television channels (the fifth and sixth ones). Having in mind that these channels will not be able to broadcast television commercials, the authors of this Report express concern at the launch and quality of the new HRT channels. However, digitization did bring several new television channels and brought new services, such as EPG, 16:9 format (public service television is the only national television that still broadcasts in the 3:4 format), so it can be said that the first steps have been taken.

After launching two new specialized television channels, the position of HTV on the media market is likely to change. The HTV news channel will attract the audience which now has to surf from channel to channel searching for information or rely on foreign news channels. The second HTV specialized family channel will attract a portion of commercial television viewers, but a proportion of HTV1 and HTV2 viewers will also migrate to these two new channels.

The greatest opportunity for HTV is to develop new media content and interactive services. Once there is a commitment to invest in such programs and services, they will attract more consumers. The present management and editors are not motivated to create and offer such services. They are biding time, waiting

for a new HRT Act, and when that is adopted, the current management team will resign, leaving them unmotivated to take risks and innovate.

It is obvious that public service provisions have become less significant in recent years, especially in news programs. Digitization is not to “blame” for this, but rather HTV’s editorial policy—which led to its loss of credibility in news programming, and the lack of audience interest in other programs because the program schedule is seen as somewhat outdated and not focused on serving the public interest.

In the meantime, audience fragmentation increased, and younger generations favor new digital media and interactive content, and social television over scheduled and packaged programming.

3. Digital Media and Society

3.1 User-Generated Content (UGC)

3.1.1 UGC Overview

The most popular types of UGC portals in Croatia are news portals (like Net.hr, Tportal.hr, Index.hr, 24sata.hr, Vecernji.hr, Dnevnik.hr). Net.hr and Index.hr are independent sites, while 24sata.hr, Vecernji.hr and Dnevnik.hr are news websites of traditional media. *24 sata* is a daily tabloid newspaper with the largest circulation in Croatia, *Večernji list* is a daily which shares the second position with the daily *Jutarnji list* and Dnevnik.hr is one of NovaTV's websites, dedicated exclusively to news. Tportal.hr is the website of the largest telecommunication provider in Croatia, T-Com, and is a news portal, while another website (T-com.hr) is its corporate site. Among the 10 most popular websites, one is a typical chat and forum site (Forum.hr) that functions like a social network—whenever a person has a question or a problem, there will be a number of other persons willing to share information they know about it. Njuskalo.hr is the most popular classified advertising site. Blog.hr is NovaTV blog portal, and Bloger.hr is Index.hr's blog portal.

Croatian social networks, video and photo sharing websites or wikis, are not among the top ten. All established media in Croatia have their online versions, and all of them have some types of UGC.

Table 11.

Top 10 most popular websites by reach in Croatia (Gemius ranking), April 2012

Ranking	Portal	Description	Reach (% of total users)	Visitors (real users)	Visits	Page views
1	Net.hr	news portal	43.67	913,113	18,493,309	165,900,092
2	Index.hr	news portal	40.54	847,746	14,963,837	68,889,961
3	Tportal.hr	news portal	40.31	842,782	10,225,532	73,076,687
4	Njuskalo.hr	adds	39.52	826,399	7,393,588	206,021,677
5	24sata.hr	news portal	38.61	807,306	13,357,742	71,700,733
6	Jutarnji.hr	news portal	34.29	716,999	10,916,247	58,107,725
7	Forum.hr	chat and forum	31.55	659,667	3,998,486	30,387,865
8	Dnevnik.hr	news portal	28.41	593,996	6,314,673	37,119,932
9	Vecernji.hr	news portal	26.91	562,744	5,780,967	28,567,353
10	Blog.hr	blogs	20.47	427,945	1,307,058	3,129,119

Source: Gemius/Valicon, gemiusAudience, April 2012; <http://www.audience.com.hr/>

If we take a look on the list of the top ten most popular websites in general, the global search-engine Google is number one, followed by the global social network Facebook and video sharing site YouTube. They are followed by the three Croatian news portals (Index.hr, Net.hr and Jutarnji.hr) while another Croatian news portal, 24sata.hr, is in the ninth position, after Wikipedia. Finally, Njuskalo.hr holds the tenth most popular website position.

Table 12.

Most popular UGC websites (Alexa.com ranking)

Ranking	Website	Description	Traffic rank ⁵⁵
1	Google.hr	search engine	1,011
2	Facebook.com	social network	2
3	Google.com	search engine	1
4	Youtube.com	video sharing	3
5	Index.hr	news portal	2,569
6	Net.hr	news portal	3,062
7	Jutarnji.hr	online newspapers	3,952
8	Wikipedia.com	encyclopedia	6
9	24sata.hr	news portal	5,269
10	Njuskalo.hr	adds	7,048

Source: <http://www.alexa.com/topsites/countries/HR>, 21 May 2012

55. Traffic Rank is a measure of website's popularity. The rank is calculated using a combination of average daily visitors to the web site and page-views on that web site over the past three months. At <http://www.alexa.com/topsites/countries/HR> (accessed 21 May 2012).

3.1.2 Social Networks

Facebook holds the number one position in Croatia on the list of most popular social networks. We include only seven social networks on the list, because others are not on the list of the 100 most popular sites, so there is no data on their popularity. We included chat rooms and forums in the list as they are a form of social networking. None of the seven is an original Croatian social network.

However, there are many UGC websites in Croatia that function as social networks, like Iskrica.com, a dating site. It has 347,484 members,⁵⁶ and more than 1,000 members are online any time on a given day. Still, this is not enough to put it among the top 100. In July 2011 there were 1,427,460 Facebook users in Croatia, according to Socialbakers.com. Some 59 percent of all the users of Facebook in Croatia in 2011 were aged 18 to 34. Some 51 percent of them were males, according to the same source.

Table 13.
Most popular social networks (Alexa.com ranking), 2011

No.	Social network	Description	Traffic rank ⁵⁷	Rank in the Top 100 list
1	Facebook.com	Social network	2	2
2	Forum.hr	Chat and forum	7,585	15
3	Twitter.com	Social network	8	17
4	Linkedin.com	Social networking	12	19
5	Livejasmin.com	XXX video chat community	62	35
6	Flickr.com	Picture galleries and social network	48	75

Source: <http://www.alexa.com/topsites/countries;0/HR> (accessed 21 May 2012).

3.1.3 News in Social Media

According to GfK research in 2009, approximately 850,000 Croatians use social network sites (SNS).⁵⁸ Some 19 percent of internet users use the internet because of SNS. However, SNS are only one aspect of social media and other types, like Skype or Google Talk, are largely not addressed in social science or market research in Croatia. (Audience research, especially qualitative new media audience research, is still uncommon in Croatia.)

Another study by GfK Croatia showed that 42 percent of internet users found social networks to be important. This importance is highest in the capital Zagreb (72 percent) and lowest in Istria and Primorje, counties on

56. At www.iskrica.com (accessed 25 January 2011).

57. Traffic Rank is a measure of web site's popularity. The rank is calculated using a combination of average daily visitors to the web site and pageviews on that web site over the past three months. At <http://www.alexa.com/topsites/countries/HR> (accessed 23 January 2011).

58. GfK Croatia, *Gdje smo danas u informatičkoj pismenosti?* (Where Are We Today in Information Literacy?) for 2009. Based on a representative sample of citizens older than 15 years (n=1000).

the northern coast of the Adriatic Sea (around 34 percent) and they are seen as more important by young people and women.⁵⁹

As mentioned before, Alexa.com places Facebook second on the “top sites” list in Croatia, which confirms the cited usage statistics.⁶⁰ There is also a noticeable trend of other websites to use Facebook as part of their marketing strategy to improve Google search results. For example, the *Jutarnji list* daily newspaper web portal (Jutarnji.hr) was one of the first to introduce direct commenting on its articles through Facebook.

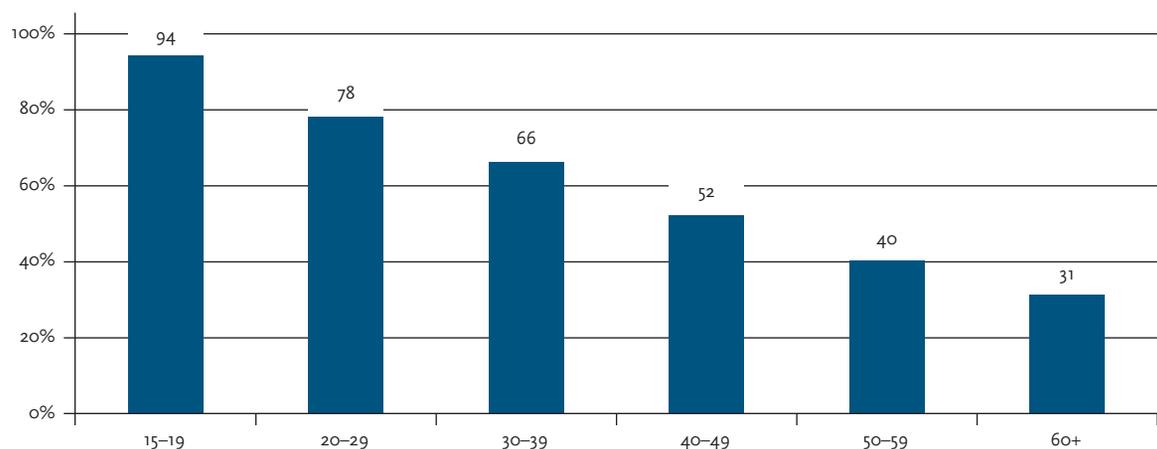
There are some interesting points made in the survey “The future of digital media” which GfK Austria conducted for Telecom Austria Group, in November 2010.⁶¹

When they asked citizens if they read blogs to stay informed about current events, only 5 percent answered that they do it regularly, 41 percent irregularly, 53 percent not at all, while 2 percent did not know the answer.

Some 65 percent citizens in Croatia think that social media have the potential to mobilize people, 31 percent think social media influence politics, and 49 percent think social media can raise awareness of certain problems.

Also, 73 percent agree that information flows faster with social media. Younger Facebook users use it as a source of information, while older users use it more for personal or other communication. There are no similar data for Twitter, and maybe one of the reasons is that to make a Twitter account a user does not have to specify which country he or she comes from.

Figure 7.
Use of Facebook as a source of information (% of the age group)



Source: Telekom Austria Group and GfK Austria, 2010. N = 500. http://wbf2010.at/wp-content/uploads/2010/11/wbf2010_werner_reiter.pdf (accessed 22 April 2012)

59. GfK Croatia, “Internet!,” July 2010, based on a representative sample of citizens older than 15 years (n=1000), at http://www.gfk.hr/public_relations/press/press_articles/006361/index.hr.html (accessed 21 October 2010).

60. “Top sites in Croatia”, at <http://www.alexa.com/topsites/countries/HR> (accessed 21 October 2010).

61. At http://wbf2010.at/wp-content/uploads/2010/11/wbf2010_werner_reiter.pdf (accessed 21 October 2010).

3.2 Digital Activism

3.2.1 Digital Platforms and Civil Society Activism

Digital platforms are used for civil society activism more and more in Croatia. Facebook is the number one digital tool activists use to spread information or to advocate action. Croatia has a few portals for public activism, like H-alter.org, Pollitika.com, and Vjetrenjaca.org.

In order to answer questions on digital activism, we organized a round table on 12 January 2011 in the House of Human Rights Zagreb. Our guests were about 20 leading activists for different social causes (human rights, gender equality, transparency of politics, right to information, etc.), journalists who write for independent web portals, IT experts involved in political activism, usually engaged in subversive digital activism (hackers placing political or social messages on frequently used sites, such as Google Maps). The conclusion of this roundtable was that digital activism is not well developed in Croatia. There is a small number of activists who used digital media regularly for their actions, and since 2008 there were only a few cases of digital mobilization with larger scale impact.

The first happened in late April 2008 when third-year high-school students,⁶² unified on a national level, organized protests against the “national school-leaving examination” they were to take the following year.⁶³ As the examination was not properly announced to students on time, there were no official written regulations; the procedure was unclear and disorganized. The Ministry of Science and Education was responsible for implementation of the examination and it failed to prepare students and their teachers for this very ambitious project.

Rafaela Tripalo, a high school pupil in the town of Virovitica, sat down with a few of her friends and wrote down 15 key points—arguments why Croatian high schools are not ready for the “national school-leaving examination.” At that time, another high school pupil in Zagreb, Roko Rumora, started a Facebook group “against the national school-leaving examination.” At that time there were only about 30,000 Facebook members in Croatia. Kids from Virovitica joined the Facebook group on Wednesday, 23 April 2008 and posted their 15 key points and announced they would organize a protest in Virovitica on Monday, 28 April 2008 at 9 a.m.

The Facebook group started to grow, and teenagers from all over the country started to plan protests in their towns, for the same date, at the same time. In only five days, the impact was massive; high-school pupils’ protests all over Croatia were the number one news item in all the media, from primetime national television newscasts to local media. On the day of the protest the Minister of Science and Education admitted that

62. Croatia has a four-year high-school program. Only some vocational secondary schools have three-year programs.

63. For this report, we conducted an interview with Ms Rafaela Tripalo, the main initiator and the leader of the protest. At the time of the protest, she was a high school pupil in Virovitica, a small town in northeastern Croatia.

his Ministry was not ready for the “national school-leaving examination” and he postponed it for another year. Ten pupils, chief organizers from different cities, were invited to Zagreb to meet the Minister, and later, five of them were included in a working-group for writing the future “national school-leaving examination” regulation. It was finalized in July; subsequently, the Ministry organized educational programs for all schools on how to prepare pupils for the final exams.

There is no official record as to how many students joined the original Facebook group, as it is no longer exists. All members were pupils, and only one member was a coordinator from the Ministry of Science and Education. Records show⁶⁴ that at least 6,210 pupils got the second protest invitation. At the time, the number of Facebook users in Croatia doubled; it rose to 70,000 members. The public saw the possibilities of Facebook mobilization.

In October 2008, soon after this action, a few NGO activists opened a Facebook group linked to the action “*Stegnite vi svoj remen bando lopovska*” (Tighten your own belts, you gang of crooks).⁶⁵ This civic initiative lasted from 20 November 2008 to 18 August 2009; it was a protest against the corruption and criminality of politicians, calling for social justice and human rights. Its main goal was to highlight social inequity that results from political fraud. The “Gang of Crooks” became a code name for Croatian politicians. This mobilization made Facebook even more popular among adult internet consumers, and the number of users in Croatia increased to more than 300,000.

In April 2009 the largest students’ movement took place in the capital, when students from the Philosophical Faculty of the University of Zagreb initiated protests against the entire higher educational system in Croatia. One of the main demands was universal tuition-free higher-education. Initially the Philosophical Faculty group used only e-mails to coordinate the action, but then they opened a Facebook group “*Studentski prosvjedi*” (Student Protests)⁶⁶ which ended with 15,619 fans. This group was not used primarily to coordinate students but rather to inform them on details of the protest, which was organized in the form of a blockade of facilities with students preventing professors from conducting classes. Additionally, the wall of the Facebook group became a tool for media monitoring as every day students posted links there to online media articles and videos on the protests. The blockade lasted 34 days, and it had a second stage, later that year, from 23 November until 5 December, without achieving any of its objectives, however.

There are no credible data on Twitter users in Croatia. But protests about a development project on Varšavska Street in downtown Zagreb, which begun on 22 January 2010, were an interesting example of using Twitter as a platform for digital activism.⁶⁷ Activists were against construction work in Varšavska Street, a downtown pedestrian area, where an investor wanted to build an underground garage, as a part of a new apartment

64. At <http://www.facebook.com/event.php?eid=15436310425&ref=nf> (accessed 21 October 2010).

65. At <http://www.facebook.com/group.php?gid=48786829344> (accessed 21 October 2010).

66. At <http://www.facebook.com/prosvjedi#!/prosvjedi?v=wall> (accessed 21 October 2010).

67. Official web site of the action is <http://www.nedamovarsavsku.net/> (accessed 21 October 2010).

block, and business and shopping center. Activists created a human barrier so that excavators could not enter the street. Many of the activists were arrested for disturbing public peace and order. While waiting at the police station to give their statements, they tweeted, and other social networks and even some web portals used their tweets as a source of information.

There are many other, less prominent, examples. One of the most recent examples of using digital platforms for civic, this time cultural, action is from January 2011. Two young Croatian cellists, Luka Stulić and Stjepan Hauser, “2cellos,” published a music video spot on YouTube where they play “Smooth Criminal” by Michael Jackson for two solo cellos, which they personally arranged.⁶⁸ Facebook users in Croatia started to share the link, and their friends from all over the world started to share it as well; in less than seven days they had 1,343,374 visits on YouTube.com.

This example is interesting because on the very first day (it was January 22) journalists reacted to the Facebook post and this duo became a story in the primetime public service HTV newscast at 7:30 p.m. After that, other media (online, radio, print, television) decided to report on the two artists. They got media attention even in the US, and were invited to the Ellen DeGeneres television show in LA. In July they made their debut with Elton John and played with him in several concerts in the summer of 2011 throughout Europe.

Among the most recent example of Facebook use for civic action in Croatia were also anti-government protests that began in February 2011, became mass protests, and lasted until May 2011. The invitation came on Facebook by Ivan Pernar,⁶⁹ a student who posted a video he made, along with the invitation to join the anti-government protest.⁷⁰ On the first day of the protest only two persons appeared. However, soon, because of the mainstream media interest in issue, protests took place in many Croatian cities. On some days, more than 5,000 people marched through Zagreb chanting their message to Prime Minister Jadranka Kosor and her government: “Go away!” Because they started through a Facebook invitation, these protests were called the “Facebook protests” by the media.

Political parties are not known for using digital platforms for social activity in Croatia, but President Ivo Josipović regularly uses Facebook and answers citizens’ questions or comments on his Facebook wall. He has almost 5,000 friends⁷¹ and more than 65,600 people like his page.⁷²

68. At <http://www.youtube.com/watch?v=OIVbEclPj4c> (accessed 21 October 2010).

69. At <http://www.facebook.com/prosvjed#!/prosvjed?sk=wall> (accessed 31 July 2011).

70. Interview is available at <http://www.ustream.tv/recorded/12905821> and <http://www.ustream.tv/recorded/12906216> (accessed 31 July 2011) and at <http://www.youtube.com/watch?v=mKZkgrGNzQs> (accessed 31 July 2011).

