

MAPPING DIGITAL MEDIA: **ARMENIA**



Mapping Digital Media: Armenia

A REPORT BY THE OPEN SOCIETY FOUNDATIONS

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12 November 2013

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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: Armenia

Executive Summary

Recent years have seen a rapid expansion of the internet in Armenia, not only among the residents of the capital city and other urban areas, but also in remote regions of the country. It was particularly noticeable in 2010–2011, when the number of internet users increased by almost 40 percent. According to expert assessments, there were several contributing factors, including the entry of new providers into the market, which drove down the price of internet services; the extension of internet access to Armenia's regions, including rural areas; the sale of computers on credit; and the possibility of accessing the internet through mobile phones. However, there is still a gap between the proportion of internet users in Yerevan and in the regions. According to data from 2011, the proportion of internet users in Yerevan was 43 percent, while in other cities it stood at 33 percent, and in villages at 13 percent.

In parallel with the expansion of the internet, new media are emerging and developing. Hundreds of online publications have appeared in recent years, significantly expanding the media market and making it incomparably more diverse. The new media are competing successfully with the traditional media and have, within a short period, overtaken print media and radio in terms of audience share. Online media have shown obvious superiority in the speed of delivery and volume of news. Moreover, they cost significantly less to produce than newspapers and, in particular, television broadcasts.

It has become obvious to the big players in the media field, to the traditional media above all, that it is impossible to compete and survive without digital technologies and online resources. This is why the mass media have started actively to modernize their websites and carry out convergent projects, creating multimedia platforms, combining text, photographic, and audio-visual information, which are available by different technical means, including mobile phones.

Despite the rapid advance of new media, television remains the main source of information for some 90 percent of the population. It follows that the country's transition from analog to digital broadcasting—scheduled for 2015—is extremely important. However, as a result of the competitions held during 2010 by the regulator for issuing digital broadcasting licenses, the number of national and capital television companies based in Yerevan fell from 22 to 18.

According to independent experts interviewed for this study, neither the Concept Paper on Migrating to Digital Radio and TV Broadcasting System in Armenia (approved by the government in 2008), nor the new Law on Television and Radio (adopted by Parliament in 2010), pursued the liberalization of broadcasting, contributing instead to the total control by the ruling authorities over broadcasting in the emergent digital era.

Besides the online media, social networks—most notably, Facebook—have become important alternative sources of information and forums for the discussion of current issues. The number of Facebook users in Armenia soared during the parliamentary elections in 2012. In January 2012, Facebook had 193,000 registered users; two months later the number had risen by 100,000; by September 2013, the number of users stood at 362,000. Almost all political powers and candidates in the parliamentary and presidential elections were present on Facebook, proving that they considered it an important platform for communicating with the electorate and for campaigning.

The report finds that, overall, digitization has increased the diversity of media outlets and their news offer, and the plurality of opinions expressed. Yet the lack of independence of regulatory institutions, non-transparent media ownership, flawed broadcast legislation, and the slow pace of digital switch-over continue to obstruct the development of the media sector. Television, the main source of information, is still largely controlled by the authorities. There is widespread hidden censorship as a result of political pressure on media outlets, which especially affects the news and political output on television. Most media outlets remain dependent upon large businesses and the political elite, with which they have become integrated.

In order to reinforce positive change, the report proposes a number of recommendations. First, the adoption of broadcast legislation should be accelerated, to provide solid and real guarantees of pluralism and diversity. Second, the Law on Television and Radio and the Law on the Dissemination of Mass Information should be amended to ensure transparency of media ownership for all types of media. Third, the system of selection and appointment of the broadcast regulatory body should be reformed to ensure its independence. Fourth, a national policy should be developed for the transparent allocation of digital dividend frequencies in ways that uphold the public interest. Finally, public awareness of the issues around digital switch-over should be promoted via information campaigns and public discussions.

Context

Armenia is a country in the south Caucasus, bordering on Georgia and Azerbaijan, and flanked by two influential regional players, Iran and Turkey. The present Republic of Armenia declared independence following a referendum on 21 September 1991. The post-Soviet development of the country was heavily influenced by a number of challenges, primarily the armed conflict with Azerbaijan over the mostly Armenian-speaking region of Nagorno-Karabakh,¹ an issue which remains unresolved to this day. Another thorny matter is the relationship between Armenia and Turkey: both have deep-rooted disputes over historic events, principally the killing of some 1.5 million Armenians by the Ottoman authorities between 1915 and 1918, which Armenia contends—and Turkey denies—was genocide. An added strain on the relationship is the fact that, in 1993, Turkey supported Azerbaijan in the conflict over Nagorno-Karabakh. The two countries have never had diplomatic relations, and their border remains closed. The governments agreed to normalize relations in October 2009, but Turkey has said that opening the border will depend on progress in the Nagorno-Karabakh dispute.

The development of the country was further hampered by the impact of the disastrous earthquake of 7 December 1988, as well as by the prolonged energy and economic crisis that led to about 800,000 people emigrating from Armenia.²

The economy of Armenia gradually overcame the initial problems and started growing fast from 2002 (11.6 percent a year, on average) up to the global financial and economic crisis of 2008.³ In 2009, the economy contracted for the first time (by 14.2 percent). Both exports and imports plummeted by 32.8 and 25 percent, respectively.

-
1. Nagorno-Karabakh, populated largely by ethnic Armenians, was established as an autonomous region inside Soviet Azerbaijan in 1923. In February 1988, the regional legislature adopted a resolution calling for union with Armenia. This step was supported by Armenia. The announcement led to an armed conflict between Azerbaijani and local Nagorno-Karabakh forces backed by Armenia. In May 1994, a ceasefire agreement was signed. The conflict is still unresolved, despite the efforts of the Organisation for Security and Co-operation in Europe (OSCE) Minsk Group.
 2. International Labour Organization, “Armenia: Migration and Development,” Yerevan, 2009, at http://employment.am/up/attach/attach_arm10.pdf (in Armenian) (accessed 10 June 2013).
 3. National Statistical Service of the Republic of Armenia (NSSRA), “The Economic Crisis and a Snapshot of Poverty; Labor Market Developments in Armenia,” Yerevan, 2011, at http://www.armstat.am/file/article/poverty_2011a_2.pdf (in Armenian) (accessed 10 June 2013).

The remittances of Armenian emigrants to Armenia declined as well. According to figures from the World Bank, remittances to Armenia by migrants through official channels exceeded US \$1 billion or 19 percent of the country's gross domestic product (GDP) in 2006. As a result of the crisis, total remittances in 2009 decreased by 31 percent; those from Russia fell by 34 percent.⁴

GDP growth has recovered in the last three years: according to data from the National Statistical Service of the Republic of Armenia (NSSRA), Armenia's GDP exceeded US\$10 billion in 2011, representing a 9.4 percent growth over 2010. The economy picked up to a 4.6 percent growth in 2011, and continued growing, albeit at a slower pace (3.8 percent) in 2012. The growth was mainly driven by agriculture, mining (base metals), and manufacturing (machinery, textiles).

Armenia's main trading partner is the European Union (EU), which accounts for about 50 percent of exports from and over 30 percent of imports to Armenia. The Association Agreement talks between Armenia and the EU began in 2010. Both Armenia and the EU aimed to finish the Association Agreement negotiations before the Eastern Partnership summit in Vilnius in November 2013.⁵ However, on 3 September 2013, following talks in Moscow with his Russian counterpart, Vladimir Putin, Armenia's President Serzh Sargsyan announced that Armenia would join the Customs Union with Belarus, Kazakhstan, and Russia. This has aborted further discussion of EU accession.⁶

4. Ministry of Economy of the Republic of Armenia, "Armenia Economic Report 2010," at <http://edrc.am/resources/useful-resources/useful-publications> (accessed 10 June 2013).

5. "Armenia-EU Association Agreement talks nearing final phase," News.am, at <http://news.am/eng/news/145414.html> (accessed 10 June 2013).

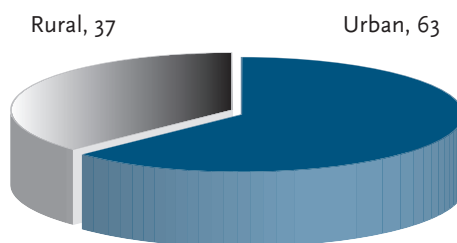
6. "Armenia To Join Russian-Led Customs Union", Radio Free Europe-Radio Liberty, 3 September 2013, at <http://www.rferl.org/content/armenia-customs-union/25094560.html> (accessed 30 September 2013).