71. At <http://www.facebook.com/?ref=home#!/ivojosipovic> (accessed 27 January 2011).

72. At <http://www.facebook.com/?ref=home#!/ivojosipovicdp> (accessed 31 July 2011).

3.2.2 The Importance of Digital Mobilizations

These digital mobilizations are still interesting only to a smaller, urban minority and do not reach mainstream society, except in situations where such actions get mainstream media attention which help them reach a critical mass. For example, many people in Zagreb did not join the Facebook group against the Varšavska Street development, but when they saw the protests on television, they decided to join the street protesters themselves. The irony of the “Facebook protests” was that many of the protesters actually did not get the information on the protests on Facebook because many did not even use Facebook. They got the information from newspapers, web portals, or, in most cases television. Still, all of them were called “protesters—Facebookers.”

Still, for larger impact, television continues to be the most powerful medium in Croatia; it has the largest reach. Actual impact of digital mobilizations is small, at least of the digital actions. The only really successful, effective example, with the impact on the national level, was the high school protest in 2008. That is the only example where Facebook was the only communication channel on a national level.

3.3 Assessments

Digitization, largely the internet, has broadened the news offer significantly, in respect of the diversity as well as the quantity of information; the same information is presented from many different perspectives. Generally, we can speak of the real democratization of news access. Probably the best example is the publication of veterans’ lists on www.registarbranitelj.com (see section 1.3.3). Today, censorship is no longer effective. Even the most secret information easily finds its way onto the internet. Once published, it is impossible to “erase” the information, as it can be copied, saved and preserved.

Again, it should be stressed that for less media-literate consumers it can be hard to cope with such an overload of information. It is time-consuming to check information from different sources, compare it, and analyze its relevance. Therefore, less media-literate consumers prefer to rely on one source, which makes it easier for these groups to be manipulated.

Citizens are very slowly taking the opportunities for civil and political activism offered by new media. Usually the same group of activists supports different actions, across a range of social and political goals. For example, students, gender equality activists, ecologists and human rights activists all joined the protest against the devastation of an architecturally important area in the center of Zagreb (Varšavska Street). When Gay Pride is organized in Zagreb, the same range of people supports it.

However, the reason for this problem is not linked to digital media or any media usage. The low level of activism in Croatia is a question of personal preferences, or priorities. In general, citizens are rarely involved in activism; it is an important and interesting social issue connected with the standard of living, ways of spending free time, and other social factors. Croatian society is still in transition and the new generations

have just begun learning about freedom to conduct social activism, something that was not welcome 20 years ago and suppressed during the time of one-party rule in the former Yugoslavia.

The example of the high-school students' protests against the "national school-leaving exam" in 2008 is an excellent example of how Facebook helped pupils all around Croatia get the information about their rights and an explanation of what was wrong with the "national school-leaving exam." Without any other coordination and without the help of mainstream media, they organized protests, and the reaction of the media and Ministry of Science and Education was quick and effective. Protests became primetime news, while the Minister of Science and Education immediately decided to postpone the "national school-leaving examination" for another year. The reason for the high level of media attention is simple—it was the first time that high-school students had protested in Croatia since independence.

The anti-government protests of 2011 got media attention because it was a highly political issue. However, at the beginning, public service HTV tried to present the protests as violent acts of hooligans. It was an unacceptable and unprofessional way of reporting; therefore, other media, and citizens in general, criticized it as an attempt to protect the prime minister and the government.

A completely different example is the one of the "2cellos." Facebook users in Croatia started sharing their YouTube music video and soon more than a million visitors had seen it. This was definitely a story for the primetime public service HTV newscast because it was the very first time that someone from Croatia got more than a million visits globally on YouTube in such a short period (just a few days).

4. Digital Media and Journalism

4.1 Impact on Journalists and Newsrooms

4.1.1 Journalists

Journalists in Croatia cannot imagine working without the internet any more, without being online, checking e-mails, and searching the web to re-check data, names, information, and so forth.⁷³ Outside their newsrooms, most journalists use their smartphones or notebooks to stay online. Their daily workload has doubled, which means they have half the time to produce an article, or a radio or television package. If they work for traditional media, they have to produce news for the web page as well. Opportunities created by new technology are being neutralized by the pressure to produce ever greater volumes of news output. Five years ago, print journalists were usually not expected to do video editing; today they have to do at least the rough edit. Because of newsroom convergence, today there are more and more multi-skilled journalists. Copy editing and technical support in the newsrooms are minimal.

We used to have ... four different types of editors in the newsroom. One was the Croatian language editors who were responsible for Croatian grammar, language and style. The second kind, the redactors, were responsible for the facts in the text, for the text in total: its structure, its length, its flow. The third was the newsroom editor, who gives the assignments, selected the articles, and is in charge for titles, subtitles, matching the photos. And, of course there was the editor-in-chief. Today, we do not have Croatian language editors any more, and in the whole house there are just a few redactors who do not have time to read all the articles. That is the reason why we have so many linguistic and factual mistakes in published articles. Journalists are not fully proficient in the Croatian language and grammar; they make many mistakes. Further, they do not have time to Google and check how to spell foreign names, e.g. of foreign politicians. Sometimes they do not know how to translate certain English

73. The authors of this report interviewed a sample of 13 journalist and/or editors who work for traditional or digital media in a range of different fields, from politics and economy to media and new technologies: Ana Benačić (Net.hr), Jelena Berković (*Radio 101*), Igor Duić (HTV), Jasmina Franjić (Jutarnji.hr, *e-Hrvatska*), Marko Franjić (*Jutarnji list, e-Hrvatska*), Robert Gabelić (*Jutarnji list, e-Hrvatska*), Elvir Mešanović (Rtl.hr), Tomislav Novak (Vidi.hr), Zoran Pehar (Hrt.hr, Nova TV), Nikolina Šajn (*Jutarnji list*), Mladenka Šarić (*Večernji list*, Javno.hr, television Z1), Sabina Tandara (Nova TV), and Saša Vejnović (*Poslovni Dnevnik*, Poslovni.hr). Each interview took approximately 75 minutes. All journalists agreed to be interviewed on condition that they would not be quoted individually because of fears for their job security.

words, so they use the English root and put the Croatian extension, for example for update, there are Croatian words ‘*nadopuniti*’ (add detail) or ‘*osvježiti*’ (refresh), and instead of using those Croatian words they invent new words like ‘*apdejtati*’ or ‘*updateati*’.

Digital media bring more information to the public in less time. The speed of publishing information has become the top priority, and that is why many journalists use information from other media, re-editing it and publishing as their own. Journalists call this “copy-paste journalism” and it is especially popular on web portals. “There are days when I just sit in the newsroom and translate articles from foreign web portals. We use their pictures as well, without paying the copyright fees. The editors told us just not to steal from big newspapers. Small specialized web portals, or even some local American web portals, are good sources,” said one journalist in an interview.

Because there is more information and it’s more readily available than before, editors expect higher productivity from journalists. To satisfy the demand for quantity, journalists sacrifice quality; they are less focused and involved in the story. This results in a loss of credibility as unverified information is disseminated more often. Being the first to publish is most important. As they mostly copy-paste from each other, the number of sources in stories does not increase. Only in cases of stories pursued for longer periods will additional sources and angles be sought out.

Editorial policy now stresses visualization of the content. Texts are shorter; there is more soft news as trivia sell better. It is cheaper to copy and e-edit (to aggregate) than to create original content. “Copy-paste journalism” has acquired legitimacy. The biggest losers are print media, where editorial policy has changed towards the “internetization” with print media content increasingly resembling online material (short news, big photos, more soft news, etc.).

While the information flow has become faster, communication itself has not—and that is the reason why it still takes time to get new (unpublished) information. Communication via fax machines with authorities, institutions, etc. has turned into e-mail communication—but it still takes the same time to get the answers from official sources. Once the information is published on the internet, it is easy to publish it in other media.

“Officials in Croatia do not check e-mails regularly. If I send a question, it will take four to five days to get the answer from a ministry, or city department, or some other state or public office. And I need the information in a few hours. That is why for a journalist in Croatia the most important thing is to have officials’ cell phone numbers,” said one interviewee.

The other big problem is media ownership concentration. For example, within the Europa Press Holding (EPH) media concern in Croatia, the same journalists have to write for the weekly *Globus*, daily *Jutarnji list* and web portal *Jutarnji.hr*. EPH news outlets have regional influence because they are published in Serbia, and Bosnia and Herzegovina, as well. Media concentration is a global phenomenon, and that is why the coverage, context and angles of news also become globalized. On the other hand, advertising interests can be very local. For example, across EPH outlets the same news will be presented in different contexts depending

on the advertising needs of the outlet it appears in. “For example, if the concern Agrokor, owned by Ivica Todorčić from Croatia, failed in its investments in Serbia or Bosnia, or if something happened to the company that requires crisis communications, it is predictable that we will not read about it in EPH outlets, because EPH depends on Agrokor’s ads. On the other hand, if there is an investment in Serbia that will probably have positive public reactions in Serbia, but negative reactions in Croatia, only outlets published in Serbia will write about it.”

On the other hand, web portals not connected to traditional media struggle financially because advertising in online media represents only a very small share of total advertising in Croatia. According to one source it was 3 percent,⁷⁴ while another one reports it as 7 percent in 2010.⁷⁵ Without clear research methodology presented in either, it is difficult to assess the reliability of these reports. But it’s clear that the lack of financial resources in online media means there are limits on how many journalists these portals can employ.

4.1.2 Ethics

According to the journalists who were interviewed for this report, the publication of unverified information is one of the most serious consequences of online journalism. Journalists often lift information from other media without verifying the facts with official or any other original sources. Further, they know that they can re-edit the news published on the portal, and that is why they do not thoroughly check sources for the first version. It has become more acceptable to make mistakes. Data theft occurs, but it varies depending on the experience of journalists and editors. The more experienced ones usually cite the source, and create a link to the original information or data, while the less experienced just copy-paste or translate the information from foreign media.

“At the beginning, I felt really bad about not checking facts for my article. But, since I did not have time to do it, and since I realized other colleagues do not check facts regularly, I stopped feeling bad about it. At the end of the day, the only thing that matters is productivity.”

The protection of private information has become one of the biggest issues. Information from private Facebook profiles is misused by journalists, but journalists interviewed for this report agree that individuals holding public office should recognize that once they publish their private information or images anywhere on the internet to advance their own political goals, this information also becomes public and available to others to use as they please.

“With Facebook, privacy is dead—claims Mark Zuckerberg. I agree. If you publish something on Facebook, and you are a public person, do not expect that people will not share your post and re-publish it. Remember, you published it first!”

74. Report on online advertising in Croatia, at <http://www.online-agencija.com/clanak1.html> (accessed 25 February 2011).

75. At <http://www.netokracija.com/internetsko-oglasavanje-europa-hrvatska-slovenija-12305> (accessed 21 October 2010).

“Today, it is easier than ever before to misuse or to steal someone’s intellectual property. Because it is easier, I believe it happens more often than 15 or 20 years ago. Investigative journalism is not credible any longer; it is not paid well. That is why we have the same news, with just some minor usually graphic editing, published on a number of web portals, and you will see that no one is signed as an author, and there is no source at the end of the text. That is in direct violation of authors’ rights. Croatia is a country with 99 percent digital piracy; everything that is online is perceived as public, anyone can re-use it and re-publish it, under the different name.”

4.2 Investigative Journalism⁷⁶

4.2.1 Opportunities

According to the opinion of the journalists interviewed for this report, digitization has only partially helped investigative journalists in Croatia to improve their work. It has not helped to reach and uncover new, hidden, unpublished data; to find those, journalists still rely on personal contacts. Yet, once the hidden information has reached a journalist, it is much easier for him or her to check the data with the help of digital media, to get more information about people, institutions, previous data, etc. More official data is also available online, so it has become faster to obtain, read and compare. Before, the procedures were highly bureaucratized and it took time to get files from archives. Today, with online archives, it has become easier to search data.

Still, digital media does not help much in uncovering political or other corruption, illegal activities, business fraud, and similar stories. In Croatia, to uncover such stories, journalists must rely on personal sources, frequently politicians, who decide when and to whom they give information.

4.2.2 Threats

Journalists are aware that all digital information they send via e-mail, publish on social networks, and write in a message—even in a chat room—stays registered somewhere, stored on a computer server. The only safe way to communicate with sources who want to stay anonymous is without leaving any digital tracks. Even data stored on their private computers can be easily searched.

Digital media help to democratize communication systems. If mainstream media have economic or political reasons to withhold certain information, it will still end up published in independent media, or on a website where the information can’t be traced. Yet, while self-censorship exists, it is largely not connected to digitization. It remains the personal decision of a journalist, and it is usually related to fear of losing the job, or the position, and only sometimes to threats. And again, such threats are not related to digitization.

76. In this report, “investigative journalism” is understood as a form of journalism that investigates in-depth a topic of public interest. It is characterized by lengthy research and preparation, involving primary sources (legal documents, tax records, government and regulatory reports), analysis of social and legal issues, and a significant number of interviews on and off the record. Key areas for investigative journalism include crime, corporate wrongdoing, political corruption, and public policy of all kinds.

There were a few cases when investigative journalists were seriously threatened, even attacked. Dušan Miljuš, a journalist and editor of the crime section of the daily *Jutarnji list*, was attacked and severely beaten in June 2008. Miljuš reported mostly on organized crime. Nobody was charged for this attack. In October 2008, Ivo Pukanić, editor and the owner of the political weekly *Nacional*, and his associate Niko Franjić, were killed in a bomb explosion in the center of Zagreb. Pukanić had reported on the tobacco mafia and other organized crime in Croatia. Six persons were charged with this crime: Željko Milovanović, Robert and Luka Matanić, Amir Mafalani, Bojan Gudurić and Slobodan Đurović. On 3 November 2010 the Supreme Court upheld prison sentences totaling 148 years this six-member gang, the highest punishment for organized crime in Croatia to date. At the same time, in Serbia, the State Attorney charged Sreten Jocić, Željko Milovanović and Milenko Kuzmanović with criminal conspiracy and the murder of Mr Pukanić and Mr Franjić. They were accused of accepting a payment of up to €1.5 million to prepare the explosive device that killed these two journalists.⁷⁷

4.2.3 New Platforms

There are no prominent blogs that publish investigative content. Blogs are mostly used by journalists for publishing their personal perspectives and analysis of important issues, or daily or weekly commentary on political or social life. There is *Necenzurirano.com* (*uncensored.com*), a blog by Domagoj Margetić. He writes on many hot issues (politics, organized crime, etc.) and he sometimes brings a certain investigative element to this blog. Yet, Margetić has lost credibility in Croatia because he has published untrue, unverified information, and he was even sentenced by the International Criminal Tribunal for the former Yugoslavia (ICTY)⁷⁸ for illegally revealing the identities of protected witnesses, taken from testimony to the Tribunal from Stjepan Mesić, President of Croatia 2000–2009, in the trial of Bosnian Croat General Tihomir Blaškić, who had been indicted for war crimes.⁷⁹

There was another blog—*Peratovic.blog.hr* by journalist Željko Peratović—but the last post was written in November 2009 when Peratović was interviewed by police after Minister of Internal Affairs Tomislav Karamarko reported him for publishing classified information.

4.2.4 Dissemination and Impact

Mainstream media rarely pick up investigative stories published online. These stories get ignored unless they generate enough public pressure in themselves or touch a raw nerve in the wider public's consciousness. The best example is already mentioned in section 1.3.3: the list of Homeland War veterans that was published on *www.registarbranitelja.com* in April 2010 while the person who posted it was never identified.

77. See <http://slobodnadalmacija.hr/Crna-kronika/tabid/70/articleType/ArticleView/articleId/172475/Default.aspx>, and <http://www.tportal.hr/vijesti/crnakronika/190356/Matanic-i-Mafalani-pravomocno-osudeni-za-Pukanica.html> (accessed 20 May 2012).

78. See <http://www.icty.org/sid/8706> (accessed 21 October 2010).

79. See *Vlada.hr*, "ICTY: Šešelji i Margetić odbili optuznicu za nepostivanje suda" (ICTY: Šešelji and Margetić reject accusation of contempt of court), 14 June 2005; *Index.hr*, "Domagoj Margetić priznao da mu je Akerson dao popis zaštićenih haskih svjedoka" (Domagoj Margetić admits Ackerson gave him the list of ICTY protected witnesses), 4 August 2006; *Dnevnik.hr*, "Počelo haško suđenje Domagoju Margetiću" (The Hague trial of Domagoj Margetić begins), 30 November 2006; *Index.hr*, "Margetić osuđen na tri mjeseca zatvora" (Margetić sentenced to three months in prison), 7 February 2007.

In 2004, in another case, Hrvoje Appelt, a journalist who used to work for *Jutarnji list* and other EPH media outlets, uncovered a story on corruption related to the company Imostroj and to Miomir Žužul, then the minister of foreign affairs. EPH did not want to run the story, so Mr Appelt gave the story to Index.hr where it was published. Two months later, Mr Žužul resigned.⁸⁰

Index.hr. has generated the greatest impact from running investigative stories which mainstream media did not want to publish originally, but would pick up once they appeared online. This way, the mainstream media, often under the influence of politicians or economic elites could avoid being seen as initiating these investigations. And to generate significant public reaction in the majority of cases, a story has to be followed up in mainstream media, after it gets published online. And it is often the mainstream media, rather than the original online outlet, that ends up developing the story further.

4.3 Social and Cultural Diversity

4.3.1 Sensitive Issues

Given the recent history of inter-ethnic conflicts, the protection of minority rights, strengthening of tolerance and the development of multiculturalism are highly relevant political issues in Croatia. Therefore, the adoption of the Constitutional Law on National Minorities in late 2002 created the key legislative requirements for comprehensive protection and development of minority rights in Croatia, but the path to their full realization is a complex and lengthy process. The constitutional law is complex in its structure, and it introduces a series of new institutions; an advisory board to the Government for national minorities, councils of representatives of national minorities. However, protection and development of minority rights is not only related to application of the law, but, as in Croatia, also to overcoming socio-cultural barriers and prejudices, the heavy legacy of war, lack of democratic traditions, underdeveloped civil society, etc.