Social Indicators

Population: 2,871,771 (October 2011)

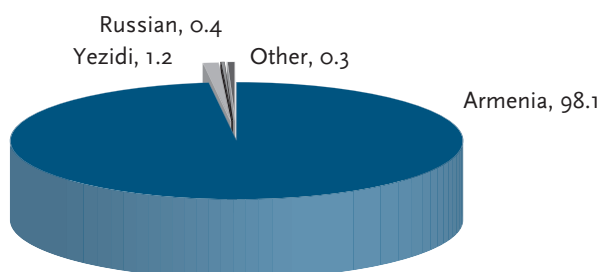
Households: 763,600 (October 2011)

Figure 1.
Rural–urban breakdown (% of total population), 2011



Source: Population Census 2011⁷

Figure 2.
Ethnic composition (% of total population), 2011



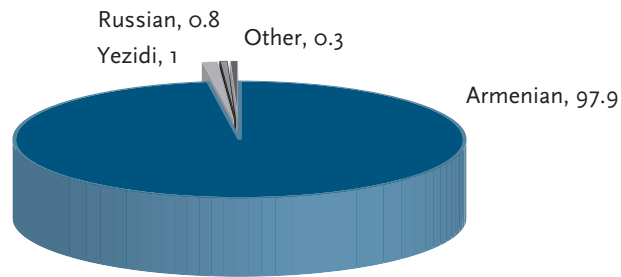
Note: The category “Other” includes Assyrians, Ukrainians, Kurds, Greeks, Georgians, and others

Source: Population Census 2011⁸

7. NSSRA, “The Preliminary Results of 2011 Census of The RA,” at <http://armstat.am/file/doc/99475033.pdf> (in Armenian) (accessed 10 June 2013).

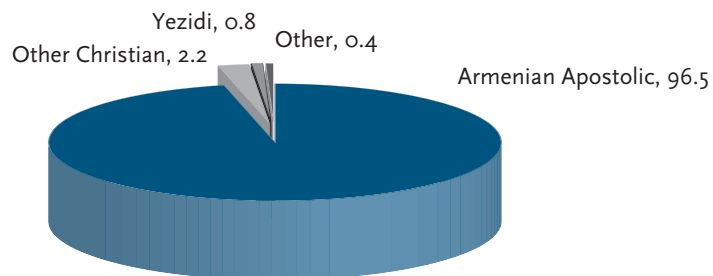
8. NSSRA, “Socio-Economic Situation of Armenia in 2013, January–March. Social and Demographic Sector,” at http://armstat.am/file/article/sv_03_13a_520.pdf (in Armenian) (accessed 28 September 2013).

Figure 3.
Linguistic composition (% of total population) 2011



Source: Population Census 2011⁹

Figure 4.
Religious composition (% of total population), 2011



Source: Population Census 2011¹⁰

9. NSSRA, "Socio-Economic Situation of Armenia in 2013, January–March. Social and Demographic Sector," at http://armstat.am/file/article/sv_03_13a_520.pdf (in Armenian) (accessed 28 September 2013).

10. NSSRA, "Socio-Economic Situation of Armenia in 2013, January–March. Social and Demographic Sector," at http://armstat.am/file/article/sv_03_13a_520.pdf (in Armenian) (accessed 28 September 2013).

Economic Indicators

Table 1.
Economic indicators, 2005–2014

	2005	2006	2007	2008	2009	2010	2011	2012 ^e	2013 ^f	2014 ^f
GDP (current prices, US\$ billion)	4.900	6.384	9.206	11.662	8.648	9.260	10.138	10.066	10.325	10.287
GDP (current prices, US\$), per head	1,523	1,982	2,853	3,605	2,647	2,806	3,042	2,990	3,037	2,996
Gross National Income (GNI), (current US\$), per head	4,210	4,940	5,760	6,340	5,390	5,620	6,100	n/a	n/a	n/a
Unemployment (% of total labor force)	31.2	27.8	28.7	16.4*	18.7	19.0	19.0	19.0	18.5	18.0
Inflation (average annual rate, % against previous year)	0.6	2.9	4.5	9.0	3.5	7.2	7.6	2.5	4.2	4.0

Notes: e: estimate; f: forecast; n/a: not available. According to the NSSRA, the indicators since 2008 are not comparable with the data from previous years. The methodology used in 2001–2007 was based on the expanded definition of unemployment, as recommended by the International Labour Organization (ILO) for use in transition countries. Since 2008, unemployment has been calculated using the ILO's standard definition, as used in the EU. The subsequent data partly differs from the methodology used in 2001–2007, which was based on the expanded definition of unemployment, recommended by the ILO for use in transition countries¹¹

Sources: NSSRA; International Telecommunication Union (ITU), January 2012

11. NSSRA, "Unemployment Rate," at <http://www.armstat.am/en/?nid=126&id=08010> (accessed 10 June 2013).

1. Media Consumption: The Digital Factor

1.1 Digital Take-up

1.1.1 Digital Equipment

According to the latest data of the International Telecommunication Union (ITU), 96.6 percent of households had television sets in 2009, but there is no information on what percentage of those sets can receive digital signals. As the total number of households fell due to migration (from 841,000 in 2005 to 837,000 in 2009), the number of television set owners also fell, but only by 1.7 percent.¹²

Computer ownership has risen rapidly. The figure tripled between 2005 (5.5 percent of households) and 2010 (17.8 percent of households). The breakthrough year was 2009, when the number of households purchasing a computer increased by 43,506 (over 5 percent), largely due to the government's decision to de-monopolize internet services and the ensuing drop in subscription prices (see section 1.1.2).

The ITU data on radio owners are limited to the year 2005: 243,049 households or 28.9 percent of households. A survey on media consumption conducted by the Caucasus Research Resource Center-Armenia (CRRC) reported a smaller percentage of access to radio equipment in 2011. Of the 1,420 residents of Armenia surveyed, only 20 percent had a radio at home and 16 percent had a radio in a car, while 97 percent of the same respondents reported owning a television set that worked, 32 percent of the respondents reported owning a computer as well, and about 90 percent were using a mobile phone.¹³

12. ITU Data on Armenia, extracted 2 June 2011.

13. Caucasus Research Resource Center-Armenia (CRRC), "Armenia 2011 Media Public Opinion and Preference Survey," January–February 2011, at http://www.crrc.am/store/armedia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

Table 2.
Households owning equipment, 2005–2010

	2005		2006		2007		2008		2009		2010	
	No. of HH*	% of THH**	No. of HH	% of THH	No. of HH	% of THH	No. of HH	% of THH	No. of HH	% of THH	No. of HH	% of THH
TV set	826,703	98.3	n/a	n/a	808,849	96.6	820,514	98.3	808,581	96.6	n/a	n/a
Radio set	243,049	28.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
PC	46,312	5.5	56,723	6.8	69,657	8.3	85,392	10.2	128,898	15.4	165,795	21

Notes: n/a: not available; * HH: households owning the equipment; ** THH: total number of households

Source: ITU, January 2012

1.1.2 Platforms

Terrestrial analog television is the most widely used platform. More than 96 percent of the population or all owners of television sets use this free service.

In 2009, a total of 84 television companies (nationwide, broadcasting in the capital city, and regional) were broadcasting in the territory of Armenia. However, only the Public Television and Radio Company of Armenia achieves almost 100 percent nationwide coverage in virtually all areas.¹⁴

All of the 18 television companies broadcasting terrestrially in the capital reach the entire population of Yerevan.¹⁵ The average number of television stations in each of the regions is five to six. The situation in the towns and villages near Yerevan is different: in addition to the regional-local and national television stations, they can receive several Yerevan stations.¹⁶

In Armenia, cable television began to spread along with satellite television, and from 2006 to 2009 the latter exceeded the former in terms of the number of subscribers. However, in 2010 the dynamics changed in favor of cable television and the difference between the two now has reached 10 percent (see Table 3). Khoren Beglaryan, the representative of AGB Nielsen Media Research in Armenia, believes this is because the companies providing cable broadcasting offer more accessible, affordable, and attractive packages than satellite.¹⁷

According to information from the National Commission for Television and Radio (NCTR), 43 television companies have obtained cable television licenses, but there is no information on how many of those

14. Ministry of Economy, "Concept Paper on Migrating to Digital Radio and TV Broadcasting System in Armenia," 2009, p. 6, at <http://www.mineconomy.am/arm/73/e45b2284f31a5d43294dd22d94b008e6/download.file.html> (in Armenian) (accessed 20 November 2012) (hereafter, Ministry of Economy, "Concept Paper").

15. As a result of the National Commission for Television and Radio (NCTR) issuing digital broadcast radios in December 2010, the number of television companies broadcasting in the capital fell from 22 to 18 as from 20 January 2011.

16. Ministry of Economy, "Concept Paper," p. 6.

17. Interview with Khoren Beglaryan, managing director of TV MR AM (official licensee in Armenia of AGB Nielsen Media Research), Yerevan, Armenia, 28 July 2011.

companies are actually operating. Four television companies broadcast by satellite: the Public Television and Radio Company of Armenia (Eutelsat, W1, Hotbird, and Intelsat Americas), Shant TV (Hotbird), Armenia TV (Hotbird), and Yerkir Media TV (Hotbird).¹⁸

In accordance with the 2006 Geneva Agreement, Armenia has undertaken to discontinue analog broadcasting from 1 January 2015.¹⁹ On 14 June 2013, based on the amendments to the Law on Television and Radio, the deadline for the transition from analog to digital broadcasting was extended by six months until 1 July 2015. The government justified the need for such amendments by citing “essential technical, material, and financial difficulties” occurring during the transition from analog to digital broadcasting.²⁰

According to the Concept Paper approved by the government, the state will sponsor the installation and operation of four free-of-charge multiplexes.²¹ Three of them (each comprising six television stations and four radio stations) will serve the capital city, while the fourth multiplex (with eight television stations in Yerevan, one regional-local television station, and four radio stations) will secure nationwide broadcasting. According to government sources, the whole digital migration will cost about US\$30 million. This amount will be provided in stages, but the sources of funding are yet to be determined and approved.²²

Table 3.

Platforms for the main television reception and digital take-up, 2006–2011

	2006		2007		2008		2009		2010		2011	
	No. of UP*	% of TVUP	No. of UP	% of TVUP	No. of UP	% of TVUP	No. of UP	% of TVUP	No. of UP	% of TVUP	No. of UP	% of TVUP
Terrestrial reception*	1,872,425	96.0	1,874,831	96.0	1,890,345	96.8	1,889,813	96.8	1,892,212	96.8	1,895,603	96.8
– of which digital	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cable reception**	19,504	1.0	72,259	3.7	82,019	4.2	87,852	4.5	125,104	6.4	281,990	14.4
– of which digital	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	66,462	3.4	125,329	6.4
Satellite reception*	58,513	3.0	60,541	3.1	101,547	5.2	101,518	5.2	87,964	4.5	80,288	4.1
– of which digital	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	66,462	3.4	80,288	4.1

Notes: * UP: total number of urban population above four years old owning the equipment; ** TVUP: percentage of total number of urban population above four years old; n/a: not available. Figures refer to the main TV set in the households for multi-TV households; the data only cover the urban population, no overall figures available.

Sources: AGB Nielsen Media Research; NSSRA, 22 May 2012

18. According to the official websites of the television companies, at <http://www.1tv.am>, <http://www.shanttv.com>, <http://www.armeniatv.com>, and <http://www.yerkirmedia.am> (accessed 20 June 2012).

19. International Telecommunication Union (ITU), “Digital broadcasting set to transform communication landscape by 2015,” at http://www.itu.int/newsroom/press_releases/2006/11.html (accessed 18 September 2011).

20. Amendments to the Law on Television and Radio of 14 June 2013, at <http://parliament.am/drafts.php?sel=showdraft&DraftID=30636> (accessed 9 August 2013).

21. Ministry of Economy, “Concept Paper.”

22. “To buy or not to buy a new TV set? Armenian TV viewers will not stay away from digitalization process,” JNews.am, 22 June 2011, at <http://www.jnews.am/en/armenia-digitalization-process> (accessed 10 June 2013).

Internet protocol television (IPTV) and 3G mobile internet networks have begun to develop in Armenia. IPTV was introduced to Armenia in 2009. The first and so far only company that supplies this service is the local company Ucom, which has four shareholders, the businessmen Aleksander Yesayan, Hayk Yesayan, and Aram Khachatryan, and IUNetworks. The monthly fee for the 76-channel package is 8,500 Armenian dram (AMD), or US \$23.²³ IPTV is to date accessible in only a few areas of the capital city. According to Hayk Yesayan, who is also the director of the company, by the end of 2011 the service was accessible everywhere in Yerevan, and had more than 22,000 subscribers. In 2012 Ucom started expanding into the regions.²⁴

Radio broadcasting in Armenia is largely concentrated in Yerevan. Radio broadcasts consist of mainly musical and entertainment programs and almost all have brief newscasts. According to AGB Nielsen's Khoren Beglaryan, the radio audience has never been systematically surveyed in Armenia.²⁵ No annual studies of radio audiences have been conducted in the post-Soviet period; only sporadic snapshots, like the one conducted by the CRRC (see section 1.1.1).

There are 19 radio companies in Armenia broadcast on FM frequencies, and 17 of them operate in Yerevan. Local radio stations operate in only two of the regional towns, Vanadzor and Gyumri. Radio broadcasting across the entire territory of the country is only carried out by the Public Television and Radio Company of Armenia and two private radio companies, AR Radio Intercontinental and Radio Hay.²⁶ Both private radio stations in addition to music and entertainment also broadcast news and current affairs programs.

The digitization of radio broadcasting was postponed in view of funding problems. As an Economy Ministry official said in an interview for this study, the government will address radio digitization after television switch-over is complete.²⁷

Table 4.
Internet subscriptions (% of total population) and mobile phone subscriptions
(% of total population), 2005–2010

	2005	2006	2007	2008	2009	2010
Internet	5.2	5.6	6.0	6.2	15.3	37.0
– of which broadband	0.06	n/a	0.13	0.16	0.19	2.68
Mobile telephony	10.4	41.0	61.0	75.9	84.9	125.0
– of which 3G	n/a	n/a	n/a	n/a	n/a	n/a

Note: n/a: not available

Source: ITU Data on Armenia, extracted 2 June 2011

23. Annual average exchange rates are taken from NSSRA, at <http://armstat.am/am/?nid=126&cid=17010> (accessed 11 November 2012).

24. Ucom LLC official website, at <http://new.ucom.am/en/uTVHome.html> (accessed 20 June, 2012).

25. Interview with Khoren Beglaryan, managing director of TV MR AM (official licensee in Armenia of AGB Nielsen Media Research), Yerevan, Armenia, 28 July 2011.

26. National Commission on Television and Radio; NCTR official website, at www.tvradio.am (accessed 12 September, 2011).

27. Interview with Simon Aghajanyan, Interagency Committee for the Implementation of Digital Broadcasting of Television in the Republic of Armenia, Ministry of Economy, Yerevan, 12 August 2011.

Rapid development of the internet began in late 2009, when the Public Services Regulatory Commission decided to eliminate the monopoly status of the internet service provider ArmenTel. The entry into the market of two other telecoms companies, GNC-Alpha and Fibernet Communications, resulted in not only a lower tariff, but also in diversification of access, which allowed an improvement in the quality of connection in Armenia. Compared to pre-2009, when the internet was supplied by only one cable from Georgia, there are now currently several fiber optic cables entering Armenia from Georgia and Iran. Besides, the price of wholesale internet services has declined about eight-fold.²⁸

Internet penetration has skyrocketed in Armenia in the surveyed period: it started at a single-digit 6.2 percent in 2008, more than doubled in just a year (15.3 in 2009) and reached 37 percent by the end of 2010. According to the data from the Public Services Regulatory Commission, over half of the population of Armenia, i.e. about two million subscribers, had access to the internet in 2010, including via mobile devices. A survey made by a non-profit organization Internet-Society in 2011 shows that broadband internet is accessible to about 200,000 households in Armenia.²⁹

However, the internet remains an urban privilege. The research published by the CRRC in 2011 shows that the internet is used by 43 percent of the respondents in Yerevan, 33 percent in the other cities of the country, and by only 13 percent in the rural areas. Young people are the most avid users: those aged 21 to 25 use the internet on average 5.5 hours per day, while respondents aged over 60 use the internet up to 2.1 hours per day.³⁰

The three mobile operators operating in Armenia, ArmenTel, VivaCell-MTS, and Orange-Armenia, provide mobile internet (3G and GSM) services. A member of the Committee on Regulation of Public Services (CPSR) claims that they have achieved virtually 100 percent coverage of the country.³¹ The number of subscribers using 3G services increased from 155,000 in 2009 to 240,000 in 2010.³²

1.2 Media Preferences

1.2.1 Main Shifts in News Consumption

Television is the main source of information for the population of Armenia. Other traditional media, such as radio and print press, cannot compete with television in terms of the audience size. According to the January–February 2011 survey by the CRRC, 90 percent of people in Armenia receive news from television,

28. “e-Users’ Map: Internet Via Computers Used By More Than One Third of Armenia’s Population,” JNews.am, 28 February 2011, Yerevan, at <http://www.jnews.am/en/node/869> (accessed 10 June 2013).