Although national minorities get the most attention in Croatia's socio-political life, in the past 10 years much has been done to develop public awareness of other minority groups such as homosexuals, or the disabled, etc. The Gender Equality Act was adopted in 2008.⁸¹

Croatian society on its path to European integration is raising awareness that minorities are a “national asset” and that the protection and development of minority rights and interethnic tolerance are important prerequisites of stability, democracy and prosperity of any society.⁸² It is extremely important to promote

80. Index, “Žužul preko supruge primio 500.000 kuna mita” (With help from his wife Žužul took a HRK 500,000 bribe), 1 January 2004, at <http://www.index.hr/vijesti/clanak/zuzul-preko-supruge-primio-500000-kuna-mita/231549.aspx>; *Vjesnik*, “Naplata za Imostroj i Bechtel” (Payout time for Imostroj and Bechtel), 5 January 2005, at <http://www.vjesnik.hr/html/2005/01/05/Clanak.asp?r=tem&c=1>.

81. Zakon o ravnopravnosti spolova (*Official Gazette*, NN 82/08).

82. There is Constitutional Law on National Minorities Rights NN 155/2002; Council for National Minorities adopted many documents, see http://www.savjet.nacionalne-manjine.info/zakonska_osnova.html (accessed 24 May 2012).

civil education on these crucial social issues, and the role of media is critical.⁸³ However, only some small, independent websites like Libela.org, H-alter.org or Portaloko.hr promote such civil education, while public service media have a few specialized programs, which is not enough. Promotion of diversity is needed in all programming.

Two pieces of legislation regulate standards on minority coverage in the media: the Electronic Media Act,⁸⁴ and the HRT Act.⁸⁵ According to the Electronic Media Act, audiovisual or radio programs shall in particular promote understanding for members of national minorities (Article 24). Croatian audiovisual works according to this Act shall be the works originally produced in the Croatian language or works intended for national minorities in their languages as well as works of Croatian cultural heritage (Article 40). This Act regulates the Electronic Media Fund, which stimulates the production and broadcasting of programs of television and/or radio broadcasters at the local and regional levels that are of public interest and particularly important for the national minorities in the Republic of Croatia (Articles 63 and 64).

Furthermore, HRT is obliged to produce, co-produce and release programs intended to inform the members of ethnic minorities in Croatia and it has a special department for such programs. HTV produces a television program, “Prizma” (Prism), and HRT produces a radio program, “Agora,” for national minorities, and almost every package is produced in the minorities’ languages (Hungarian, Italian, Czech, Serbian, Macedonian, and so forth). There are, however, no recommended quotas for minority programming.

Because alternative web portal production is relatively inexpensive, there are a number of websites promoting civil rights, and social minorities’ rights and interests. In this sense digitization has opened the media sphere for social and cultural diversity. But again, it is a question of the impact. If such issues are not present in mainstream media, there is no impact on the majority of the population.

The internet also has a negative side. Thanks to the possibility of comments and posts on web forums, and in social networks, there was more hate speech in the online media than there ever was in just traditional media. Anonymity resulted in the lack of social responsibility. EMA is very strict towards hate speech. According to its Article 12,

in audio and/or audiovisual services it shall be prohibited to promote, favor the promotion of and spreading of hatred or discrimination based on race or ethnic affiliation or color, gender, language, religion, political or other belief, national or social origin, property, trade union membership, education, social status, marital or family status, age, health condition,

83. See V. Car and I. Kanižaj, “Program za nacionalne manjine u hrvatskim televizijskim i radijskim programima” (Program for National Minorities in Croatian Television and Radio programs), *Medunarodne studije (International Studies)*, 10 (3–4), 2010, pp. 86–115; I. Kanižaj, *Manjine između javnosti i stvarnosti (Minorities—Between the Public and Reality)*. Zagreb: Sveučilišna knjižara & ICEJ; I. Kanižaj and B. Šalaj, “Medijska slika manjina” (The Picture of Minorities in the Media), in S. Obradović (ed.), *Javnost i mediji (The Public and the Media)*. Split: Stina, 2004, pp. 30–40; S. Tatalović, *Nacionalne manjine u Hrvatskoj (National Minorities in Croatia)*. Split: Stina, 2005.

84. *Official Gazette*, NN 153/09.

85. *Official Gazette*, NN 137/10, *Official Gazette*, NN 76/12.

disability, genetic heritage, native identity, expression or sexual orientation, as well as anti-Semitism and xenophobia, ideas of the fascist, nationalist, communist and other totalitarian regimes.

And web portals' administrators and forum administrators really did take this seriously, because today it is much harder to find direct hate speech on web portals and on various forums. If that happens, it takes only few hours before administrators delete it and block the user who posted it. On the other hand, it is not possible to delete hate speech from social network conversations, because that is private communication. In a way, today, the websites' administrators have the role of gatekeepers, because they are responsible for reacting and disabling comments if a person uses hate speech, or introduces content that violates human rights.

4.3.2 Coverage of Sensitive Issues

There was an extensive report produced on television and radio programs for national minorities in Croatia.⁸⁶ The aim of the report was to examine whether, and to what extent, the public service and local radio and television stations comply with and exercise legal provisions on the production of programs about and for national minorities, broadcast in appropriate language and script. The analysis shows that successful financing of programs for national minorities does not necessarily ensure the quality of these programs, and that there are significant differences in the production values of such programs. The report also finds that production in the language and script of national minorities is marginalized.

With the aim of exercising rights of members of national minorities to information by means of print, radio and television in the relevant language and script, their National Minorities Councils, as well as associations and representatives of national minorities can perform activities of public information (issue newspapers, produce and broadcast radio and television program, and act as news agencies) consistent with the law. There are currently eight registered minority publishers issuing 21 newspapers, and three minority radio broadcasters in Croatia.

Radio Daruvar⁸⁷ is the oldest local radio station that broadcast programs for the Czech national minority, since 1968 (*Program pro českou národnostní menšinu*). It is a daily, half-hour program. Two-thirds of the Czech minority live in the city of Daruvar.

When national or ethnic minority issues are reported and discussed in media, still sometimes we encounter hate speech, almost never in mainstream media, but sometimes in local media.⁸⁸ However, awareness of this issue is much greater than it was in the 1990s.⁸⁹

86. V. Car and I. Kanižaj, *Program za nacionalne manjine u hrvatskim televizijskim i radijskim programima* (Program for National Minorities in Croatian Television and Radio Programs). *Međunarodne studije (International Studies)*, 10 (3–4), 2010, pp. 86–115.

87. See http://www.radio-daruvar.hr/index.php?option=com_content&task=view&id=13&Itemid=29 (accessed 2 June 2012).

88. See I. Kanižaj, *Manjine—između javnosti i stvarnosti (National Minorities—Between Public and Reality)*, Zagreb: ICEJ and Sveučilišna knjižara, 2006.

89. See M. Romić, *Izolacija ili integracija (Isolation or Integration)*. Zagreb: BaBel, 2011.

Still, labeling is present quite often. For example, if the suspect of a crime is Roma, almost all media outlets mention this. If the person was a Croat, on the other hand, the same outlets will just publish the individual's initials and age. Such as an article headline on Ecakovec.com, "Is there no end to thieves? Roma stole a metal boat with a plan to cut it up and sell the metal"⁹⁰. And a quote from the body of the story: "A loss of few dozen thousands kunas (from action by) a 25-year-old from Gornji Kuršanac and a 24-year-old from Kuršanac, both members of the Roma minority." And in another article on the same web portal; "Roma minors set fire to a field of wheat—the loss is around HRK 100,000."⁹¹

There is a recent example how news can be packaged in a way that sends negative message about a single ethnic group or even nation. HTV "Dnevnik3" on 28 June 2011 ran four news items linked in different ways to Serbia or Serbians. Each package was correctly produced, with no hate speech. However, all four stories had negative content: one about a rapist who had been a member of the Serbian paramilitary forces; another on a U.S. Senator of Serbian origins who had been charged with corruption; a report on a television program of a local Serbian station, *Prva Srpska*, where the host used hate speech against the Catholic Church and Croats, even suggesting that Al Qaeda should wait until Croatia accedes to the EU and then organize terrorist acts in Croatia; and lastly, about a big investment loss of Croatian businessmen who tried to invest in Serbia. The substance of these items was true—Serbian media reported on the same events—but the way these four stories were put together in the same newscast, one following another, results in the framing or packaging of news that promotes a negative image of a country and its people. It cannot be a coincidence that 28 June is St Vitus's Day (*Vidovdan*), a key date in the Serbian national calendar.

Some civil society organizations reacted; Human Rights House Zagreb (*Kuća ljudskih prava Zagreb*) sent a letter to the HRT Program Council which nevertheless was not discussed at the Council's July 2011 meeting.⁹² A similar response came from Milana Romić at the conference "Isolation or Integration" held on 29 June 2011 at Journalists House in Zagreb.⁹³

4.3.3 Space for Public Expression

Some good examples of digital media in Croatia involved in raising public awareness about minority issues are Dalje.com, Crol.hr, Cenzura.hr, and the already mentioned H-alter.org, Libela.org and Portaloko.hr. These web portals are not niche minority portals; they are socially and politically engaged web portals which raise issues that are still taboo or marginalized in Croatia. Unfortunately, none of these web portals reach the wider public, only urban usually university-educated groups in their twenties or thirties.

Of course, before sensitizing the public, the media themselves need to be sensitized and educated. In that context, a number of valuable initiatives have been launched with the aim of assisting journalists and editors

90. See <http://ecakovec.com/2012/02/gdje-je-kraj-lopovima-romi-ukrali-metalni-camac-da-bi-ga-kasnije-izrezali-i-kanili-prodati-pod-sekundarne-sirovine/> (accessed 2 June 2012).

91. See <http://ecakovec.com/2011/07/maloljetni-romi-zapalili-zito-steta-oko-100-tisuca-kuna/> (accessed 2 June 2012).

92. See http://hrt.hr/uploads/media/Zapisnik_8_sjednice.pdf (accessed 2 June 2012).

93. See <http://kucaljudskihprava.hr/novosti/izolacija-ili-integracija> (accessed 2 June 2012).

in dealing with minority problems. There are many NGOs that promote and work on such education, and there are independent audio-visual production organizations that follow their programs, like Fade-In (Fadein.hr) and Factum (Factumdocumentary.com). Their documentaries are broadcast on public service television, and in public screenings, for example at independent art film festivals in Croatia. Again, such content reaches only a limited audience that would typically be exposed to these events and channels, again urban, younger and highly educated.

4.4 Political Diversity

4.4.1 Elections and Political Coverage

The media-related provisions of the Election Law are cursory and general, stipulating equal coverage of political parties and candidates by the media and granting the same conditions of access to parties and candidates. To complement the law, in the 2009 presidential campaign the HRT Council, the oversight body for HRT, adopted coverage rules that provided for free airtime to all presidential candidates, among other things. Prior to the first round, each candidate was entitled to five special two-minute reports, one 30-minute talk show appearance, and two appearances in special debate programs with all candidates on both public television and radio. The order of appearance of candidates in these programs and their dates were determined by lottery.

While radio and television are strictly monitored during the election campaigns, online media are not regulated. Still, the election campaign on television, especially during election night, is the most relevant.

Although online media do not have much influence during political campaigns in Croatia, there are some changes in terms of the diversity of political communication, because there are politicians, like Croatian President Ivo Josipović, who use social networks or write blogs with the aim of communicating more directly with the public.

A study on the role of the internet in 2007 election campaign in Croatia⁹⁴ yields interesting results. It indicates that during the 2007 Croatian Parliamentary elections, political parties only partially took advantage of the opportunities offered by internet marketing. An analysis of the elements of interactivity revealed that campaigning parties generally did not use the internet as a means to engage voters. To date, the use of the internet as an instrument to engage citizens online and increase political participation has not confirmed the optimistic predictions on such potential.

94. D. Bebić, "The Role of the Internet in Political Communication and Encouraging Political Civic Engagement in Croatia: The 2007 Election Campaign on the Internet," *Media Studies* 2 (3–4), 2011, pp. 29–47.

4.4.2 Digital Political Communications

In the last decade digital media, especially the internet, have had a significant influence on political communication. It started with blogs. Not only had the most prominent politicians started to write blogs, but even some members of parliament, like Dragutin Lesar (Drlesar.blogger.hr), started them, discovering this new way of communicating with the public. Before, in the 1990s, even when political communication through the media was limited only to traditional outlets, there was only a limited group of politicians who were routinely shown or quoted in the media. Besides the President and the Prime Minister, other politicians with an “entry ticket to media” were usually the leaders of political parties. This communication was carefully targeted and channeled by the party or the media.

One interviewed journalist said: “It is true that Mr. Lesar is very active on his blog, and I read what he writes, but I will never report on that. Because that is what he wants us journalists to write about. I always rather ask him to answer my questions, on issues that I find to be of public interest. Therefore, I prefer face-to-face communication. If it is not possible, then telephone. I do not like e-mails because you cannot interrupt with follow-up questions.”

The real power of internet campaigning has been seen since the introduction of social networks, especially Facebook. The most prominent example of Facebook usage in Croatia was the presidential campaign of December 2009 and January 2010. The current President, Ivo Josipović, is well known as a regular Facebook user, and he personally writes posts on his wall, usually after midnight. That is quite rare, because other politicians, such as the party leaders, usually have a team of employees who are responsible for e-mailing, Facebooking, tweeting, etc.

As a result, new communication channels and the opportunity to contact politicians directly contributed to public interest in politics. Yet journalists we interviewed for this chapter stressed that they still rather prefer face-to-face or telephone contact with politicians and other sources, in general, because digital communication creates a delay and leaves them waiting, without the possibility of politicians having to instantly react to questions or remarks.

As a result of digitization, the public is more interested in politics. However, this interest is limited to asking politicians questions via social networks or posting comments to their interviews. To an extent, the use of new communication channels resulted in more political debate—but it’s fairly lopsided—only among citizens who post their comments, since politicians are not that active in debating with citizens online. Finally, new communication channels did not result in a greater number of political voices in Croatia.

4.5 Assessments

Digitization creates the need for journalists to produce more material in less time. “Deadline” has almost disappeared from the digital media journalists’ jargon. Everything should be published right now! Because of the speed of production, they pay less attention to the quality and accuracy of their reporting. When less experienced journalists start to work for a news media outlet, they no longer find mentors who can help them in the newsroom. They must learn through their own mistakes, and that is not good for the reputation of the media. Not enough money is invested in online media production; even traditional media have to produce news with smaller budgets—the consequence of such management is that there are hardly any copy editors left in newsrooms. Journalists have to rely on their own knowledge and skills, which are often not adequate. Interviewed journalists agree that media content quality in Croatia has deteriorated because of digitization. Speed of delivery and low production costs have become more important than the quality of the information.

Instead of creating new content, media share and recycle it. Even respectable television stations quite often broadcast low quality video from YouTube or some other video-sharing platform. Journalism as a profession has lost much of its credibility. In Croatia there is an expression that there are no more good journalists, only media workers.

The quantity of information is larger, but the quality of news is lower. So far there is no serious political portal with an analytical approach to internal politics and foreign affairs, to elections, corruption, etc. Net.hr, Index.hr, Tportal.hr and similar portals are news portals, not analytical political portals. They deliver light and often superficial news items from entertainment, sports, and even gossip. Any news content is spot news, without much follow-up or analysis. Digital media do make it possible to offer interactive content with detailed information analytically edited, contextualized, linked and given a comprehensive historical overview. But in Croatia for now web portals still look alike, having the earlier one-dimensional approach with short texts, photos and short videos, no graphs, inter-related analytical articles, or use of multimedia.

On the other hand, digitization also gives users a way of verifying information. Before the internet, when something was published in a newspaper, it was almost impossible for readers to check the information. Today, everything can be re-checked. Choosing reliable and trustworthy media depends only on the consumers’ level of media literacy. Further, Web 2.0 has enabled two-way communication and consumers can instantly react to news, and even publish new information. Leaving aside the question whether “citizen journalism” is journalism at all, these possibilities have definitely changed the way news is delivered and received.

Digitization should not be presented as a revolution, but rather as an evolution in journalism.

Digitization has affected coverage of elections; we no longer have to wait for primetime television news or tomorrow’s newspaper to get voting results, which almost instantly get published online. During election night, new information on results is instantly updated on web portals. During election campaigns, there is more information on political parties’ programs, on candidates and their confrontations. Digitization offers

many different news outlets with different angles and perspectives; it allows information to be checked. For a media-literate person, it becomes very easy to follow the election campaign and its results.

The role of media is essential in the affirmation, promotion and protection of minorities. No other factor in society, especially in transition societies, can compare to their part in sensitizing the public to minority problems. While digital media in Croatia definitely have enlarged and improved the space for public expression by social and ethnic minorities, this has not necessarily contributed to better and greater coverage of minority issues in the traditional media.

Marginalized groups have the opportunity to publicize their problems, views and needs online. With digital media, they can do it themselves—they do not have to rely on journalists any more, and they do not have to wait for mainstream media to finally give them some media space. Still, if the mainstream media does not react to such material published in independent digital outlets, the social impact and effect is limited.

Producing specialized programs for national minorities has the effect of “ghettoizing” minorities. Members of any national or ethnic minority should be represented in mainstream programs across the board; they should work as journalists and presenters, be invited as guests in talk shows, represented in vox pops, etc.

Investigative journalism still relies on personal contact. Yet the internet helps journalists find contact information, to check historical data about a person or event, and to find related information. On the other hand, because of the changes in the media production process, and of media management policies favoring cost-cutting—there is less and less money for investigative journalists.

Investigative journalism is rare and often depends only on an individual journalist’s commitment. Today, once the story is discovered, it is much easier to publish it. Even if mainstream media do not want to withhold it because of political or advertisers’ interests, journalists can always publish their stories in independent digital media.