29. “200,000 households in Armenia connected to internet,” PanArmenian.Net, at <http://www.panarmenian.net/eng/news/75013> (accessed 15 March 2012).

30. CRRC, Armenia 2011 Media Public Opinion and Preference Survey, at http://www.crrc.am/store/armenia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

31. “Internet Speed in Armenia in the First Nine Months of 2010 Reached 7833 Mbps,” Arka.am, 26 October 2010, at <http://telecom.arka.am/ru/news/internet/5314> (accessed 15 March 2012).

32. Official letter from the Public Services Regulatory Commission of the Republic of Armenia, received 27 July 2011.

7 percent use the internet, and only a few prefer radio (2 percent) and newspapers (1 percent) as a source of information. Television viewers watch television for between three and five hours daily.³³

Only a negligible percentage of the population has access to digital television through IPTV technology (22,000 subscribers in 2011). The four television stations that broadcast via satellite can be watched live on the internet.³⁴ Internet broadcasting is also provided by the websites A1plus.am, Civilnet.am, Azatutyun.am, Webtv.am, and Globaltv.am. Among those offering IPTV (from 2010) is A1+, one of the first private television companies of Armenia, which was founded in 1991. It stopped broadcasting terrestrially because it was refused a broadcasting license (see section 7.2.3) in 2002 and continued its activities as an online news resource.

The print media market is fragmented and heavily politicized. According to data from the State Register Agency of the Ministry of Justice, there were 759 newspapers and 364 magazines in the country on 19 April 2011.³⁵ Guren Sarukhanyan, the finance director of the retail company Press Stand, says that only about 10 percent of them actually get published.³⁶ According to the law, print media are published and distributed without prior registration or licensing.³⁷

The leading nationwide newspapers have online versions, but only 23 percent of the respondents in Armenia read them online.³⁸

Anna Mkrtchyan, the head of sales at Haymamul, a company distributing print media in Armenia, believes the rise of the internet in Armenia has not yet had much effect on newspaper sales. “Citizens who are 40 and older continue reading print editions of newspapers and magazines, while young people prefer online versions.”³⁹ Haymamul began operating in Armenia in the 1930s. Prior to the declaration of independence by Armenia, it operated as a part of the company Soyuzpechat under the Communications Ministry of the USSR. Once Armenia became independent, the company was reorganized into a state closed joint-stock company, and was privatized in 2002.⁴⁰

Besides Haymamul, five other companies (Press Stand, Haypost, Press Attache, Blitz Media, and Express Plus) are engaged in newspaper distribution. Press Stand, the largest distributor, has 318 kiosks, of which

33. CRRC, “Armenia 2011 Media Public Opinion and Preference Survey,” at http://www.crrc.am/store/armenia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

34. Live-stream at Armeniatv.com/live, Shanttv.com/live.php, Yerkirmedia.am, and Armtv.com/online/eng/?live=1.

35. “Magazines Flourishing on Grey Background of Newspapers in Armenian,” JNews.am, at <http://jnews.am/en/armenian-entertainment-magazines> (accessed 15 March 2012).

36. Interview with Guren Sarukhanyan, financial director of Press Stand, Yerevan, 3 August 2011.

37. Law of the Republic of Armenia on Dissemination of Mass Information, 13 December 2003, at <http://parliament.am/legislation.php?sel=-show&ID=1890&lang=eng> (accessed 20 June 2012).

38. CRRC, “Armenia 2011 Media Public Opinion and Preference Survey,” at http://www.crrc.am/store/armenia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

39. Interview with Anna Mkrtchyan, head of sales at Haymamul, Yerevan, 22 July 2011.

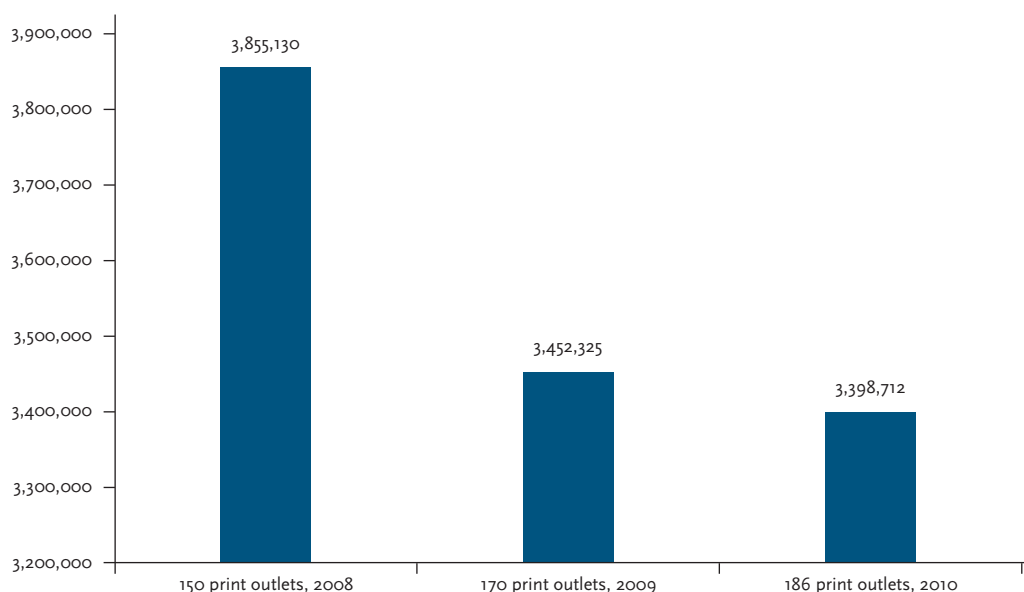
40. See <http://www.haymamul.info.am> (accessed 15 March 2012).

174 are in Yerevan, and the remaining 144 are in the regions. According to Mr Sarukhanyan, until 2007 there were several regions where the print press was distributed irregularly or not at all (such as Aragatsotn, Gegharkunik, Tavush, and Kotayk). Press sales points currently operate in all regions, albeit mostly in towns.⁴¹

According to the same source, press sales outside the capital city are generally not profitable. Since the emergence of Press Stand, the company's kiosks now sell tobacco products alongside newspapers and magazines. However, the availability of tobacco has not boosted newspaper sales. The figures on print press sales via Press Stand in 2008–2010 show that the increase in the number of periodicals has been accompanied by a decline in the total circulation of newspapers and magazines sold.

Mr Sarukhanyan said in an interview that this decline may be attributed to a demographic problem. “According to our survey, print press is read in Armenia by the elderly, and their number is declining from year to year. Besides, readers have lost interest in the press due to the poor quality of substance.”⁴² He also noted that some large commercial companies and banks have terminated their subscription to newspapers, preferring instead online outlets. There are two reasons: first, the information provided by online media is more timely and varied, and second, it can be accessed free of charge, which was particularly important during the economic crisis.

Figure 5.
Total sales of print press, 2008–2010



Source: Press Stand⁴³

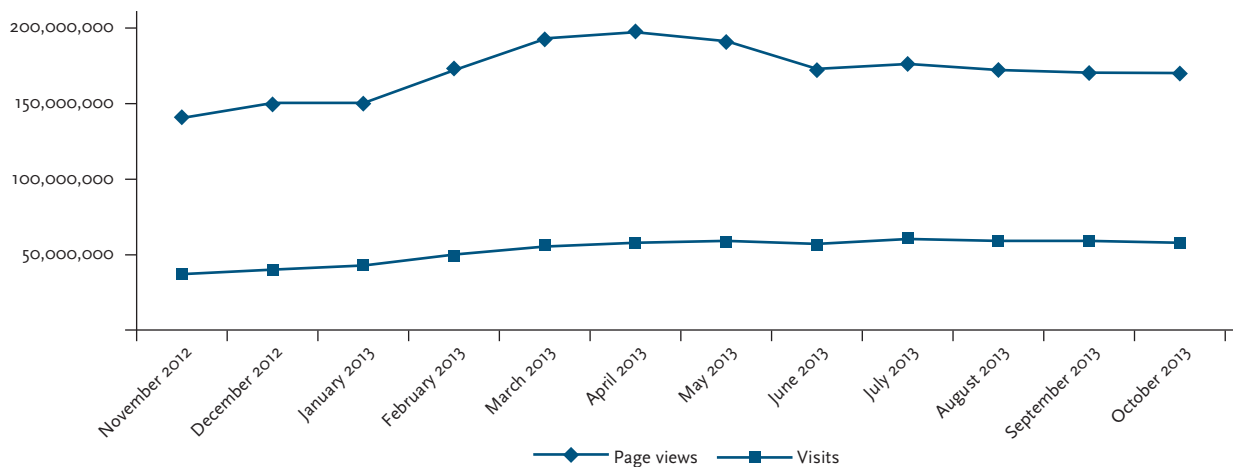
41. Interview with Gurgen Sarukhanyan, financial director of Press Stand, Yerevan, 3 August 2011.

42. Interview with Gurgen Sarukhanyan, financial director of Press Stand, Yerevan, 3 August 2011.

43. Data provided by Gurgen Sarukhanyan, financial director of Press Stand, Yerevan, 3 August 2011.

The research by CRRC shows that 36 percent of internet users use the internet for reading news.⁴⁴ According to the local rating website Circle.am, website audiences have expanded rapidly since September 2010.⁴⁵ According to Samvel Martirosyan of the Media Diversity Institute, the increase is attributable to the competition in the market following de-monopolization, which resulted in a price drop: the price of 1 megabit per second in internet subscriptions shrank from AMD 2,900,000 (US\$ 8,530) in 2007 to AMD 24,000 (US\$65) in 2011.⁴⁶ The competition also resulted in an expansion of internet services into the regions of Armenia. The trend was accelerated by computers becoming available for purchase on credit and the spread of smart phones with internet facility. And, on the whole, “it became fashionable to use the internet.”⁴⁷

Figure 6.
Monthly internet activity in Armenia, November 2012–October 2013



Source: Circle.am rating system⁴⁸

1.2.2 Availability of a Diverse Range of News Sources

The traditional media have been plagued by partisanship. The television market is dominated by government-friendly players, the public broadcaster is by expert accounts lacking in independence (see section 2.1.1), and newspaper ownership is heavily politicized. Digitization has not had a notable effect on diversity in the traditional media.

However, the expansion of online media and the increased online presence of traditional outlets have had some effect on the overall diversity of news sources. The emergence of news websites has contributed to the

44. CRRC, “Armenia 2011 Media Public Opinion and Preference Survey,” at http://www.crrc.am/store/armedia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

45. A total of 2,456 websites are registered with Circle.am, including most of the leading ones. According to October 2013 data, a total of 230 information sites (including blogs) were registered in the News and Media section of the Circle.am system.

46. Official Government Report on Internet Penetration Rate, at <http://report.gov.am/?id=10> (accessed 28 September 2013).

47. Interview with Samvel Martirosyan, expert from Media Diversity Institute, Yerevan, Armenia, 6 June 2012.

48. See <http://circle.am/?go=armnet> (accessed 29 October 2013).

diversity of available news, allowing the audience to gain access to alternative—and less partisan—sources of information (see section 1.3.1).

Nonetheless, only the wired urban dwellers can enjoy the increased diversity. According to the CRRC, 57 percent of the people in Yerevan do not use the internet, and the number is even higher elsewhere in the country: 66 percent in other Armenian cities, and 83 percent in rural regions. There is also a notable age divide: 57 percent of people aged between 26 and 30 do not use the internet, but of those aged between 46 and 60 this figure is 81 percent.⁴⁹

1.3 News Providers

1.3.1 Leading Sources of News

The positions of the leading news providers among the broadcast and print media have stayed generally unchanged in the surveyed period. The Public Television and Radio Company maintained its leading position even after the leading private television companies expanded the geography of their broadcasting (see Figure 7). Meanwhile, the audience of online media has dramatically increased (see Figure 8).

1.3.1.1 Television

According to the 2010 data from AGB Nielsen, the television channels with the largest audience were H1 (or Public 1) of the Public Television and Radio Company, with 20.2 percent of the audience; Armenia TV with 18 percent; and Shant TV with 11.9 percent.⁵⁰

Back in 2006, H1 was the leader in terms of the audience size, but later Armenia TV managed to get very close to H1; in 2009, Armenia TV even overtook it. The increase in Armenia TV's audience can be attributed to the large number of entertainment programs and soap operas of their own production in their broadcasting schedule (about 82 percent).⁵¹

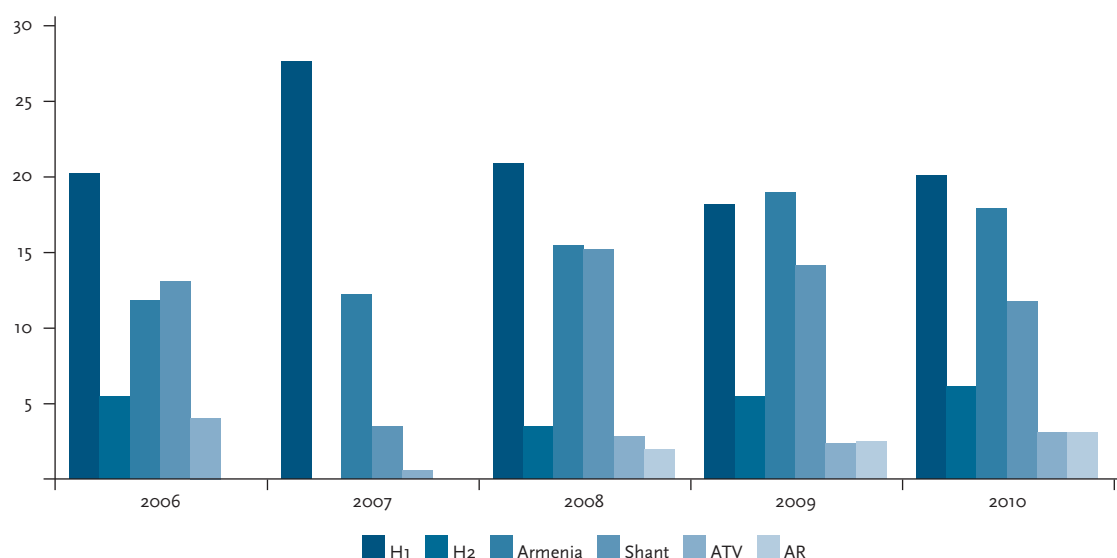
49. Caucasus Research Resource Center–Armenia (CRRC), *Armenia 2011: Media Public Opinion and Preference Survey*, January–February 2011, Armenia, at http://www.crrc.am/store/armedia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

50. AGB Nielsen Media Research, reported dates: 1 January 2006–30 June 2011 (data provided by Khoren Beglaryan, managing director of TV MR AM (official licensee in Armenia of AGB Nielsen Media Research), Yerevan, 28 July 2011).

51. Yerevan Press Club, “Expert analysis of the broadcast licensing competition results of December 2010,” p. 15, at [http://www.ypc.am/upload/Analysis%20of%20the%20Broadcast%20Licensing%20Competitions2010_eng\(2\).pdf](http://www.ypc.am/upload/Analysis%20of%20the%20Broadcast%20Licensing%20Competitions2010_eng(2).pdf) (accessed 17 June 2013) (hereafter, Yerevan Press Club, “Expert analysis of the broadcasting licensing competition results”).

Figure 7.

Most popular television stations by audience share, 2006–2010



Note: Total sample: 1,830,720; there are no data on H2 and Armenia TV for 2007

Source: AGB Nielsen Media Research, extracted 28 July 2011

The market share of H1 was 27.6 percent in 2007, followed by Shant TV (12.4 percent). The share of H1 fell to 20 percent in 2008, while the market shares of Shant TV and Armenia TV grew.⁵² In view of the fact that H1 is accessible in all the regions of Armenia, the findings of the research by AGB Nielsen can be used to estimate the change in the audience of H1, according to which its audience size grew sharply only in 2007 during the five-year period concerned (2006–2010), when several new entertainment shows were launched.

The CRRC survey confirms that the leaders in the broadcasting market are H1 (viewed by 77 percent of the respondents), Armenia TV (68 percent), and Shant TV (65 percent). The CRRC survey gives fourth place to H2 (47 percent), followed by Russia's Channel One (38 percent), and another Russian channel, RTR Planeta (37 percent).⁵³

1.3.1.2 Print Media

There are 10 dailies in Armenia, which have a very low circulation of 2,000–6,000 copies per day. Even this number is not always sold and the return is rate is anything from 10–40 percent.⁵⁴ Thus newspapers do not have a significant influence in the news market or in consumers' news menu. The advertising market is

52. BBC World Service Trust, "Needs Assessment of Armenia's Public Television Company," 2008, p. 16, at <http://www.osce.org/yerevan/34537> (accessed 12 September 2011).