5. Digital Media and Technology⁹⁵

5.1 Spectrum

5.1.1 Spectrum Allocation Policy

There are no categories of users/ groups/ institutions favored by broadcasting spectrum allocation policy.

Television channels with a valid license for terrestrial broadcasting were automatically allocated within one of the multiplexes. All other, new specialized television channels, like the specialized channel of NovaTV (DomaTV) and RTL (RTL2), Sportska televizija (Sport television, the channel of the Croatian Olympic Organization) and two cable channels, Kapital Network and CMC (Croatian Music Channel), had to apply in a public tender. The HRT Act guarantees HTV two general channels in Multiplex (hereafter MUX) A and two specialized digital channels in MUX B,⁹⁶ although these two specialized channels have not been established yet. Therefore, HRT will not have to apply for digital frequencies for these two specialized television channels in a public tender (see section 2.1.3).

Management of the radio frequency spectrum is defined under the Electronic Communications Act (ECA)⁹⁷ and is based on the principles of objectivity, transparency, proportionality and non-discrimination. HAKOM is in charge of managing the use of the radio frequency spectrum. HAKOM is an independent, autonomous and non-profit legal entity, and there is no evidence of it ever misusing its legal power. It prepares and adopts the Radio Frequency Allocation Table and Radio Frequency Assignment Plan, grants licenses for the use of radio frequencies, approves the import and/or placing on the market of R&TT equipment, controls and monitors the RF spectrum and R&TT equipment market, and protects users from interferences. Fees for use of the radio spectrum are defined by the ECA.

95. To write this chapter, beside document analysis and reports of the technical regulatory authority, we did interviews or consultations with a number of policy-makers in telecommunications and spectrum allocation, and with ICT experts from the Central State Administrative Office for e-Croatia, where one of the authors of this report, Ivana Andrijašević, works as well; from HAKOM; OiV; Electronic Media Council (EMC); Ministry of Culture and public service HRT: Igor Lučić and Tomislav Vračić (e-Hrvatska), Dražen Lučić and Željko Tabaković (HAKOM), Zdenko Luburić (OiV), Damir Hajduk and Ernest Strika (EMC), Tomislav Jelić and Nina Obuljen (Ministry of Culture), Kazimir Bačić, Marija Nemčić and Damir Šimunović (HRT).

96. HRT Act, Article 50 (*Official Gazette*, NN 137/10).

97. The Electronic Communications Act in English is available at: http://www.hakom.hr/UserDocsImages/dokumenti/Electronic%20Communications%20Act%20OG73_2008.pdf.

As the result of the digitization of terrestrial television, the AEM has so far announced three public tenders for new specialized television channels: one for the experimental broadcasting on MUX B, the second for the broadcasting of two new channels on MUX B, and the third for three channels on MUX D. Overall, digitization has led to an increased number of free-to-air specialized television channels. Altogether five national channels got digital frequencies: RTL 2, DomaTV (second channel of NovaTV), Kapital Network, CMC (Croatian Music Channel) and Sportska televizija (Sport Television). Further, there are 21 local television stations in Croatia and all of them got digital frequencies as well, all on MUX D (see Table 14).

Table 14.
Overview of digital multiplexes in Croatia

Region ⁹⁸	MUX	Television stations
D1 the area of Osječko-baranjska, Vukovarsko-srijemska county	MUX A Channel 38	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 44	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 21	Vinkovačka televizija (local) STV (local) Osječka television (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)
D2 the area of Bjelovarsko-bilogorska, Virovitičko-podravska, Požeško-slavonska, Brodsko-posavska county	MUX A Channel 23	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 39	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 58	SBTV (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)

98. According to the digital allotments from the Regional Agreement—Geneva 2006, the Digital Broadcasting Plan GE06, the territory of the Republic of Croatia has been divided into nine different regions. Each region contains one or more Croatian counties. The specified regions represent the entity of the Radio Frequency Plan for Digital Broadcasting of Radio and Television programs in the Republic of Croatia (so-called “digital regions”).

Region	MUX	Television stations
D3 the area of Međimurska, Varaždinska, Koprivniko-križevačka county	MUX A Channel 44	HTV1 HTV2 RTL television NovaTV
	MUX B Channel 48	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 25	Srce TV (local) VTV Varaždin (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)
D4 the area of the City of Zagreb, Zagrebačka, Sisačko-moslavačka, Krapinsko-zagorska county	MUX A Channel 25	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 48	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 42	Jabuka TV (local) NeT (local) Z1 (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)
d44–d45–d46 digital sub-region	MUX D Channel 57	TV4R (local) TV Plus (local)
D5 the area of Primorsko-goranska, Istarska county	MUX A Channel 28	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 53	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 29 Channel 45	Kanal RI (local) TV Istra (local) RITV (local) TV Nova (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)
D5 MFN digital local sub-region	MUX A Channel 68	HTV1 HTV2 RTL Television NovaTV

Region	MUX	Television stations
D6 the area of Karlovačka, Ličko-senjska county	MUX A Channel 30	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 44	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 54	Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)
D7 the area of Zadarska, Šibensko-kninska county	MUX A Channel 51	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 59	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 31	TV Vox (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)
d71 digital local sub-region	MUX D Channel 35	Gradska TV (local)
d72 digital local sub-region	MUX D Channel 29	TV Šibenik (local)
D8 the area of Splitsko-dalmatinska county	MUX A Channel 33	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 53	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 34	TV Jadran (local) Televizija Dalmacija (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)

Region	MUX	Television stations
D9 the area of Dubrovačko-neretvanska county	MUX A Channel 51	HTV1 HTV2 RTL Television NovaTV
	MUX B Channel 59	HTV 3 (does not broadcast yet) HTV 4 (does not broadcast yet) RTL 2 DomaTV
	MUX D Channel 28	Dubrovačka TV (local) Sportska televizija (Sport Television, national) KN (Business Television, national) CMC (Croatian Music Channel, national)

Source: HAKOM, 2011

The Croatian Competition Agency (*Agencija za zaštitu tržišnog natjecanja, AZTN*)⁹⁹ monitors competition in the electronic communications sector. Under the Electronic Communications Act provisions regarding competition are described in Chapter 8. Competition (Articles 52–68).

In addition, one of the primary roles and responsibilities of regulatory authorities is to ensure that the radio frequency spectrum vacated by analog television, i.e. the digital dividend,¹⁰⁰ is re-used in the most beneficial way possible for the benefit of the population as a whole through the generation of new services providing economic and employment opportunities.

The use of the “digital dividend” is foreseen for various purposes, such as:

- additional nationwide digital terrestrial television programs in either standard definition (SDTV) or high definition (HDTV);
- digital terrestrial television programs at regional and local level;
- television services for mobile phones (DVB-H) and other types of mobile video and multimedia;
- wireless broadband communications services;
- wireless microphones for theatres, television and radio production, and live music events,
- short range wireless applications, such as fixed wireless access at home;
- public safety services, such as wireless communications for the emergency services.

99. See <http://www.aztn.hr/o-nama/21/cca-mission/> (accessed 16 July 2011).

100. Part of the radio frequency spectrum allocated to the terrestrial television broadcasting in the VHF band III and UHF bands IV and V, by introduction of digital television released for new broadcasting services and content, as well as for other electronic communications services.

The transparency of the use of the “digital dividend” and the redistribution of the radio frequency spectrum in Croatia are ensured by public tenders or auctions. The detailed procedures for those are explained in the HAKOM Rulebook¹⁰¹ so that the framework and implementation for spectrum regulation in Croatia conform to standard professional expectations. Management of the digital dividend is also an ongoing process. Besides some online forum discussions on this issue, there is no civil society interest in this. The two most recognized organizations, the Croatian Radio and Newspapers Association (*Hrvatska udruga radija i novina*, HURIN) and the Independent Television Association (*Nezavisna udruga televizija*, NUT), are not engaged in this issue. It appears there are no public concerns on this subject.

5.1.2 Transparency

Available data and information gained during the interviews with digital switchover policy makers indicate that the spectrum is awarded in a transparent and non-discriminatory way through a public tendering procedure. The strict procedure for granting individuals licenses on the basis of a public tender is stipulated in the ECA (Article 89).

The procedure for granting licenses is initiated by HAKOM in accordance with the relevant legislation, and the procedure itself is very transparent: all of its phases are published in the *Official Gazette* and on HAKOM’s website. The selection criteria in the public tender include technical and financial requirements, the ability to manage the electronic communications network and provide electronic communications services, and conditions of assignment and use specified in the license.

Only one case sparked a public debate. It was related to the allocation of digital television licenses. Kapital Network is a business channel which launched in mid-2006, and broadcast for four years on cable, satellite and internet television, not only in Croatia, but in the wider region. In February 2010 it was granted a license for trial digital broadcasting. Yet when Kapital Network applied for an official, instead of trial license (the announcement was published by the Council for Electronic Media) it was rejected. The Council decided that the first two specialized channels to get national licenses for digital broadcasting would be DomaTV (NovaTV) and RTL2, which offered entertainment programs. The owner of Kapital Network and representatives of the Croatian Journalists’ Association (*Hrvatsko novinarsko društvo*, HND) accused the Council for Electronic Media of lack of transparency.¹⁰²

Faced with this accusation, the Chairman of the Council for Electronic Media explained that the reason for the rejection was the inadequate quality of Kapital Network’s programming.¹⁰³ This kind of explanation was seen as neither professional nor transparent. Journalists and the public demanded a more detailed and written explanation to be released publicly. Finally, in December 2010, in the second round, Kapital Network

101. See http://www.hakom.hr/UserDocsImages/dokumenti/Pravilnik%20o%20uvjetima%20dodjele%20i%20uporabe%20radiofrekvencijskog%20spektra%20136_08.pdf (accessed 16 July 2011).

102. See <http://www.seebiz.eu/hr/seebiz-trend/zivot-i-showbiz/dragan-cuca-odluka-vijeca-tjera-kapital-network-na-gasenje-programa,91813.html> (accessed 28 May 2011), and <http://www.banka.hr/Naslovnica/Hrvatska/tabid/102/View/Details/ItemID/62632/Default.aspx>.

103. See <http://www.novosti.com/2010/09/jedini-pogoni-u-koje-se-ulaze/> (accessed 28 May 2011), and <http://www.seebiz.eu/cg/seebiz-trend/techno/doma-tv-i-rtl2---novi-specijalizirani-televizijski-kanali,-kapital-net-izgubio-natjecaj,91658.html/> (accessed 28 May 2011).

applied again and this time received the license, along with CMC (Croatian Music Channel) and Sportska televizija (Sport Television). The explanation given for this reversal was that Kapital Network had improved its proposal in the section on quality of programming.

Article 22 of the ECA states that before adopting any decisions or administrative acts which have significant influence on the relevant market (e.g. HAKOM Statute, the annual financial plan, the annual work program of HAKOM, or other major policies and decisions) HAKOM shall publish the proposal for public consultation in order to enable all interested parties to give their opinions, comments and proposals. On its website HAKOM has created a single information center providing immediate public input, and participation in all ongoing public consultations and access to the results of public consultations. Through its website, HAKOM invites all interested parties to provide their comments on tender documentation. The results of the consultations are taken into account, and the same website publishes explanations as to why certain comments have been accepted or rejected.¹⁰⁴

Finally, according to the provisions of Article 85 of the ECA, HAKOM performs regular reviews of the radio frequency spectrum management via public consultation in order to make it possible for all interested parties to give their opinion, comments and proposals concerning the management of the radio frequency spectrum. These public consultations are available on the HAKOM website as well. This review procedure may cover the entire radio frequency spectrum or only selected radio frequency bands. HAKOM carries out the review of the entire radio frequency spectrum at least once a year, and the review of selected radio frequency bands as necessary. When defining final proposals for amendments to the Radio Frequency Allocation Table and adopting the radio frequency assignment plans, HAKOM in particular takes into account opinions, comments and proposals received during public consultations while maintaining the principles of objectivity, transparency, proportionality and non-discrimination, and the regulatory principles and objectives.

5.1.3 Competition for Spectrum

On 24 April 2009, on the basis of a public tender, HAKOM granted a license to Transmitters and Communications, Ltd. (*Odašiljači i veze*, OiV) for the radio frequency spectrum usage of two national DVB-T multiplexes. The license was issued for usage of frequency spectrum to provide service of managing an electronic communications network for digital television for those two national multiplexes (MUX A and MUX B—standard definition, MPEG 2) for a period of 10 years. In July 2010, OiV also won a public tender conducted by HAKOM to become the network operator of a third DVB-T multiplex (MUX D—combined national/regional and local multiplex —standard definition, MPEG-2). There were two companies bidding in both public tenders: OiV and Croatian Telecom (*Hrvatske telekomunikacije*, HT). Reasons for choosing OiV have been explained in the text of HAKOM Council's Decision and are available on the HAKOM website.¹⁰⁵

104. See <http://www.hakom.hr/default.aspx?id=542> (accessed 28 May 2011); An example of reacting to the received comment: <http://www.hakom.hr/default.aspx?id=116&subID=467> (accessed 28 May 2011).

105. See <http://www.hakom.hr/UserDocsImages/2010.g/Odluke/ODLUKA%20MUX%20D.pdf>; <http://www.hakom.hr/default.aspx?id=443> 2004, pp. 30–40 (accessed 28 May 2011).

OiV is a 100 percent state-owned company. With more than 80 years of radio and more than 50 years of television broadcasting experience, OiV provides national television and radio broadcasting services in Croatia, which includes transmission for all national Croatian television and radio stations, and most of the regional and local television stations. Besides terrestrial broadcasting, OiV can provide television and radio satellite broadcasting services from any satellite visible from Croatia. Therefore, all currently existing multiplexes (MUX A, MUX B and MUX D) are managed by the same company.

Altogether, there has been no reduction of spectrum availability for potential rivals.

5.2 Digital Gatekeeping

5.2.1 Technical Standards

There is no wider public or media debate about the adoption of technical standards and platforms that carry news. Such debate is limited to experts, technicians and interested parties, mostly HAKOM, OiV, relevant government agencies, other regulators and telecommunications companies. The process of digital television transition in Croatia started in 2002, when trial digital broadcasting began in the Zagreb area. Three years later experts formed two groups, a DVB-T Forum and another working group to draft the Analog to Digital Television Broadcasting Switchover Strategy for the Republic of Croatia¹⁰⁶ (hereafter “Switchover Strategy”). The debate among experts, technicians, and consultants within the Phare project, especially on the coding and compression standard to be chosen for Croatia, took three years. Finally, the outcome of these discussions plus the technical experience gained in the pilot project Digital Istria were incorporated into the final text of the Switchover Strategy which was presented to the Croatian Government. The Switchover Strategy was adopted on 31 July 2008.

There has been no self-interested lobbying by commercial operators for certain standards over others. On the basis of the experience of other countries, their own experience and the success of the pilot project Digital Istria, experts and relevant agencies proposed to adopt MPEG-2. This proposal was incorporated into the Switchover Strategy, which was submitted for public consultation. MPEG-2 was accepted as the standard for the introduction of digital television in Croatia by all operators and it allows space for up to 40 television channels. For future planning, according to the Switchover Strategy, MPEG-4 can be used for the additional multiplexes, providing HD or pay television services in general.

Again, there is no wider public debate or criticism of these standards.

106. The Switchover Strategy is available at the Central State Administrative Office for e-Croatia website: www.e-hrvatska.hr (accessed 10 June 2011).

5.2.2 Gatekeepers¹⁰⁷

No internal problems related to the gatekeepers in the digital broadcasting have been recorded. It is important to underline the fact that although experimental digital television broadcasting in Croatia started in 2002, the actual transition to digital television signal occurred in 2010. Therefore, it is still early to discuss issues such as access-related problems posed by gatekeepers. However, there have been some international problems. In some parts of Croatia (e.g., the county of Istria) there is a serious problem of overlapping digital signals of Croatian and Italian television networks. As a result, since December 2010 the citizens of this area are unable to watch Croatian television programs.

The cause of the problem is that relevant Italian institutions assign uncoordinated frequencies and television networks broadcast on the frequencies that according to the international frequency plan¹⁰⁸ have been allocated to Croatia. The harmful interferences have occurred in Dalmatia as well, and it is only a matter of time when the interferences will result in a more massive revolt of Croatian citizens. Over the past four years Croatian authorities have sent relevant Italian authorities more than 550 Appendix 10 reports of harmful interference based on ITU criteria. However, harmful interference to Croatian radio and television broadcast stations was recorded for a long time before the introduction of digital television.

Given the international character of this problem, the Croatian Ministry of Foreign Affairs and European Integration has also been involved in efforts to resolve it. Following intensive communication with Italian authorities, the level of interference has been reduced for a short period of time. However, it has not been eliminated, and a large section of the population is not able to watch Croatian television channels. Some 50,000 to 60,000 households are affected so far.

5.2.3 Transmission Networks

Transmitters and Communications Ltd, as a network operator, owns a network of 212 transmitters in MUX A, 108 transmitters in MUX B and 36 transmitters in MUX D (building up). However, ownership of the transmitters (transmitter sites) does not affect the distribution of the spectrum resources, since management of these resources is the responsibility of the independent regulator HAKOM, which among others, ensures that public service and private broadcasters, and networks/multiplex operators comply with the terms of the license granted for use of the frequency spectrum.

107. We look in this report at the main gatekeepers in the digital chain, such as multiplex operators (MUX), Electronic Programming Guides (EPGs), Conditional Access (CA) and Subscription Management Systems (SMS).

108. The international frequency plan was adopted at the Regional Radiocommunication Conference of the International Telecommunication Union (Geneva, 2006).

5.3 Telecommunications

5.3.1 Telecoms and News

Since 2005, cable operators in Croatia have become important players in the distribution of media content. The 2010 switchover to digital television has enhanced that role. That is because until the switchover, the majority of consumers may have hesitated in upgrading their television equipment. But when that became necessary to receive the digital signal many chose to spend a bit more and get digital cable service.

As a result, at the end of the first quarter of 2011 the number of cable television subscribers reached 13 percent of the television market.¹⁰⁹ The largest cable operator in Croatia is bNet, formed in 2007 by merging DCM and Adriatic Cable. Until recently it has provided a triple-play service through Total TV in major cities in Croatia, which is available through a satellite platform across the entire territory. Other providers of triple-play service are Kerman and Magic Telekom. Total and Digi TV offer DTH satellite service. In December 2010 T-Com Croatia also launched a DTH satellite package.