53. CRRC, "Armenia 2011 Media Public Opinion and Preference Survey," at http://www.crrc.am/store/armenia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

54. Mediamax news agency, "The official and real numbers of copies of Armenian newspapers," at <http://www.mediamax.am/am/news/media/2358> (accessed 15 September 2011).

minuscule and mostly limited to classifieds. For sources of income, most publications rely on sponsorship and direct funding from a variety of political and oligarchic groups.⁵⁵

The situation is worse in the regions of Armenia, where in the last 15 years newspapers have been published once or twice per month with a circulation of just 300–500 each. The only daily printed in the regions is *Asparez*, published by the Journalists' Club *Asparez*, with a circulation of 250 to 300 copies.

According to the 2008–2009 survey by IREX, the most popular national dailies in Armenia are *Aravot*, *Hayastani Hanrapetutyun*, *Azg*, *Haykakan Zhamanak*, and *Chorrord Ishkhanutyun* (currently *Chorrord Inknishkhanutyun*).⁵⁶ The highest circulations are those of the opposition daily *Haykakan Zhamanak* (about 6,700 copies) and *Chorrord Inknishkhanutyun* (5,700 copies).

The newspapers *Hayastani Hanrapetutyun*, with 3,000 copies, and *Respublika Armenia* in Russian (founded by the National Assembly in 1990) are financed by the state budget. The daily newspaper *Azg*, with 3,000 copies, was founded in 1991 by the liberal democratic party, Ramkavar Azatakan. The management of the paper is purely political: in June 2012, the editor-in-chief, Hakob Avedikyan, was elected head of the party.

All newspapers experienced drops in circulation in the period 2008–2010 (see Figure 5). *Aravot*, which was selling about 5,000 copies in 2009, today publishes only about 2,000 copies. According to Anna Israelyan, editor of the online version of *Aravot*, the drop in circulation is partly attributable to the audience's migration online, among other factors.⁵⁷

The data from the newspaper distributor Haymamul show that the papers with the highest subscription numbers are *Hayastani Hanrapetutyun*, *Haykakan Zhamanak*, *Aravot*, *Chorrord Ishkhanutyun*, *Azg*, *Golos Armenii*, and *Hraparak* (in the first half of 2011).⁵⁸ However, *Hayastani Hanrapetutyun*, the leader in the subscriptions rating, is not among the top five newspapers rated by copies sold in kiosks, according to Press Stand. The leaders there are four opposition newspapers (*Haykakan Zhamanak*, *Chorrord Ishkhanutyun*, *Hraparak*, and *Aravot*,) and the Russian-language newspaper *Golos Armenii*.⁵⁹

1.3.1.3 Online

Armenian online media have grown rapidly in recent years, aided by falling prices and greater numbers of users. The audiences of news websites have also grown due to the rapid growth of social networks: virtually all Armenian online media have profiles on social networks, where they post news. Some have “likes” in tens of thousands (see section 3.1.3).

55. Yerevan Press Club, “Monitoring of democratic reforms, Armenia, 2006,” at http://www.ypc.am/upload/DemRef06_eng.pdf (accessed 22 June 2011).

56. IREX, “National Semi-Annual Survey December 2008–January 2009 Armenia,” at <http://www.irex.am/eng/programs/media/index.php?f=N-SAS.html> (accessed 15 June 2011).

57. Interview with Anna Israelyan, editor of the online version of *Aravot*, Yerevan, Armenia, 7 June 2012.

58. Interview with Anna Mkrtchyan, head of sales at Haymamul, Yerevan, 22 July 2011.

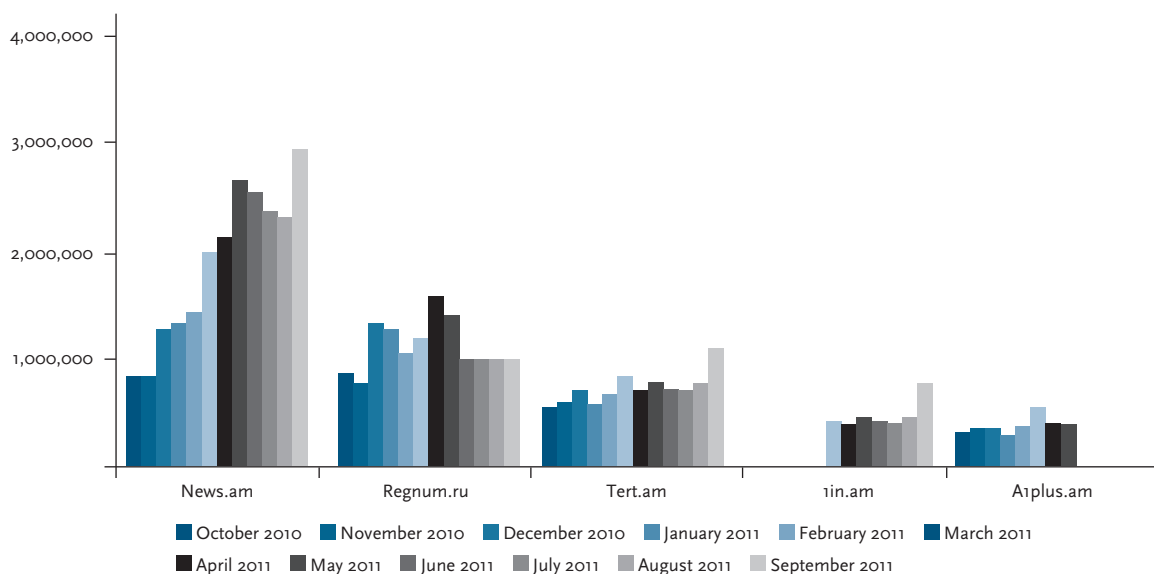
59. Interview with Gurgen Sarukhanyan, financial director of Press Stand, Yerevan, 3 August 2011.

The emergence of pure-play news websites is a notable development. A new class of media has emerged; and the outlets are in fierce competition among themselves. Many are multilingual; for example, News.am is available in Armenian, Russian, English, and Turkish.

Online media are both quicker and more diverse than traditional outlets. According to Circle.am, a rating website, the top five websites in terms of the number of visits are News.am, Regnum.ru, Tert.am, 1in.am, and A1plus.am (September 2011). The data on unique visitors to these websites are not available.

Figure 8.

Ratings of top five news websites, October 2010 to September 2011



Note: Vertical axis shows the number of visits.

Source: Circle.am⁶⁰

The leading news website, News.am, increased its monthly visits from 850,175 to 2,941,645 in just 12 months (October 2010–September 2011), and had more than 125,000 “likes” on Facebook (on 10 June 2013). News.am, Tert.am, and 1in.am are news websites featuring a large volume of information, are interactive, and carry multimedia content. One of the websites, Regnum.ru, is a Russian news website featuring news about Russia and CIS countries. The other three leading websites are Armenian news websites with general news information.

The audience of the top five news websites is at least 20–30 times larger than the average circulation of dailies. Although the latter are starting to develop online versions, they have so far been unable to compete with the top 10 news websites. Online versions of the dailies mainly reproduce the content of the hard copy without employing digital tools or using the advantages of speedy online news production.