Before 2011, there were only two cable television stations—Kapital Network (specialized business channel) and CMC (Croatian Music Channel)—that were available exclusively on cable.

Telecom companies are also playing a more important role in the distribution of media content through different platforms (mobile/broadband, IPTV, websites) and using bundled service packages. The most significant growth has been in IPTV due to an improved offer from the providers, from approximately 9.5 percent in 2008, to 16.4 percent in 2009, and 21 percent at the end of the first quarter of 2011.¹¹⁰ With 297,496 television subscribers at the end of 2010, MAXtv,¹¹¹ operated by T-Com Croatia, a subsidiary of Deutsche Telekom, remains the largest single player in Croatia. Other providers of IPTV services in Croatia are: Metronet, Iskon Internet and Optima Telekom.

Finally, it is important to mention the high penetration of mobile phones. At the end of 2010 the number of mobile phones in Croatia reached 6,362,106: a penetration of 143.45 percent. At the end of 2010, 2,892,218 mobile phones were 3G, allowing consumers access to audiovisual content. In September 2010, according to research by Poolpilots, an Austrian agency specializing in online research and development in the IT industry, and Mindtake, an agency for research of the internet market, 48 percent of all internet users used mobile applications.¹¹² The most popular mobile applications are for entertainment (games—45 percent of all app users, and multimedia—42 percent), followed by news (37 percent) and weather forecasts (34

109. See <http://www.hakom.hr/UserDocsImages/2011/e-trziste/GOD%20Broj%20pretplatnika%20CAtelevision-a%202010%20HR.pdf> (accessed 25 May 2011).

110. See Croatian Post and Electronic Communication Agency, www.hakom.hr (accessed 25 May 2011).

111. See Croatian Telecom, Press release: Business results for the 2010, at <http://www.t.ht.hr/investitori/2010AR/izvjesce2010.asp> (accessed 25 May 2011).

112. Research conducted in September 2010, on the sample of 709 Croatian internet users which is a representative sample for the internet population in the Republic of Croatia. Available at: <http://www.nokia.com.hr/o-nokiji/mediji/priopcenja-za-medije/pokazi-priopcenja-za-medije?newsid=-52375>.

percent). The interest in applications of various news providers is high (daily newspaper *24sata*—29 percent, daily newspaper *Jutarnji list*—28 percent, and daily newspaper *Večernji list*—22 percent).

Therefore, it can be said that the process of digitization of television had an impact on broadening of scope of news offer and choice, as well as on broadening of their reach across the entire territory of Croatia.

5.3.2 Pressure of Telecoms on News Providers

There have been no publicly disclosed cases where cable and telecom operators (including mobile operators) have exerted pressure on news providers.

5.4 Assessments

The most important impact of digitization of terrestrial television in Croatia has been the creation of conditions for the development of content pluralism in an open service market, most importantly, the possibility of launching a greater number of television channels. The switchover opened the space for more than 40 television channels on eight multiplexes available nationwide.

There is no publicly available evidence that the spectrum allocation process in Croatia is politicized. HAKOM, as an independent regulator, ensures and stimulates effective management and use of the radio frequency spectrum in accordance with all relevant legislation. The achievement of effective spectrum management implies interference-free operation of radio communications services.

However, the problem of overlapping digital signals of Croatian and Italian television networks mentioned above is politicized at an international level, but even though it affects significant numbers of citizens in the affected areas, it does not generate much interest among journalists domestically.

There is a healthy level of market competition. The transparency in the use of the “digital dividend” and the redistribution of the radio frequency spectrum in Croatia are ensured by public tenders or auctions.

The following laws and policy documents mention public interest, in the context of digital media: the HRT Act, the Electronic Media Act, the Electronic Communications Act, the Statute of HAKOM and the Switchover Strategy.

Public interest is defined, among other things, as ensuring that users, including disabled users, derive maximum benefit in terms of choice, price and quality of service. To facilitate the process of digitization, the Government established the DTV switch-over Call Center with a free number which provided citizens with information and advice. By 1 January 2011 this Call Center had received 215,141 calls.¹¹³ Furthermore, as

113. Report of the DTV switch-over, Call Center of the Government of the Republic of Croatia in the process of switching to digital television, December 2010.

the process of regional switch-off started, the Central State Administrative Office for e-Croatia organized the switch-over help scheme “DTV for ALL,” with the aim of helping elderly people and people with disabilities to connect and adjust their digital receiver in their homes completely free of charge. The “DTV for ALL” action was organized in all digital regions and was conducted in cooperation with university technical department students. The service was available for all citizens, but elderly people and people with disabilities were prioritized. Within “DTV for ALL,” help in digital transition has been provided for about 1,500 citizens in their homes.

Allocation and regulation of the digital dividend is also an ongoing process. Beside some quite irrelevant online forum discussions on this issue, no civil society organizations focus on it. The two most publicly recognized organizations, the Croatian Radio and Newspapers Association (*Hrvatska udruga radija i novina*, HURIN) and the Independent Television Association (*Nezavisna udruga televizija*, NUT) are not really engaged in this issue. Therefore, the overall impression is that there is no public concern on this subject.

6. Digital Business

6.1 Ownership

6.1.1 Legal Developments in Media Ownership

The most important legal development on media ownership was the enactment of the new Electronic Media Act (hereafter EMA, *Official Gazette*, NN 153/2009) at the end of 2009. This Act improved the protection of the pluralism and diversity of electronic media, but still did not succeed in ensuring the transparency of ownership. The restrictions on concentration across different media sectors (print media and electronic media) are still weak.

EMA's Chapter V *Protection of Pluralism and Diversity of Electronic Media* contains an article on annual publication of media ownership details.¹¹⁴ "Media service providers are obliged to forward to the Electronic Media Council the data on the legal person and its seat, i.e. name, surname and permanent residence of all legal and natural persons who have directly or indirectly become holders of stocks or a share in that the legal entity, along with the data on the percentage of stocks or the share they possess."

The EMA defines the following as features of excessive concentration in the area of media:

- "the television and/or radio broadcaster who has a concession at the state level, also has a share exceeding 25 percent of the capital of another broadcaster who has the same kind of concession or a concession on the regional, county, city or municipality level, and vice versa, or if it
- also has a share exceeding 10 percent of the capital of publisher who publishes daily newspapers printed in more than 3,000 copies, and vice versa, or if it
- has a share exceeding 10 percent of the capital of a legal person who performs the activity of a newspaper agency, and vice versa, or if it
- simultaneously publishes daily newspapers printed in more than 3,000 copies, television and/or radio broadcaster with a concession at the local or regional level of coverage cannot also have shares exceeding

114. Electronic Media Act, *Official Gazette*, NN 153/2009; Article 52.

30 percent of the capital of another such broadcaster, with the concession at the local or regional level of coverage in the same area, or if it

- simultaneously publishes daily newspapers of local importance in the same or in the neighboring area.”

Still, the consequences of the violation of these requirements are not clear and applicable. Although data on media ownership in Croatia is available, the problem is that it is still not always transparent who or what capital is shielded under the name of a company. Further, media companies such as Styria in Croatia and EPH are in violation of the EMA (their ownership status is described in section 6.1.3) with the authorities taking no punitive actions on this.

Because of all these legal deficiencies, in June 2011, former Prime Minister Jadranka Kosor initiated changes in the EMA and Media Law with the aim to tighten media ownership regulation.¹¹⁵ The Government elected in December 2011 has announced changes of media legislation in general. However, public discussions have not yet been initiated.

6.1.2 New Entrants in the News Market

The new development on the media market is that in 2009 the tabloid newspaper *24sata*, owned by Styria, launched its television channel *24sata TV*, as the first all-news television channel in Croatia. It is provided on cable (bNet) and on IPTV (MAXtv), and online at 24sata.tv. From December 2010 it began live news broadcasting.

In 2006 another important addition to the media mix came from the telecoms company T-Com, which introduced the MAXtv service via broadband. MAXtv is interactive digital television which offers hundreds of Croatian and international television channels, a digital video-store with a recording service, an interactive search service, and HD picture quality.

It is important to stress that the television market in Croatia is relatively small (1.4 million households able to receive a television signal and 4.1 million viewers) and highly concentrated. The terrestrial television broadcasters operating at the national level in Croatia include the PSB Croatian Radio-Television (HRT) with two channels, HTV 1 and HTV 2, and two commercial television broadcasters: RTL Television and NovaTV. In addition there are 21 local/regional television broadcasters.

The first commercial television in Croatia, NovaTV, owned by the Central European Media Enterprises (CME), entered the country's television market in 1999. It was followed by RTL Television, owned by RTL Group¹¹⁶ in 2003 (see section 1.2.1).

115. See <http://www.nacional.hr/clanak/111477/vlada-izmjenama-zakona-protiv-mutnog-kapitala-u-medijima> (accessed 28 July 2011).

116. Two Croatian companies, Agrokor and Atlantic Group, used to have 26 percent shares of RTL Television in Croatia. They sold these shares to RTL Group in July 2011. At <http://www.vjesnik.hr/Article.aspx?ID=A1524955-74CB-4542-AF38-4CD9598424A0> (accessed 28 July 2011).

Finally, as the result of the digitization process on 2 January 2011 two new specialized entertainment channels in MUX B began to broadcast (RTL2 and DomaTV), and in spring 2011 three new specialized television channels on MUX D were launched: Kapital Network (a business channel), Croatian Music Channel (music channel), and Croatian Olympic Board (a sports channel). According to the data from the AEM website www.e-mediji.hr, the owners of the Kapital Network television channel are: Dragan Ćuća (75 percent) and Supervizija d.o.o, Zagreb (25 percent).

6.1.3 Ownership Consolidation

Almost all important media in Croatia are owned by foreign companies. The only state-owned media are the public service Croatian Radio-Television, daily newspaper *Vjesnik* (since April 2012 available only online) and the state news agency HINA. More than 90 percent of daily newspaper titles are owned by two large international corporations: Westdeutsche Allgemeine Zeitung (*WAZ*) Medien Gruppe from Essen, Germany, and Styria Media International from Graz, Austria.

The WAZ Media Group has been on the Croatian media market since 1998 when it became a shareholder in Europa Press Holding (EPH), the country's biggest newspaper and magazine publisher, based in Zagreb. EPH owns: the daily newspaper *JutarnjiList* (the largest mainstream daily newspaper in Croatia), *Sportske Novosti* (the only sports daily in the country belonging to the top ten Croatian daily newspapers), *Slobodna Dalmacija* (the largest newspaper with local focus in the Dalmatia region, based in Split) and *Dnevnik* (the cross-regional daily business newspaper). Given its share in EPH, the WAZ Media Group is also a player on the Croatian magazine market. In total, 18 magazine titles appear under the umbrella of EPH, with an average of around 660,000 copies, including the leading weekly magazines *Globus* (a political magazine) and *Gloria* (a women's magazine) and the Croatian versions of *Cosmopolitan* and *Playboy*.

According to the Mediadem research project¹¹⁷ WAZ is the biggest shareholder of EPH: it holds 50 percent of shares and controls the largest part of the Croatian print market. The media tycoon and board director of EPH, Ninoslav Pavić, owns a large part; however, the real ownership structure is not transparent nor are its business activities. An example is the sale contract of *Slobodna Dalmacija*, previously owned by the state and sold in 2005 under dubious circumstances. The sale contract was described as confidential until 8 December 2010, when the Supervisory Board of *Slobodna Dalmacija* took the decision to make all documents regarding the transfer and sale of stocks to EPH available to the public.¹¹⁸

Finally, EPH owns a news agency (EPEHA), a photo agency (CROPIX), 30 internet portals and 4 mobile portals. The estimate¹¹⁹ is that EPH controls around 60 percent of the total share of the media market in Croatia.

117. H. Popović, P. Bilić, T. Jelić and N. Švob-Đokić, *Background information report: Media policies and regulatory practices in a selected set of European countries, the EU and the Council of Europe: The case of Croatia*, 2010.

118. See <http://www.slobodnadalmacija.hr/Hrvatska/tabid/66/articleType/ArticleView/articleId/124447/Default.aspx> (accessed 3 February 2011).

119. H. Popović, P. Bilić, T. Jelić and N. Švob-Đokić, *Background information report: Media policies and regulatory practices in a selected set of European countries, the EU and the Council of Europe: The case of Croatia*, 2010.

Styria Media International owns: *24 sata*, *Večernji list* and *Poslovni dnevnik*. Styria also owns the weeklies *Metropola* and *TV tjedan*, and the web advertising portal Njuskalo.hr. Styria Media Group AG is the parent company of Styria Media International AG and was founded in 1869. It is one of the leading media groups in Austria, Croatia, and Slovenia.

According to the Mediadem research project,¹²⁰ there is a growing concentration of media control by a small number of media companies. Despite the limited transparency of the ownership details, it is evident that these foreign companies and their local subsidiaries dominate the Croatian print market. They have also applied their competition and development strategies to the local market.

Furthermore, two out of three national television channels (HTV, NovaTV and RTL) are owned by foreign companies. NovaTV is 100-percent owned by CME, and RTL is almost fully-owned by CLT-UFA from Luxembourg. Finally, there are 21 local television stations in Croatia and they have a diversified, often local ownership.

Beside the three channels of public service radio, Hrvatski radio—HR1, HR2 and HR3, there are another 159 radio stations in Croatia.¹²¹ Their ownership data is available,¹²² but again, it is not transparent who stands behind the legal persons who are officially listed as the owners. However, there is no major concentration in radio station ownership and it generally follows EMA rules. Local authorities such as municipalities or county governments are listed as stakeholders in 49 radio stations, giving political interests direct influence on radio programming.¹²³

For web portals that are not extensions of traditional media, there is no official complete register of ownership. The EMA should have these data, but the Agency only says it is working on a procedure for the registration of web portals.

6.1.4 Telecoms Business and the Media

The first business involvement of the telecom industry in the media sector was the launch of web news portals by both T-Mobile (Tportal.hr, launched in 2005) and VIP, the two strongest Croatian telecom companies. By February 2011, according to Gemius Audience, Tportal.hr was the third most popular news portal by reach in Croatia.¹²⁴

There was also the already mentioned in section 6.1.2 introduction of the digital television service MAXtv by Croatian T-Com (the first to do so in the Deutsche Telecom Group) in September 2006. By doing so, it offers more than 50 domestic and foreign television channels, the usage of a digital video library which enables

120. Ibid.

121. See http://www.hakom.hr/UserDocsImages/2010.g/RADIO_koncesionari_web_20110318.pdf (accessed 28 July 2011).

122. Data is available from AEM, at www.e-mediji.hr (accessed 28 July 2011).

123. See M. Mučalo, *Radio—medij 20. stoljeća* (Radio—the 20th Century Medium), 2010, Zagreb: AGM.

124. Gemius/Valicon, gemiusAudience, February 2011, <http://www.audience.com.hr/>.

video on demand service, as well as an interactive search engine which enables users to choose contents to watch. As of 3 December 2010, MAXtv is available throughout the entire territory of Croatia, thanks to being broadcast via satellite.

6.1.5 Transparency of Media Ownership

Given the practices described earlier, it cannot be said that media ownership in Croatia is fully transparent.

The legal requirements (EMA) on media organizations or media owners to report ownership information to the AEM do only part of the job. In general media laws in Croatia are well synchronized with European media legislation and requirements, but these still need to be more precise on media ownership.

The level of public access to this information is not adequate. These data are not available transparently on the AEM website. They are available only on the website of the Croatian Trade Court, but it is not possible to search only for data on media ownership; to conduct the search one must know the exact name of the media outlet, as it has been registered, and that is not always the same as the name known to the public. Therefore, one needs to first research the actual registration names of media outlets to find the data on ownership. Furthermore, the list of media shareholders often obscures the real owners, under the names of small companies which are called “fikus companies” in Croatia.¹²⁵

Enforcement of transparency regulations is very weak. The AEM, the authority in charge of monitoring media in general, does not even follow the requirements on transparency in its own work. In addition, there is little reaction or demands for such transparency from media experts, journalists’ associations, other NGOs that monitor the performance of media, or the public in general.¹²⁶

6.2 Media Funding

6.2.1 Public and Private Funding

Public service radio-television HRT is financed through public and commercial revenues in compliance with the HRT Act. Public revenues of the HRT are direct and indirect revenues related to activities of providing public services. These revenues include funds raised from the monthly license fee and European Union funds. In 2010 the radio license fee revenue was HRK 110,555 (approx. US\$21,260) and television license fee revenue was HRK 1,210,465 (approx. US\$232,780).¹²⁷

125. Fikus is a rubber plant. “Fikus company” is the name for a company that is registered but does not operate for real. It usually has only one person employed, and an office with just a rubber plant in it.

126. H. Popović, P. Bilić, T. Jelić and N. Švob-Đokić, *Background information report: Media policies and regulatory practices in a selected set of European countries, the EU and the Council of Europe: The case of Croatia*, 2010.