60. See <http://circle.am/?cat=news&for=today&by=visits&sl=en> (accessed 25 May 2012).

1.3.1.4 Radio

The CRRC study shows that the majority of the radio audience in Armenia tunes in to listen to music (77 percent), news (53 percent), and interviews (11 percent), and a much smaller section of the audience prefers quizzes and other programs. Research by CRRC shows that only 24 percent of the population listened to the radio within the past 12 months.⁶¹

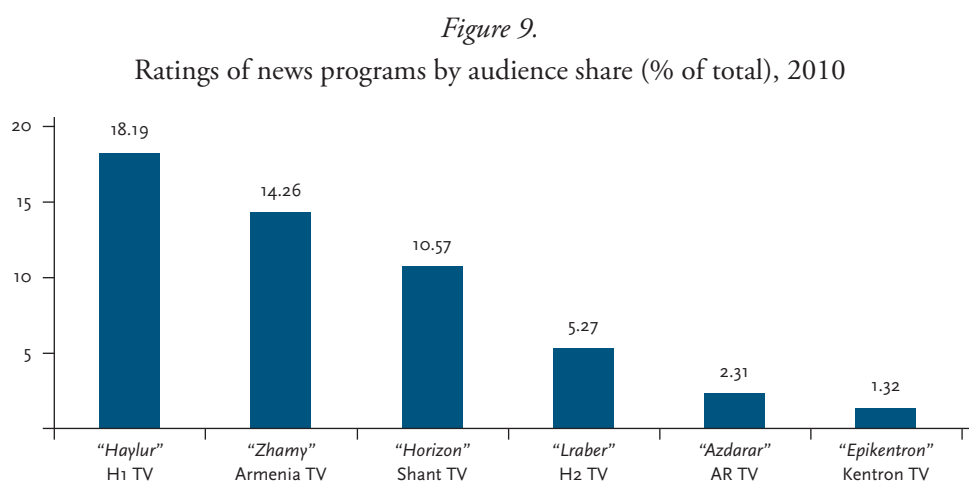
According to research, the top five radio stations are: the Public Radio, Avto Radio, Radio Van, Ardzaganq, and Radio Hay.⁶² All of these stations feature mostly music and entertainment programs, though they have brief newscasts. The two studies carry no data on the audience share for news bulletins. There is not a single radio station in Armenia broadcasting only news.

1.3.2 Television News Programs

According to the 2010 survey by AGB Nielsen, the “*Haylur*” news bulletin of the H1 channel, the “*Horizon*” news bulletin of the Shant channel, and “*Zham*” news bulletin of the Armenia channel have the largest audience among news bulletins.

“*Haylur*” and “*Horizon*” are shown five times daily, and “*Zham*” four times. Each program has a bulletin at primetime: “*Haylur*” at 9 p.m., “*Horizon*” at 10 p.m., “*Zham*” at 8 p.m. The programs last about 30–35 minutes.

The leading position of these sources is explained by the fact that they are easily accessible throughout the country: the coverage is 87–98 percent of the population. The coverage of the other television stations does not exceed 60 percent.⁶³



Source: AGB Nielsen Media Research (accessed 28 July 2011)

61. CRRC, *Armenia 2011: Media Public Opinion and Preference Survey*, January–February 2011, Armenia, at http://www.crrc.am/store/armedia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

62. CRRC, *Armenia 2011: Media Public Opinion and Preference Survey*, January–February 2011, Armenia, at http://www.crrc.am/store/armedia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

63. CRRC, *Armenia 2011: Media Public Opinion and Preference Survey*, January–February 2011, Armenia, at http://www.crrc.am/store/armedia/CRRC_ArMedia_2011_Presentation_English.pdf (accessed 20 June 2012).

1.3.3 Impact of Digital Media on Good-quality News

The presence of online media has increased the volume and diversity of news, albeit mainly for those who have access to this platform. The internet has become even more attractive due to the online broadcasts of television and radio news programs.

However, bigger volume has not translated into better quality. Political bias, a perennial problem in the Armenian media, has persisted in the traditional outlets. In the digital environment, published news often lacks accuracy and does not follow the rules of ethics (see section 4.1.2). According to the results of a monitoring survey conducted by a non-governmental organization (NGO), Journalists for the Future, 81 percent of online news is based on data from one source only; and 1 percent of publications have no clearly named source.⁶⁴

1.4 Assessments

Online media started making a mark in the Armenian media market relatively late, largely due to the very high prices of internet connection and consequently low user numbers in the years of the monopoly of internet services. But after the liberalization of internet services in 2009, online media mushroomed and quickly became the second leading source of news. News sites attract audiences by offering speed, volume, and a variety of multimedia formats. Online media have considerably increased the volume of news and made the market more diverse. However, greater diversity has not translated into higher quality of news content, and the general quality remains low.

The rapid growth of the internet notwithstanding, analog television remains the main and so far unrivalled source of information for the vast majority of the population. The audience of other traditional media, print and radio, is considerably smaller than that of television. The circulation of newspapers remains persistently low, and is tending to decrease even further. Radio stations are largely irrelevant as sources of news.

The benefits of greater diversity brought about by digitization are available mostly to residents of Yerevan. There is a great disparity between the capital city and the regions, and between the urban and rural population in general in terms of access to digital platforms and the myriad of news sources they offer. Thus the development of the internet infrastructure and the affordability of connections are key factors in diversifying the news menu of Armenians.

64. Journalists for the Future, "Monitoring of Armenian Online Media Coverage of May 6, 2012 Elections to RA National Assembly," Yerevan, June 2012, at http://jnews.am/en/interim-report_3_armenian_online_media_monitoring_2012 (accessed 20 June 2011).

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

According to Article 27 of the Constitution of the Republic of Armenia, “the State guarantees the existence and operation of independent public radio and television offering a diversity of informational, educational, cultural, and entertainment programs.”⁶⁵ The activities of the Public Television and Radio Company are regulated by the Republic of Armenia Law on Television and Radio (hereafter, the Law on Television and Radio), which was adopted on 9 October 2000 and has been amended and supplemented 15 times since then.⁶⁶ The latest amendments, related to the transition to digital broadcasting, came into force on 10 June 2010.

Before the adoption of the Law on Television and Radio in 2000, the state-operated television and radio, under the names of National Television of Armenia and National Radio of Armenia. The reform of state broadcasting was a commitment Armenia undertook as it became a member of the Council of Europe in 2001.

Under Paragraph 3 of Article 4 of the Law on Television and Radio, “the State shall create necessary conditions and implement measures for the reception of the programs of the Public Television and Radio Company throughout the territory of the Republic of Armenia (at least one television channel and one radio channel).”⁶⁷

65. Constitution of the Republic of Armenia (with amendments), at <http://parliament.am/legislation.php?sel=show&ID=1&lang=eng> (accessed 22 June 2012).

66. Law on Television and Radio, No. ZR-97, 9 October 2000, at <http://www.parliament.am/legislation.php?sel=show&ID=1464&lang=eng> (accessed 10 June 2013).

67. Law Amending the Law on Television and Radio, adopted on 10 June 2010, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 22 June 2012).

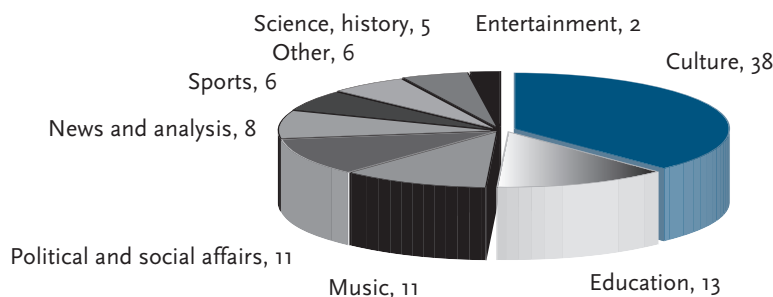
The following public media operate in Armenia: H1 (the main channel of the Public Television and Radio Company), Shoghakat TV created by a government decree,⁶⁸ Public Radio of Armenia, Shirak Public Television, and Shirak Public Radio. The last two are part of a closed joint-stock company and operate only in the territory of the Shirak Region. H1 and Public Radio broadcast throughout the country. Shoghakat TV also broadcasts throughout the country. The Public Television and Radio Company also has an H1 International Satellite Channel, which is broadcast in the CIS, Europe, the Middle East, North Africa, and North America.

Public Radio broadcasts on the FM 107.7 frequency, as well as short, medium, and long waves and by satellite (Hotbird 6), as well as online via the official website Armradio.am. In Yerevan, Public Radio can also be accessed via the city cable network that remains from the Soviet era and is known by its Soviet nickname as *tochka* (“dot” or “point” in Russian).⁶⁹ In Soviet times, a cable radio set serving both broadcasting and civil defense functions was present in virtually every urban household. The network is by subscription, which costs AMD 200 (54 U.S. cents) per month.

The body in charge of all the public broadcasters is the Public Television and Radio Company Council. According to their “Statement on the Activities of 2010,” the share of the Public Television and Radio Company in the country’s television audience was 18.3 percent in 2009, rising to 20.24 percent in 2010. Cultural programs (including films) account for the majority (38 percent) of the programs produced, followed by educational and children’s and youth programs (13 percent), musical programs (11 percent), political and economic and public programs (11 percent), news analysis programs (8 percent), and sports and other programs (see Figure 10).⁷⁰

Figure 10.