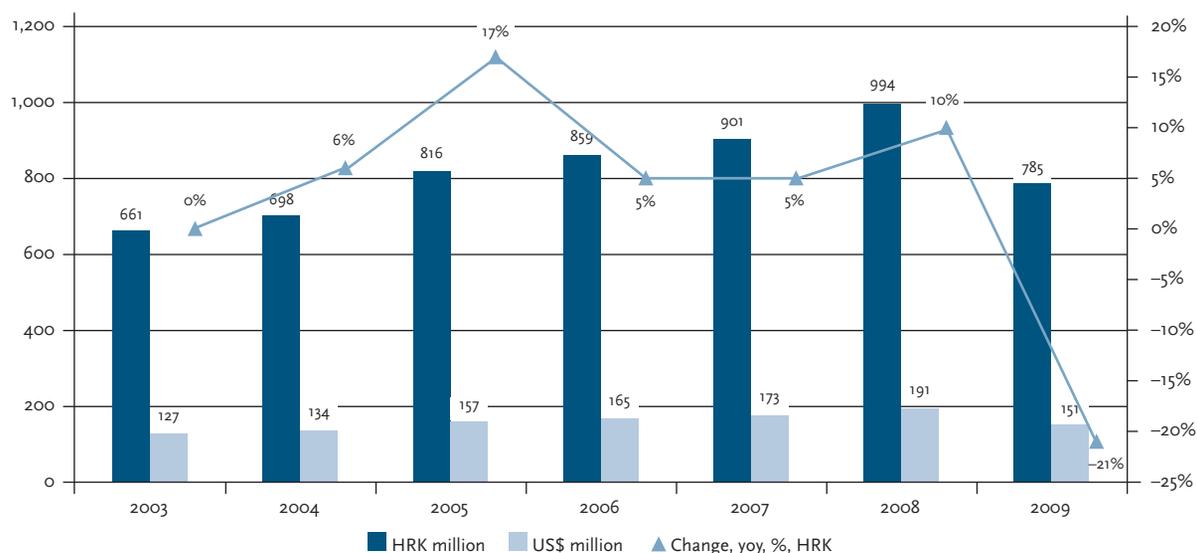
127. HRT Public Relations Office.

Commercial revenues are funds generated by performing commercial activities not falling within the context of public services: broadcasting audiovisual commercial announcements, advertising, sponsorships, tele-voting, sale of radio and television programs, sale of concert tickets and music-related services.

Commercial radio and television stations are financed through commercial revenues, while local and regional radio and television stations are financed through commercial revenues and the Electronic Media Fund (see sections 4.3.2 and 6.2.2). However, donations from various sources—city administration, county administration, etc.—can also contribute to their funding. Transparent annual financial reports are not available.

Doubtless, the global recession had a negative influence on the television market in Croatia. This was primarily reflected in the level of the advertising revenues. According to AGB Nielsen Media Research data, advertising revenues had been growing from 2006 to 2008 when the peak was slightly above HRK 800 million (approx. US\$138 million). In 2009 and 2010 advertising revenues had been falling and estimates for 2010 indicate that they have fallen below the rates of gains in 2006. The negative impact of the recession means that in 2010 the advertising market in Croatia is estimated to total HRK 700 million (approx. US\$ 134.6 million).

Figure 8.
Advertising market in Croatia, 2003–2009



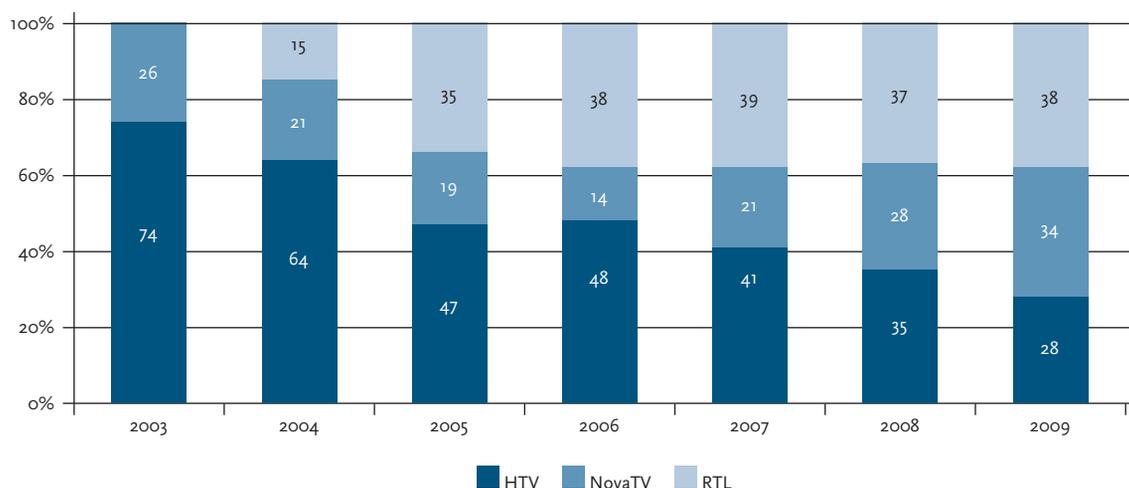
Source: presentation by Tibor Gojun, United Productions: Trends in television advertising, 4 May 2010

Until 2009, HRT had the largest share in overall television advertising. However, in 2009 it had the lowest share among national television channels. There has been significant debate on whether public television should be financed both from public and commercial revenues; ultimately the new HRT Act allows both kinds of sources. The Act does, however, limit the duration of commercials in HTV programs on the general channels between 6 p.m. and 10 p.m. to no longer than six minutes per hour for the first year after the Act's

introduction, and no more than four minutes per hour after that. Furthermore, HRT shall not broadcast commercials on the new specialized television program channels. Between 10 p.m. and 6 p.m., HTV is allowed to show nine minutes of commercials per hour of program.

Figure 9.

Share of national television in overall TV advertising (in percent)



Source: presentation by Tibor Gojun, United Productions: Trends in television advertising, 4 May 2010

Advertising on web portals is still minimal and not well developed in Croatia. That is why web portals not connected to traditional media do not survive long. There are no problems related to state advertising allocations being used to exercise control over media outlets.

6.2.2 Other Sources of Funding

Another source of funding of the media besides the public service radio-television license fee is the Electronic Media Fund, an instrument of the AEM which in turn is funded through the provisions of the EMA¹²⁸ and the HRT Act.

These means stimulate the production and broadcasting of audiovisual and radio programs of local television and/or radio broadcasters. These have to be of public interest meaning particularly important for the exercise of citizens' right to public information, promotion of cultural creativity and fostering of cultural heritage, education, science and arts, promotion of works in dialects of the Croatian language, national minorities, gender equality, programs for children and youth, etc.

This funding also stimulates the employment of highly qualified skilled employees in local and non-profit television and/or radio broadcasters.

128. Electronic Media Act, Articles 63 and 64 (*Official Gazette*, NN 153/09).

The Electronic Media Council regulates the procedures for conducting a public tender for the Fund, co-financing of audiovisual and radio programs, monitoring the spending of the funds and the production of the programs for which they are awarded. The list of beneficiaries of the Fund's support, specific programs produced, and reports on the completed production must be published on the website of the Electronic Media Council—but are published only partially and often hard to follow.

6.3 Media Business Models

6.3.1 Changes in Media Business Models

It is not primarily digitization but the economic crisis that has prompted changes in the cost-expenditure balance, especially the decline of advertising revenues decline. However, the declining trend in television advertising is exacerbated by the creation of new specialized television channels. The relatively small market and declining advertising revenues in 2010 put the sustainability of new channels in question. Nonetheless, the interest in tenders for new specialized television channels is quite high. A total of 16 companies bid in the three tenders for digital licenses in 2009–2010.

RTL and NovaTV, as national commercial television channels, have accommodated their business models to the new circumstances by launching new specialized channels. They have calculated that—as a result of digitization—the advertising market will be shared by a larger number of actors. Therefore, they have decided to be among those new actors and launch new specialized programs. As a result, both RTL and NovaTV submitted tenders for specialized programs: NovaTV with DomaTV and Nova Sport, and RTL with RTL2 and RTL Kockica. Two have been accepted by the Electronic Media Council: DomaTV and RTL2 (see section 2.1.3).

This new business model is logical since the costs of launching new specialized programs are lower for existing general national television channels, which can “recycle” (repeat) program content broadcast on the general channel.

6.4 Assessments

Diversity and pluralism in the media sector between 2005 and 2010 did not change much as there were no big content-producing entrants to the Croatian media landscape. However, providers of audio and audiovisual media services on demand and of the transmission of the program via satellite, cable and internet have emerged as significant players on the market. The diversity and pluralism in the electronic media sector were bolstered by the Electronic Media Fund, which operates under the aegis of the AEM.

The multi-channel environment is developing. There are services such as internet streaming and the services provided in cooperation with telecommunications companies, such as Video on Demand (VoD) and Internet Protocol Television (IPTV), like the one already mentioned offered by T-Com, the leading telecommunications

provider, through their MAXtv HD service. Both the IPTV and digital terrestrial television (DTT) platforms are further developing to include new channels and services: the national television broadcasters plan to introduce linear services (including new specialized television channels) and non-linear services (including internet video portals, programs for mobile phones, etc.).

Digitization has not directly affected monopolies and dominant positions in the media market and media ownership by politicians. According to the provisions of the Electronic Media Act, political parties and coalitions shall not be sponsors of audiovisual or radio programs, except during electoral campaigns in compliance with a special act.

Ownership of local media by local authorities represents a regulatory loophole and does create the opportunity for political influence on the content of the media involved.

The transparency of media ownership has improved in that official media owners must be registered. But still this is not transparent enough as it's often unclear who exactly hides behind the name of a registered legal person.

The impact of ownership on the performance and independence of the media has not really changed under digitization. The ownership of digital media like web portals is still not well regulated. Since the process of digitization of radio and television programs has only recently been finalized, it is too early to observe possible changes.

Public funding, i.e. license fees, is obviously the most sustainable financing model for the production of public service news content in Croatia. Although there have been proposals to gradually limit and eventually abolish this method of funding public service broadcasters, these proposals have been rejected. Therefore, the new HRT Act proscribes that the funds for production of publicly-relevant content shall be both public and commercial. However, it is questionable whether introducing commercial funding is the most sustainable financing model. The interest of large advertisers often compromises journalistic independence and the right of users, of the public, to get unbiased information.

The local and non-profit broadcasters are financed by the Electronic Media Fund, which in turn draws its resources from the license fee. Cost-benefit analysis of allocated funds has not been made.

The majority of digital media in Croatia rely on advertising. Besides the license fee, there is no other type of public funding.

7. Policies, Laws, and Regulators

7.1 Policies and Laws

7.1.1 Digital Switch-over of Terrestrial Transmission

Access and Affordability

The Switchover Strategy requires guaranteed coverage for at least 95 percent of the population in all of Croatia's nine digital regions. After digitization, however, Croatia became a country with the highest terrestrial television coverage in Europe, exceeding 99 percent. All large power analog transmitters in Croatia were switched off on 5 October 2010. After this date, only 0.4 percent of households (6,005 out of 1,477,377) were not able to receive a digital terrestrial signal,¹²⁹ and for those households low-power analog transmitters were left in operation.¹³⁰ According to its license for the radio frequency spectrum usage from 24 April 2009, OiV has no obligation to cover these areas with a digital terrestrial signal, and, given the geographical configuration of the land, that would not be economically justified. Satellite digital reception has proved to be the best technical option for the white spots.¹³¹

Although terrestrial signal transmission should have been switched off on 31 December 2010, the Central State Administrative Office, as the coordinator of the Switchover Strategy, postponed this date in the public interest. Namely, HRT did not take all the necessary steps to ensure digital reception to the households of RTV subscribers in these areas. In the first half of 2011 HRT wrote to all the households in question to determine their interest in a free satellite digital receiver card. At the end, the process of finalization of the white spots switch-off plan was completed on 30 September 2011 by OiV, partly through a network of small transmitters, and partly by alternative solutions of signal reception.

129. A list of these households is available at http://www.oiv.hr/broadcasting/tables/tva_hr.aspx (accessed 30 January 2011).

130. More details at [http://www.hrt.hr/index.php?id=173&tx_ttnews\[backPid\]=185&tx_ttnews\[cat\]=102&tx_ttnews\[tt_news\]=101697&cHash=ddbaf74ef8](http://www.hrt.hr/index.php?id=173&tx_ttnews[backPid]=185&tx_ttnews[cat]=102&tx_ttnews[tt_news]=101697&cHash=ddbaf74ef8) (accessed 12 November 2010).

131. Reporter's note: Not "white spaces." In Croatia areas not covered by a digital signal are referred to as "white spots."

Finally, affordability was one of the main reasons for the decision to choose the MPEG-2 conversion standard because digital receivers that use this standard were more affordable. The coupon from the Government for the purchase of digital receivers amounted to around 50 percent of the price of one receiver, and in a short period of time the scheme resulted in high penetration of digital receivers in Croatian households.

Subsidies for Equipment

Croatia is one of the few European countries to provide financial support to all citizens paying the radio-television license fee to purchase digital signal receiving equipment. The amount granted for the purchase of digital receivers or set-top box (STB) devices totals HRK 75 (approx. US\$14) (regardless of whether these citizens pay public service RTV license fee, or have privileged status and pay only 50 percent of the fee, or even are exempt).¹³²

Consistency has been achieved in maintaining technological neutrality, since grants are given not only for STB devices receiving a terrestrial digital television signal, but also for equipment receiving all kinds of digital television signals—terrestrial, cable, satellite or IPTV. Such an approach ensures equal and non-discriminatory treatment of all available platforms for providing digital television services on the market. This way the digitization process is fully in compliance with the EU *aquis communautaire*.¹³³

An initial directive of the government¹³⁴ called for a grant of HRK 135 per user (approx. US\$25). However, following a reduction in funds, the distribution of vouchers was not carried out according to this document. A new directive reduced the grant to HRK 75 (approx. US\$14).¹³⁵

According to information from HRT, in 2009 there were 1,301,148 public RTV service subscribers in Croatia, of which 8,197 had privileged status, in that they either had to pay only 50 percent of the license fee or were exempt. All of them got the voucher with a HRK 75 discount and could use it to buy a digital receiver.

132. According to the HRT Act, every household in Croatia with radio or television set must pay the license fee. There is an internal HRT act dated from June 2000 according to which disabled persons, depending on their disability, have to pay only 50 percent of the license fee, or even do not have to pay the license fee at all (for example, blind people).

133. *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on the transition from analogue to digital broadcasting (from digital 'switchover' to analogue 'switch-off') [SEC(2003)992] /* COM/2003/0541 final* which, among other things, states: "Member State policy interventions should also be non-discriminatory and technologically neutral. Differentiated treatment of market players must be justified. Digital television switchover should be an inclusive process encompassing various networks, business models and services, including free-to-air television, better picture quality or data and interactive services."

134. *Decision of the Croatian Government on the manner of distribution of funds and criteria for giving the grant to citizens who pay radio and television license fee for the purchase of digital terrestrial television signal receivers in the Republic of Croatia* (Class: 612-12/08-01/03, File No.: 5030108-08-3) of 31 July 2008.

135. *Decision on the manner of distribution of funds and criteria for giving subsidy to citizens who pay radio and television license fee for the purchase of digital television signal receivers* (Class: 612-12/09-01/02; File No.: 5030104-09-1) of 12 February 2009.

Legal Provisions on Public Interest

The following laws and policy documents mention public interest, in the context of digital media: the HRT Act, the Electronic Media Act, the Electronic Communications Act, the Statute of HAKOM and the Switchover Strategy.

Public interest is defined as ensuring that users, including those with disabilities, derive maximum benefit in terms of choice, price and quality of service. To facilitate the process of digitization, the Government established the DTV Switchover Call Center, a free hotline, where citizens can obtain information and advice. By 1 January 2011, this Call Center received 215,141 calls¹³⁶ (see section 5.4.3). In addition, as the process of regional switch-off started, the Central State Administrative Office for e-Croatia launched the switchover help scheme “DTV for ALL,” with an aim of helping elderly people and people with disabilities to connect and adjust the digital receiver in their homes free of charge. The “DTV for ALL” initiative has been organized in all digital regions and was conducted in cooperation with university students of technical departments. The support was available for all citizens, but the elderly and people with disabilities were given priority. The “DTV for ALL” campaign has assisted around 1,500 citizens with digital transition issues in their homes.

The existing legal framework ensures that the digital switchover of terrestrial platforms serves the public interest. The following policies and legal provisions have a direct impact on pluralism and diversity in digital broadcasting:

- **Electronic Communications Act** (*Official Gazette*, NN 73/08): this Act regulates the field of electronic communications, including the use of electronic communications networks and the provision of electronic communications services; the provision of universal services and the protection of rights of users of services, construction, installation, maintenance and use of electronic communications infrastructure and associated facilities; competition conditions and rights and obligations of participants in the market of electronic communications networks and services; addressing, numbering and management of the radio frequency spectrum; digital broadcasting, data protection and security in electronic communications, and the performance of inspection and expert supervision and control in electronic communications, as well as the establishment of a national regulatory authority in electronic communications and its organization, scope and competence, including the decision-making procedure and dispute resolution concerning electronic communications (Chapter XI. Digital radio and television).
- **Electronic Media Act** (*Official Gazette*, NN 153/09): provisions regarding public interest are incorporated in this law which regulates rights, obligations and responsibilities of natural and legal entities involved in the production and publishing of program contents and services via electronic media, and protects interests of the Republic of Croatia in the field of electronic media. In this regard, the Electronic Media Act ensures the opportunities for the television broadcasters to provide information services of public

136. Report of the DTV switch-over Call Center of the Government of the Republic of Croatia in the process of switching to digital television, December 2010.

interest in the digital terrestrial television environment, thus achieving general development objectives for the information society.

- **Ordinance on Transition from Analog to Digital Broadcasting of Radio and Television Programs and Access to Multiplex Positions in Digital Terrestrial Broadcasting** (*Official Gazette*, NN 148/08)
- According to the **Analog to Digital Television Broadcasting Switchover Strategy** the transition from analog to digital television broadcasting in Croatia should be a market-oriented process based on the principles of transparency, non-discrimination and technological neutrality. However, the analog to digital television broadcasting switchover process, whereas the terrestrial television represents the basic television programs reception technology for the majority of consumers—viewers in the Republic of Croatia, cannot be successfully implemented without support and co-ordination from the competent public administration bodies and without ensuring the necessary funding from the state budget, in accordance with the defined public interests. This Strategy follows the recommendations of the European Commission on digital switchover.¹³⁷

These acts and policies ensure the basic goal of introducing digital television which is to create conditions for enhanced quality and scope of production and broadcasting of new program content, enriching the media space in Croatia and providing diverse content choice to citizens. It should be emphasized that the digital switchover not only gives the existing broadcasters an opportunity to use the digital platform, but creates an environment that enables an open and free media market, so that other program producers with new program content of public interest may enter it (as already mentioned in previous chapters). There are transparent criteria to ensure that the public interest is served.

Public Consultation

Public consultation procedures have been conducted for the following documents, which are of most importance for the process of switching to digital television:

- Electronic Communications Act (*Official Gazette*, NN 73/08): public discussion was open on the HAKOM website;
- Electronic Media Act (*Official Gazette*, NN 153/09): one-month public discussion was open on the Ministry of Culture website and through many public round tables; HRT Act (*Official Gazette*, NN 137/10): one-month public discussion was open on the Ministry of Culture website and at least 20 round tables were organized; Ordinance on the Radiofrequency Spectrum Allocation (*Official Gazette*, NN 148/08) and the related Radio Frequency Allocation Table: public discussion was open on the HAKOM website and it is a part of public consultations each year.

137. 1) “eEurope 2005: An information society for all—An Action Plan to be presented in view of the Sevilla European Council 21/22 June 2002”—28 May 2002 COM (2002) 263; 2) Communication on Digital Switchover—Transition From Analogue to Digital Broadcasting, From Digital Switchover to Analogue Switch-Off (2003), European Commission COM(2003)541 final; 22 September. Brussels: EC; 3) Communication of the European Commission on interoperability of digital interactive television services—30 July 2004 COM (2004) 541; 4) Communication on Accelerating the Transition from Analogue to Digital Broadcasting (2005), European Commission COM(2005) 204 final; 24 May. Brussels: EC; 5) “i2010—A European Information Society for growth and employment”—June 1, 2005 COM (2005) 229; 6) Communication of the European Commission on EU spectrum policy priorities for the digital switchover in the context of the upcoming ITU Regional Radiocommunication Conference 2006 (RRC-06)—29 September 2005 COMM (2005) 461.

- The spectrum allocation process is managed through the Ordinance on the Radiofrequency Spectrum Allocation and the related Radio Frequency Allocation Table which is part of public consultations each year.

The most important stakeholders in the creation and implementation of this process were the following stakeholders:

- The Government of the Republic of Croatia and administrative bodies competent for the implementation of the Strategy
- Independent regulatory authorities
- Public service broadcaster
- Private broadcasters
- Network operators
- Equipment manufacturers and retailers
- Consumer protection groups
- Antenna and cable distribution system installers and maintenance personnel.
- The public

The public discussion that followed the process of writing and adopting the HRT Act in 2010 was especially active; the public was particularly engaged. During the open public discussion on the Ministry of Culture website, at least 20 round tables were organized, and a significant number of opinion leaders were engaged in this process. It is difficult to determine, however, if such public consultations really improved the Act, or if any of the public suggestions were taken into consideration. It is important to stress that the most important change, the one on limitation of commercial length in prime time, was not mentioned during the public discussion. It came up in Parliament, just a day before adoption of the law, and it was supported both by the ruling coalition and the opposition. It confirmed that important decisions stay political, while public discussion still remains mainly symbolic.

7.1.2 The Internet

Regulation of News on the Internet

News delivery on the internet is regulated under the EMA, which regulates the rights, obligations and responsibilities of legal and natural persons that provide audio and audiovisual media services and services of electronic publications by electronic communication networks. Electronic publications are defined as edited websites and/or portals containing electronic versions of print media and/or media information thus being available to the general public regardless of their volume. A natural or legal person must submit a request for entry into the Register of Electronic Publications Providers, which is kept with the Electronic Media Council, prior to the first broadcast of the electronic publication.

The new EMA, adopted in December 2009, regulates licensing and content distribution rules on various platforms. It also defines the area and regulation of electronic media more broadly and precisely than the previous Act and it introduces the term of “internet television.” It is fully in compliance with the European Audiovisual Media Services Directive, which governs EU-wide coordination of national legislation on all audiovisual media, both traditional television broadcasts and on-demand services, especially important in the context of fast technological development and digitization.

Under this Act television broadcast is, for the first time, defined as a linear and audiovisual service on demand, provided at the moment chosen by the user. It also opens the possibility of introducing specialized television or radio program channels. All linear services (television, radio) can also be provided over internet or mobile phones. In the case of the internet, which is treated the same as satellite or cable, the media service provider has to register with the Electronic Media Council prior to the service launch and obtain the license. The process is scheduled to take no longer than 30 days. Non-linear content distribution via electronic publications is referred to in only a few articles and those deal with areas like human dignity, pornography, etc. The definition of electronic publications in the Act is as follows: edited websites and/or portals containing electronic versions of printed press and/or media information thus being available to general public regardless of their volume.

All content distributed via electronic communications networks (regardless of protocol) is regulated by this Act if the service media provider qualifies under jurisdiction rules that are stipulated in the Act. The Croatian electronic media legal framework has recognized so-called “new media” by transposing provisions from the EU AVMS Directive in December 2009.

Legal Liability for Internet Content

In 2004, the news portal Index.hr published five screenshots of a sexually explicit home video of Croatia’s most famous pop singer, Severina. Such was Severina’s popularity in Croatia and other countries in the region that this information became breaking news and thousands of copies of the video were distributed online over the following days, and on DVD. It was even possible to buy a pirated copy of the video on Zagreb streets. Severina took Index.hr to Commercial Court Zagreb, but she lost the case in 2005. She lost the case again in 2007, when she took Index.hr to the Supreme Commercial Court. Both times the explanation was that she did not hold copyright for her sexually explicit home video. This was before the adoption of the new Electronic Media Act (EMA), which deals with legal liability for internet content. However, in 2008, the Zagreb Municipal Court issued a non-final judgment that the Index.hr publication of photos of Severina’s sex tape violated her privacy, and she therefore has to be paid damages in the amount of HRK 100,000.¹³⁸

News reports from April 2012 indicated that Index.hr had not paid and is under a court order to pay compensation to Severina, which with interest and court costs had risen to almost HRK 200,000.¹³⁹

138. See <http://www.index.hr/vijesti/clanak/severina-dobila-sudski-spor-protiv-indexa/385282.aspx> (accessed 21 May 2012).

139. See <http://www.vecernji.hr/scena/index-pod-ovrhom-jer-severini-nije-platio-200-000-kuna-clanak-398412> (accessed 21 May 2012).

EMA define editorial responsibility as: “the exercise of effective control both over the selection of programs and over their organization either in a chronological program schedule, in case of television or radio broadcasts, or in a catalogue of programs, in case of on-demand audio and audiovisual media services. Editorial responsibility does not necessarily imply any legal liability for the content or the services provided, unless defined otherwise under this Act or a separate act.” (Article 2) According to EMA, publishers must respect copyright and related rights, and they should obtain the approval of collective copyright protection associations. These provisions are too broad to allow for precise and unambiguous interpretations.

In April 2010, when the list of Homeland War veterans was published (see section 1.3.3), it was posted on a .com domain, to avoid the possibility of tracking and charging the individuals responsible. A .com domain is easier to register, cheaper and it is easier to maintain anonymity under it.

Still, hate speech can be found on internet forums and in comments sections of news portals. But there are fewer such posts because website or portal administrators screen and remove such content if they may be in violation of the Electronic Media Act.

Liability rests mostly with the website. Larger media outlets have administrators whose job is to check the posts and delete them if there is hate speech. In smaller web portals, editors or journalists do that. How fast they react depends on their daily work flow. The Agency for Electronic Media should monitor the content of electronic media and react and penalize if any electronic media outlet violates the law. However, the Agency does not do this monitoring as management say they do not have capacities for such monitoring.

7.2 Regulators

7.2.1 Changes in Content Regulation

The structure of the media content regulators in the analog, transition and digital eras remained the same and it is determined by the Electronic Media Act (EMA) and the HRT Act. These two acts were adopted in 2003, and changed in 2009 (EMA) and 2010 (HRTA). There are two main autonomous and independent agencies responsible for media content: the AEM and the HRT Program Council.

The AEM is an autonomous and independent legal entity in charge of media content regulation. The bodies of the Agency are the Director of the Agency and the Electronic Media Council. The president and other members of the Council are appointed by the parliament upon the proposal of the government, following a public call for nominations. The president and the members of the Council are appointed for five-year terms, and they can be re-appointed.

The new EMA broadens the authority of the regulator who now has the responsibility of not only monitoring electronic media programming, but also of issuing cautions and/or fines for violations of provisions of this Act and executive regulations.

The regulator responsible for public service programming is the HRT Program Council and the procedure for its election is unchanged under the 2012 HRT Act, as compared to the previous one from 2003. Institutions and organizations of civil society (NGOs) are invited to nominate candidates to the HRT Council. Its 11 members are then elected and relieved of duty by the parliament. The election of the HRT Council members is carried out on the basis of a public invitation. The HRT Council represents and protects the public interest by monitoring and upgrading radio, audiovisual programming, and other multimedia services as well as by participating in the appointment of HRT management.

7.2.2 Regulatory Independence

Independence of the media content regulator is ensured through relevant laws regulating media and broadcasting, and the digital transition has not changed this. As described above, the president and other six members of the Electronic Media Council are appointed by the parliament. Members of the Council are supposed to be public figures who have distinguished themselves in public life by supporting democratic principles and the rule of law, building and promotion of the highest values of the country's constitutional system, development of civil society, defense of human rights and freedoms, as well as protection of freedom of expression; who have professional knowledge, abilities and experience in radio or television activities, or in publishing, cultural or similar activity. Still, since the Council members are proposed by the government, therefore it is likely that only pro-government candidates are proposed or that the majority of the Council will be pro-government candidates. Therefore, the independence from the government is not fully ensured. Further, the salaries of the director of the Agency and Council members are determined by the parliament, again, based on recommendations of the government.

No member of the Council can be a state official, an official in the executive or judicial branch, or an official of a political party. Members of the Council cannot have a business interest in any companies delivering audio and audiovisual media services or in network operators.

The most serious criticism of the Council's work since its establishment is the non-transparency of its activities. The Council was first formed in 2004 and until 2010 its website was "under construction." Based on our personal experience, until two years ago it was impossible to obtain much of the data that the Council should have been making public. Even public bids, which were to be published on their website, were there for one day only. By doing so, the Council created only the illusion of transparency. Furthermore, the Council did not provide online official explanations for decisions on new concessions (broadcasting licenses) or of the funds distributed to local radio and television stations from the Electronic Media Fund (see EMA, Articles 63–64). Those explanations can be found in offline archives but are extremely difficult to access.

According to EMA (Article 66), the Agency director is required to submit an annual report on the work of the Agency to the parliament, which is the constituent part of the report on the work of the Electronic Media Council. Reports for the period May 2004–September 2005¹⁴⁰ and October 2005–October 2006¹⁴¹ are

140. Izvješće Hrvatskomu Saboru o radu Vijeća za elektroničke medije u razdoblju od 25. svibnja 2004. do 30. rujna 2005 (Report of the Croatian Parliament on the work of the Electronic Media Council from 25 May 2004 to 30 September 2005), Zagreb, October 2005.

141. Izvješće Hrvatskomu Saboru o radu Vijeća za elektroničke medije u razdoblju od 01. listopada 2005. do 30. listopada 2006 (Report of the Croatian Parliament on the work of the Electronic Media Council from 30 October 2006 to 30 October 2006), Zagreb, November 2006.

inadequately and superficially written, without transparent financial reports.¹⁴² They provide only the list of delivered licenses, without explanation. For the first time financial reports were included in the AEM report for the year 2007, with total revenues and expenditures. The structure of the expenditures described was not sufficiently detailed. For example, the report indicates HRK 577,618.75 (approx. € 78,000) was spent on “intellectual and private service.”¹⁴³ In comparison with these previous reports, the reports for years 2009¹⁴⁴ and 2010 are more transparently written.

However, things are slowly changing, so today the Council’s activities are more transparent. As of July 2010 the AEM and the Council have made available Council meeting minutes as well as public tender announcements and relevant documentation on their website. However, data before July 2010 have not been made available.¹⁴⁵

7.2.3 Digital Licensing

It is not possible to check the system of licensing for the period 2004–2008 because data are very scarce. For example, in September 2004 the Council issued radio and television stations licenses, but Denis Peričić (president of the Council from May 2004 until May 2008) told the daily *Jutarnji list* that documentation and the rationale for licenses would not be published as those were “secret data.”¹⁴⁶

In one example, in the town of Sinj three radio broadcasters competed for a license. Hit Radio, owned by a former member of parliament, won the license—even though this station had no equipment, no address, and therefore no newsroom. There was no explanation how Hit Radio got the license.

Today, the model of licensing DVB-T broadcasting in Croatia is quite restrictive. Terrestrial broadcasters have stricter rules imposed by EMA than Service Media Providers on other platforms. The DVB-T broadcasters licensing tenders are published in the *Official Gazette*. The process, from that day until the signing of a concession agreement, it takes up to five months.

The procedure of issuing licenses for satellite, internet and cable transmission of the audiovisual and/or radio program has been defined under provisions of the EMA. The license is issued to the media service provider that has fulfilled the technical conditions for the transmission of programs and the conditions set out in the EMA. Before deciding on issuing the license, the Council is authorized to exchange information on the

142. Read more in: V. Car and I. Kanižaj, “Analiza programa o nacionalnim manjinama emitiranom na lokalnim radijskim i televizijskim postajama u Hrvatskoj” (Analysis on Program for National Minorities broadcasted on local radio and television stations in Croatia). Report for the Council for National Minorities of the Government of the Republic of Croatia.

143. Izvješće Hrvatskomu Saboru o radu Vijeća za elektroničke medije u razdoblju od 01. studenoga 2006. do 31. prosinca 2007 (Report of the Croatian Parliament on the work of the Electronic Media Council from 31 November 2007 to 31 December 2005), Zagreb, September 2008, p. 69.

144. Izvješće Hrvatskomu Saboru o radu Vijeća za elektroničke medije i Agencije za elektroničke medije u razdoblju od 01. siječnja 2009. do 31. prosinca 2009 (Report of the Croatian Parliament on the work of the Electronic Media Council from 01 January 2009 to 31 December 2009), Zagreb, September 2010.

145. See http://www.e-mediji.hr/rad_agencije/sjednice_vijeca.php (accessed 21 May 2012).

146. See <http://www.jutarnji.hr/uskok-u-vijecu-za-elektronicke-medije-zbog-mita/226867/> (accessed 21 May 2012).

media service provider with regulatory bodies of Member States of the European Union, if the transmission of programs refers to Member States of the EU as well.

What the present government finds problematic in the EMA is that the license for satellite, internet and cable transmission of audiovisual and radio programs can be transferred to another person together with the property, rights and obligations essential for the uninterrupted continuation of exercising the license, with the prior consent of the Council. This kind of transfer with a change of ownership does not ensure transparency in media ownership.

So while today the process of licensing is more transparent and less affected by the applicant's political affiliation than it was five years ago, it is still not fully transparent.

7.2.4 Role of Self-regulatory Mechanisms

Self-regulation has never really taken hold in Croatia. In 2005, the International Center for Education of Journalists (ICEJ), the Croatian Journalists' Association (HND), and the CHC Media Council initiated the Declaration on Croatian Media Self-regulation. They undertook a range of activities for two years, participated in several round tables and the Declaration was finally adopted in November 2006. It was supported by most of the media owners, professional and journalists' associations, HRT, NGOs and representatives of the judiciary, academia, parliament and government. It contained principles, media self-regulation needs, techniques, structure and method of Media Council elections. A projected plan of necessary infrastructure for Council activities and a financing scheme were proposed as well. However, not much has been done to implement the ideas since then.¹⁴⁷

In recent years, the effectiveness of such mechanisms is improving; information and complaint mechanisms are getting more available to consumers through a special department for consumer protection within the National Regulatory Authority (NRA) and non-governmental associations for consumer protection. According to the EMA, particular issues may be addressed through self-regulatory and/or co-regulatory regimes. These regimes shall be such that they are broadly accepted by the main stakeholders, authorized by the Electronic Media Council, and they must provide for effective enforcement of existing statutory provisions.

There is an initiative within HND to establish a self-regulatory body, a Media Council, as a body for coordination between publishers and broadcasters on one side and journalists on the other.

147. See more in B. Novak, "The Importance of Media Self-Regulation," *Medianali* (3) 6, 2009, pp. 213–224.

7.3 Government Interference

7.3.1 The Market

Interference with the media by the state authorities was common in Croatia in the 1990s. Until the year 2001 parliament representatives could be members of the main council of the public RTV service. Since then a de-politicization process has been taking place.

Today, HAKOM, the AEM, and HRT Program Council are, in accordance with Croatian law, independent national regulatory bodies. However, on a personal level, it is clear that some, although not all, members are strongly aligned with the beliefs and interests of the party which has helped them get appointed.

The HRT Program Council went through a particularly serious crisis in 2010 because the parliament could not agree on the confirmation of the eleventh member of the Council for a long time. There is an agreement that six of the 11 members of the Council should be proposed by the parliamentary majority and the other five by the opposition. That eleventh member was an opposition nomination. At the same time, the HRT Council had to elect a new HRT general director, and having one less opposition vote in the Council has made a difference to the politicians in power.¹⁴⁸

Nothing changed after the HRT Act was adopted in December 2010, and the 11 new members of the HRT Council were appointed. Soon after that, four members of the HRT Council resigned—two left because they were not satisfied with the Council's work, the third, Viktorija Car, accused the members of the Council of conflict of interest.¹⁴⁹ The fourth member left when he decided to apply for the post of HDZ president. In January 2011 the Council was left with only seven members. In May 2012 there were only six members left because a fifth member left the Council, also unhappy with its work. New amendments to the HRT Act were adopted in the Parliament in July 2012, and 11 new members of the HRT Council are to be appointed within six months.

Another potentially politically influenced case was that of a local television station from Varaždin (Varaždinska televizija), which almost every year got the largest funding allocations from the Electronic Media Fund—sometimes up to three times more than the other local stations. The Electronic Media Council is responsible for distribution of the Fund's grants. Media experts find the influence of a strong political lobby in Varaždin (members of local municipal council with strong links to the EMC) responsible for this.¹⁵⁰ There are reportedly similar cases in a few other localities, but these irregularities are hard to track and document because there is no transparency in the process of transferring money from the EMF; its criteria for making awards are ambiguous.

148. More details on this scandal at: <http://www.tportal.hr/vijesti/hrvatska/53937/HDZ-ne-zeli-Veru-Robic-skarica-u-Vijecu-HRT-a.html> (accessed 21 May 2012).

149. See <http://www.politikaplus.com/novost/50245/viktorija-car-o-razlozima-ostavke-na-sjednicama-programskog-vijeca-nije-se-razgovaralo-o-problemima> (accessed 8 June 2012).

150. V. Car and I. Kanižaj "Analysis on program for national minorities broadcasted on local radio and television stations in Croatia," *Report for the Council for National Minorities of the Government of the Republic of Croatia*, 2009.

7.3.2 The Regulator

HAKOM is a fully independent national regulatory body. On the other hand, decisions of the Electronic Media Council and the Agency have sometimes proved to be questionable.

For example, in 2010 the Administrative Court abolished a decision of the Electronic Media Council from November 2006 by which a broadcasting license had been awarded to the company OAR d.o.o. for the period of five years. The Court determined that this license had been awarded to a provider that did not meet the financial and special conditions for providing broadcasting activities and which did not start to broadcast the program according to legally proscribed deadlines.¹⁵¹ After this ruling, there was no possibility to automatically allocate license to the plaintiff, Otto Živčić, owner of Kanal 031 d.o.o., who won the case. The Electronic Media Council decided to announce a call for this regional broadcasting license and on 20 July 2011, Osječka televizija (Osijek television) won the broadcasting license for 12 years.¹⁵²

Another case of non-transparent decisions making was the disqualification of Kapital Network, a specialized business channel, in 2010 (see section 5.1.2).¹⁵³

7.3.3 Other Forms of Interference

There are no records on state authorities' extra-legal pressure on digital media.

There is little scope for censorship today—even self-censorship—because of the large number of independent media in Croatia, and if one media outlet will not cover a story, then dozens of other outlets will.

7.4 Assessments

The overall framework of policy, law and regulation is responsive to the challenges of digitization in Croatia and the successful switchover conducted in 2010 is evidence of that. The framework is consistent with the EU *acquis communautaire* and, as such, based on the principles of transparency and neutrality. Also, the process was closely monitored by the European Commission, in the framework of the EU accession negotiations.

151. See <http://www.monitor.hr/clanci/upravni-sud-ponistio-odluku-vijeca-za-elektronicke-medije-iz-2006-o-dodjeli-koncesiji-osjeckoj-televiziji/38699/> (accessed 21 May 2012).

152. See <http://www.tportal.hr/vijesti/hrvatska/139480/Osjeckoj-televiziji-regionalna-koncesija-na-12-godina.html>; and <http://www.sib.hr/Osijek/novi-natjecaj-za-koncesiju-ostv.html> (accessed 21 May 2012).

153. See http://www.dnevno.hr/vijesti/hrvatska/predsjednik_kapital_networka_odrzao_konferenciju_za_novinare/111900.html; and http://www.dnevno.hr/revije/film_i_tv/kapital_network_cmc_i_hoo_dobili_nacionalne_tv_koncesije/184395.html; <http://www.novosti.com/2010/09/jedini-pogoni-u-koje-se-ulaze/>; <http://www.seebiz.eu/cg/seebiz-trend/techno/doma-tv-i-rtl2---novi-specijalizirani-televizijski-kanali,-kapital-net-izgubio-natjecaj,91658.html>; <http://www.seebiz.eu/hr/seebiz-trend/zivot-i-showbiz/dragan-cuca-odluka-vijeca-tjera-kapital-network-na-gasenje-programa,91813.html>; and <http://www.bank.hr/Naslovnica/Hrvatska/tabid/102/View/Details/ItemID/62632/Default.aspx> (accessed 29 August 2011).

All stakeholders included in this process were determined to correctly implement the government's Switchover Strategy in all its segments. One of the most important elements of the successful switchover was coordination of the process from a single point—the Central State Administrative Office for e-Croatia. Regular meetings between all stakeholders established a forum of discussion among the stakeholders, sharing of information and, eventually, also problems in the process of implementation of the Strategy. As a result of digitization, in only a few months the media landscape has been enriched with several new free-to-air television channels. More benefits can be expected.

The greatest influence of the internet on the level of interference by state authorities was to reduce it. During the pre-internet era, it was easier to withhold information. Today, examples like the list of Croatian Homeland War veterans (see sections 1.3.3 and 4.2.4) show that information can no longer be concealed. These positive changes can definitely be attributed to digitization, as the major reason if not the only one.

There has definitely been an increase in public consultation (in terms of debate and participation) with respect to new media technologies, in comparison with the amount of such consultation in the analog context. The public is more involved in all the processes related to media. The opportunities for public consultations are substantial, but the possibilities for public intervention are smaller. Public consultations have been conducted for all documents important to the switchover to digital television (see section 7.1.1.4), but the input during the consultations was usually not considered or reflected in the policies.

By adopting the Analog to Digital Television Broadcasting Switchover Strategy the Croatian government had defined strategic guidelines for the introduction of digital terrestrial television services. In doing so, it followed the recommendations of the European Commission on digital switchover by the year 2012 (or earlier) as well as on creating better conditions for informing, educating and entertaining all Croatian citizens and strengthening the economy as a whole.

The plan for introducing digital television does not refer exclusively to a change in the technology of television signal delivery. The Strategy refers to the basic task during the transitional period as creating conditions for the enhanced quality and scope of production and broadcasting of new program content, and enriching the media space in Croatia. All television broadcasters at the national and local level and all program producers will have at their disposal higher transfer capacity, providing the end-users of services—the viewers—with a greater and more diverse choice of program content, compared to the previous analog offer. The digital switchover not only gave the existing broadcasters an opportunity to use the digital platform, but also created an environment that enabled the emergence of other program producers with new program content.

8. Conclusions

8.1 Media Today

Over the past five years, technological development resulted in structural media changes in Croatia. It is often hard to say which developments are positive and which negative. Some changes are simply technological, such as the continuous trend of decreasing print media readership, and print media have faced the biggest drop in market share. The increased number of media outlets (more new digital media outlets and online editions of almost all traditional media) can be seen as positive, adding to plurality of new sources available to consumers. The share of internet usage is still relatively small, but it continues to grow. The most popular types of Croatian UGC portals are news portals.

Radio and television are not endangered yet because domestic internet radio and internet television (e.g. specialized video-on-demand online content providers) are not well developed. Some internet radio and television programs do exist in Croatia. Some elementary or high schools have internet radio and television programs, e.g. Radio5plus.hr. Radiodeejay.hr is believed to be the first internet radio station in Croatia and focuses exclusively on urban music.

Watching television online and downloading audiovisual content continue to be quite rare. Therefore, television remains the basic platform for delivery of news and information to the public. However, according to audience research, the internet, not television, is considered the most trustworthy source of information by citizens.

Television newscasts have changed as well. News bulletins are getting shorter, and they contain an increasing number of news stories. For example, in the early 1990s it was common to have reports of five to 11 minutes each. Today, a block of short news (each of 25 to 45 seconds), read from the studio, brings more news, especially international news. After those short news items, on commercial televisions newscast, the presenters very often refer viewers to more detailed content on the topic on their stations' websites. News presentation on television has changed. News is popularized and personalized on both commercial and public service television channels.

The completion of the technical process of television digitization in Croatia and the final switch-off that happened at the end of 2010 are positive developments. However, applying new digital technology and growing the number of channels of traditional media does not necessarily mean quality and diversity of media content. With a greater number of specialized television channels possible, it seems that commercial television channels will retain the so-called “family” programming profile that includes drama and entertainment. Radio channels with the largest listenership are usually music channels, specializing in a particular music style. Audience fragmentation appears to be the main change in news and information consumption.

Probably the most valuable development is that, because of the internet, information has become more available and censorship is no longer possible. Even if mainstream media do not report something, the information will be published online on independent web pages. Even the most secret information easily finds its way onto the internet. Once published, the information is impossible to “erase,” as it is easy to copy, save, and store it. Therefore, the development of digital media has resulted with the pluralism of voices across the news media. It is very clear that digitization, largely the internet, enlarged the news offer significantly. It is not only the question of quantity of information, but of its diversity, different angles and framing of the same information. Generally, we can speak of a real democratization of news.

Development of digital media has enhanced the independence of news media with the emergence of a large number of small independent news web portals. On the other hand, large, mainstream media are not fully independent. Most of them (daily newspapers, weeklies, and national commercial television stations) depend on the owners’ interests, and these interests often are subject to the interests of the largest advertisers, while in public service broadcasters’ news programs the interests of the ruling coalition are still highlighted (see sub-chapter 2.2.1).

Another big change is the transformation of the information search process. With the development of the internet, a medium has acquired a communication dimension as well as an information dimension. Before the internet era, the only way to consume media was one-way: to read them, to listen to them, to watch them. This was followed by discussion of the content with friends, colleagues or family. Today, media consumers want to be involved in the process of informing. They want, and they can, comment, supplement, share, protest, etc. There is a range of new interactive ways in which people can find information online. Such interactive contents and services are still underdeveloped in Croatia.

Digital media, especially social networks, have been slowly changing how people communicate. Still, such communication tools and the possibilities for digital mobilization are for now interesting only to a smaller, urban minority and do not reach mainstream society. The actual impact of digital mobilization in Croatia is very small.

If we have to list negative developments, there are few general issues.

First of all, news presentation has changed. News as a genre which informs and educates has changed into infotainment. Everything is now personalized, including politics. Entertainment and infotainment content

is the most common type of content on web portals, in newspapers and on television. Media try to serve the majority of the targeted audience, which is the 18 to 54 age group. Content for children, educational content, culture and documentaries do not make a profit. Programs for minorities (national, social, special interests groups, intellectual elites, etc.) are under-represented, primarily because they are unprofitable.

The media market in Croatia is small and competition is strong, and all the media depend on advertising, even the public service broadcaster to an extent. Also, hidden advertising easily ends up in news or magazine programs. The combination of regulatory problems and the apathy of the viewing public allows for the ubiquity of product placement. These trends are not directly connected to the development of digital media as online advertising is still not well developed.

The public service broadcaster HRT has faced significant changes during the last five years. It has lost its credibility and the public trust. HTV's "Dnevnik" used to be the most watched prime-time newscast in Croatia for years, but during the past six years it has been continuously losing viewers. At the same time, the ratings of the NovaTV prime-time newscast (NovaTV Dnevnik) have been rising, and finally in 2010 it has become the most watched newscast in Croatia. One reason HTV's newscast is losing viewers is its pro-Government bias in news. NovaTV has a more critical approach and is more politically balanced (more neutral); its newscast is also produced in a more popular style, simplified for the viewers.

On the other hand, the internet overloads consumers with information. Without critical selection, and without putting the information into context, it has limited value. Therefore, the overall diversity of the news offer on the internet has improved, but only media literate consumers are able to make an informed choice. Furthermore, citizens have become information providers, yet without the qualifications of professional journalists.

8.2 Media Tomorrow

Over the next five years, in the light of digitization, digital outlets can be expected to develop even more in technological terms. Mobile telecommunications platforms especially should develop their video mobile communication services. The future for print media is not bright, as tablets will change how consumers read.

Croatia has a small media market (with a population of only 4.2 million), but because people in Bosnia, Serbia, Montenegro, and even Slovenia and Macedonia understand the language, Croatian media have an audience in the whole ex-Yugoslav region. Further, there are another 1.5 million to 2 million Croats living abroad, primarily in Germany, and they are also a potential audience for Croatian media.

Because of the financial crisis, it is hard to believe that the offer of media outlets will increase without foreign investments. At the same time, as it is in the other countries in the region, the search for business models for quality journalism outlets continues, but no sustainable model has yet been found. Non-profit media can

potentially develop in Croatia, if money from the Electronic Media Fund¹⁵⁴ will be allocated to non-profit media as well as to commercial local radio and television stations.

Further, Croatia's becoming an EU Member State in July 2013 will probably bring some changes, and new standards in media content production, primarily within online media outlets. Media pluralism definitely is not in danger, but the question is how to motivate journalists and editors to produce quality media content—and who will pay for it.

There will be more digital radio and television specialized channels, and internet radio and internet television will develop more. Probably there will be more domestic web pages to provide music or video on demand. The future of traditional media is very questionable. Print media will be further diminished by new technical devices such as the iPad, electronic paper, etc. Radio and television will likely move online, and depart from pre-scheduled programs to radio and video on demand.

Content formats will change in a way that they will be more interactive, adjusted to particular media or telecommunication devices. Especially web portals should make a step forward and instead of being a copy of traditional media, become real multimedia outlets. In the media industry in Croatia, there is still quite a lot of room for creative multimedia and interactive content providers.

According to European Journalism Center report¹⁵⁵, becoming an EU country, "Croatia is expected to amend its media laws in order to meet EU transparency and effectiveness standards, to remove political influence from the media and to liberalise the telecommunications market." In 2012, the attention has been steadily focused on independence of the public service radio-television HRT and the state news agency HINA. Both appear to encounter problems in implementing standards of professional journalism while protecting themselves from possible political influence and clientelism.

154. Fund for the Promotion of Pluralism and Diversity of Electronic Media (Fond za poticanje pluralizma i raznovrsnosti elektroničkih medija).

155. N. Burić, Media Landscape: Croatia, November 2010. At http://www.ejc.net/media_landscape/article/croatia/ (accessed 8 June 2012).

List of Abbreviations, Figures, Tables, and Companies

Abbreviations and Acronyms

AEM	Agencija za elektroničke medije (Electronic Media Agency)
CBS	Croatian Bureau of Statistics
CME	Central European Media Enterprises Ltd.
CROPIX	Europa Press Holding photo agency
DCM	Digital City Media
DTH	direct-to-home
DZS	Državni zavod za statistiku (Croatian Bureau of Statistics)
EMA	Electronic Media Act
EMC	Electronic Media Council
EPH	Europa Press Holding
EPEHA	Europa Press Holding news agency
EUR	Euro
HAKOM	Hrvatska agencija za poštu i elektroničke komunikacije (Croatian Agency for Post and Electronic Communication)
HINA	Hrvatska izvještajna novinska agencija (Croatian News Agency)
HDTV	high definition television
HDZ	Hrvatska demokratska zajednica (Croatian Democratic Union)
HND	Hrvatsko novinarsko društvo (Croatian Journalists' Association)
HR1	Croatian Radio, 1 st channel
HR2	Croatian Radio, 2 nd channel
HR3	Croatian Radio, 3 rd channel
HRK	Croatian Kuna
HRT	Hrvatska radiotelevizija (Croatian Radio-Television)
HTV	Croatian Television
HTV1	Croatian Television, 1 st channel
HTV2	Croatian Television, 2 nd channel
HURIN	Hrvatska udruga radija i novina (Croatian Radio and Newspapers Association)

ICEJ	International Center for Education of Journalists
ICT	Information and Communication Technology
ICTY	The International Criminal Tribunal for the former Yugoslavia
IMF	International Monetary Fund
ITU	International Telecommunication Union
MUX	multiplex
NN	Narodne novine (Official Gazette)
NRA	National Regulatory Authority
NUT	Nezavisna udruga televizija (Independent Television Association)
OiV	Odašiljači i veze (Transmitters and Communications, Ltd)
SEC	State Election Commission
SDTV	standard definition television
SIAG	Styria Media International AG
SNS	social network sites
STB	set-top box
WAZ	Westdeutsche Allgemeine Zeitung Medien Gruppe
3G	third generation
4G	fourth generation

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Companies

Adriatic Cable—cable TV provider
AGB Nielsen Croatia
Agrokor
Atlantic Group
bNet—cable operator in Croatia
Central European Media Enterprises (CME)
Croatian Radio–Television
Croatian Telecom (*Hrvatske telekomunikacije*, HT)
Deutsche Telekom
Digital City Media (DCM)—cable TV provider
Eurodata Television Worldwide
Europa Press Holding (EPH)
Facebook
Gemius
GfK –Market Research Centre
Imostroj
Ipsos
Iskon Internet—IPTV service provider in Croatia
Kanal 031
Kerman—provider of triple-play service in Croatia
Magic Telekom—provider of triple-play service in Croatia
Media Metar — independent research center
Mediametrie
MEDIAPlus
Metronet—IPTV service provider in Croatia
Mindtake

OAR
Optima Telekom — IPTV service provider in Croatia
Poolpilots
RTL Group
Styria Media Group
Styria Media International
Supervizija
T-Com Croatia
Total
Transmitters and Communications, Ltd (Odašiljači i veze, OiV)
Twitter
United Productions
Universe
Valicon
Westdeutsche Allgemeine Zeitung Medien Gruppe

Mapping Digital Media: Country Reports (published in English)

1. Romania
2. Thailand
3. Mexico
4. Morocco
5. United Kingdom
6. Sweden
7. Russia
8. Lithuania
9. Italy
10. Germany
11. United States
12. Latvia
13. Serbia
14. Netherlands
15. Albania
16. Hungary
17. Moldova
18. Japan
19. Argentina
20. South Africa
21. Turkey
22. Lebanon
23. Macedonia
24. Bosnia and Herzegovina
25. Poland
26. Montenegro
27. Georgia
28. Nigeria
29. Colombia

Mapping Digital Media is a project of the **Open Society Media Program** and the **Open Society Information Program**.

Open Society Media Program

The Media Program works globally to support independent and professional media as crucial players for informing citizens and allowing for their democratic participation in debate. The program provides operational and developmental support to independent media outlets and networks around the world, proposes engaging media policies, and engages in efforts towards improving media laws and creating an enabling legal environment for good, brave and enterprising journalism to flourish. In order to promote transparency and accountability, and tackle issues of organized crime and corruption the Program also fosters quality investigative journalism.

Open Society Information Program

The Open Society Information Program works to increase public access to knowledge, facilitate civil society communication, and protect civil liberties and the freedom to communicate in the digital environment. The Program pays particular attention to the information needs of disadvantaged groups and people in less developed parts of the world. The Program also uses new tools and techniques to empower civil society groups in their various international, national, and local efforts to promote open society.

Open Society Foundations

The Open Society Foundations work to build vibrant and tolerant democracies whose governments are accountable to their citizens. Working with local communities in more than 70 countries, the Open Society Foundations support justice and human rights, freedom of expression, and access to public health and education.

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