Composition of programs produced by the Public Television and Radio Company, 2010



Source: Official website of the National Assembly⁷¹

68. Government Decree of 24 February 2011 on creating the Spiritual-Cultural Public Television Company closed joint-stock company, at <https://www.e-gov.am/gov-decrees/item/19178> (in Armenian) (accessed 22 June 2012).

69. See www.armradio.am/eng/broad/ (accessed 22 June 2012).

70. “Statement on the Activities of the Public Television and Radio in 2010,” p. 13, at http://parliament.am/draft_docs4/1111.pdf, 7 July 2011 (accessed 15 June 2012).

71. “Statement on the Activities of the Public Television and Radio in 2010,” p. 13, at http://parliament.am/draft_docs4/1111.pdf, 7 July 2011 (accessed 15 June 2012).

According to the findings of the monitoring survey conducted by the NGO Yerevan Press Club in March 2011, the top five topics in the news and analysis programs of the First Channel were international affairs, sports, the activities of the government, the Nagorno-Karabakh conflict, and the activities of the president; and the top five themes in the political and debate programs were the activities of the government, inflation, wages, and benefits, the Nagorno-Karabakh conflict, the activities of political parties, and regional events (South Caucasus, Iran, Turkey).⁷²

Hayastani Hanrapetutyun and *Respublika Armeniya* are state newspapers. Their audience is limited: *Hayastani Hanrapetutyun* has a circulation of 3,000 copies per day and *Respublika Armeniya* 1,500 copies per day. Another fully state budget-supported outlet is the state news agency Armenpress. The information provided by Armenpress is mostly used by the state newspapers. Armenpress news can seldom be found in other media. Unlike in the Soviet years, when it was the only news agency in Armenia, now it has lost its leading position.

2.1.2 Digitization and Services

All taxpayer-funded media outlets have invested in online presence and digital services in recent years, albeit with generally small success.

Hhpress.am, the website of *Hayastani Hanrapetutyun*, was launched in 2006. Samvel Sargsyan, the newspaper's executive secretary, believes that the website, along with the growing competition from other online outlets, has contributed to the fall in circulation of the paper.⁷³ The amount of information the website offers is slim and the variety of services limited.

The circulation of the *Respublika Armeniya* newspaper has also halved in recent years, reaching an average of 1,500 copies. Ra.am website was launched in 2005. Neither Ra.am nor Hhpress.am is registered with the Circle.am rating system and so it is impossible to determine how well they fare among online news resources.

Armenpress developed its website early, in 1997, but the featured news was limited and visitors were advised to subscribe for more extensive coverage. The agency later updated its website, increased information flow, and added multimedia content, but it cannot compete with the leading online media. Armenpress is not even among the first 30 on the website rating list.⁷⁴

Unlike the state newspapers and the news agency, the Public Television and Radio Company of Armenia (1tv.am) occupies a leading position in the traditional segment and has the largest broadcast audience in Armenia. It is one of the four television companies that have satellite broadcasting using digital technologies (see section 1.1.2.1). However, it has failed to attract an online audience—similarly to Armenpress, 1tv.am is

72. The data were provided to the researchers by Elina Poghosbekyan, the Monitoring Coordinator of the Yerevan Press Club.

73. Interview with Samvel Sargsyan, executive secretary of *Hayastani Hanrapetutyun* daily, Yerevan, 21 June 2012.

74. Circle.am rating system, "News and Media," at <http://circle.am/?cat=news&for=today&by=visits> (accessed 20 June 2012).

not even among the top 30 sites. The digital leader among public channels is the regional broadcaster Shant TV, whose websites occupy the second and the third positions in the rating list at Circle.am.

Public Radio (Armradio.am), which was the biggest radio station in the Soviet years and in the early post-Soviet years, is currently among the leading five in the radio sector. It also broadcasts via satellite (Hotbird 6), and offers live-streaming through its website. But Public Radio, too, has very limited online audience: its news website is rated 51st in the Circle.am ratings.⁷⁵

2.1.3 Government Support

So far, the public broadcasters have not received any specifically allocated funding from the state budget for the digital switch-over.

The Council of Europe's Committee of Ministers to Member States has issued a recommendation on measures to promote the democratic and social contribution of digital broadcasting.⁷⁶ It recommends to the member states the following:

- To guarantee that public service broadcasting, as an essential factor for the cohesion of democratic societies, is maintained in the new digital environment by ensuring universal access by individuals to the programs of public service broadcasters and giving it *inter alia* a central role in the transition to terrestrial digital broadcasting;
- To reaffirm the remit of public service broadcasting, adapting if necessary its means to the new digital environment, with respect for the relevant basic principles set out in previous Council of Europe texts, while establishing the financial, technical, and other conditions that will enable it to fulfill that remit as well as possible.⁷⁷

The Law on Television and Radio provides that the public channels obtain their place in the state-operated multiplex without competition and the government creates the necessary conditions for public television and radio programs to be accessible throughout the entire country.⁷⁸ So some conditions of the Council recommendations have been met, but the financial conditions have yet to be established. Also, although Armenia did carry out the reform of the state broadcaster according to earlier recommendations from the Council of Europe, the formal transition to public broadcasting did not result in strong independence of the taxpayer-funded outlets (see section 2.2.1).

75. Circle.am rating system, "News and Media," at <http://www.circle.am/?cat=news&for=today&by=visits> (accessed 22 June 2012).

76. "Recommendation Rec (2003) 9 of the Committee of Ministers to Member States on Measures to Promote the Democratic and Social Contribution of Digital Broadcasting, adopted by the Committee of Ministers on 28 May 2003 at the 840th meeting of the Ministers' Deputies," at http://www.ebu.ch/CMSImages/en/leg_ref_coe_r2003_9_digital_broadcasting_280503_tcm6-5032.pdf (accessed 10 June 2013) (hereafter, "Recommendation of the Committee of Ministers").

77. "Recommendation of the Committee of Ministers."

78. Law on Television and Radio, Article 47, Paragraph 5, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (in Armenian) (accessed 26 June 2012).

Altogether, the public broadcasters—Public Television, Public Radio, and Shirak Public Television and Radio—were allocated AMD 3,138 million (approx. US\$8.6 million) in 2009, AMD 3,258 million (US\$8.7 million) in 2010, and AMD 3,427 million (approx. US\$9.2 million) in 2011.⁷⁹

2.1.4 Public Service Media and Digital Switch-over

As transition to digital broadcasting is at an initial stage, it is too early to assess its impact on the public broadcasters' reach and influence.

The H1 channel already covers 100 percent of the country. Article 4 of the Law on Television and Radio states that the state shall take measures to ensure universal reception of public television and radio programs.⁸⁰ The amendment concerning digitization envisages transmission of two public channels after 2015, one of a general nature (H1) and the other one cultural (Shoghakat TV).⁸¹ Shoghakat TV currently broadcasts on the UHF frequency and only covers Yerevan and its suburbs, so following digitization it will cover the entire country, thus expanding its reach.

2.2 Public Service Provision

2.2.1 Perception of Public Service Media

National Television of Armenia and National Radio of Armenia were reorganized as Public Television of Armenia and Public Radio of Armenia, respectively, in January 2001. However, many people continue to perceive Public Television as an outlet serving the interests of the government, rather than the public interest, a perception which is confirmed by independent expert assessment. The monitoring survey of democratic reform conducted under the leadership of the Yerevan Press Club in 2005 read: "The Public Television Company of Armenia remains the mouthpiece of the authorities."⁸² The situation has not changed much since then: for instance, in the report on the coverage of the 2007 elections, the Yerevan Press Club stated: "Subject to the control of the authorities, H1 does not enjoy sufficient independence to ensure unbiased and pluralistic coverage of the news."⁸³ The Yerevan Press Club's report on the monitoring of the coverage of the 2008 presidential election also mentions the biased attitude of Public Television: "A number of programs of the public broadcaster, primarily the *"360 Astichan"* (360 Degrees) Sunday news/analysis program of

79. "Statement on the Activities of the Public Television and Radio in 2009, 2010," at http://www.parliament.am/draft_docs4/864.pdf and http://www.parliament.am/draft_docs4/1111.pdf (accessed 26 June 2012).

80. Law on Television and Radio, Article 4, at <http://www.parliament.am/legislation.php?sel=show&ID=1464&lang=arm> (in Armenian) (accessed 26 June 2012).

81. Law on Television and Radio, Article 4, at <http://www.parliament.am/legislation.php?sel=show&ID=1464&lang=arm> (in Armenian) (accessed 26 June 2012).

82. Yerevan Press Club, "Report on the Monitoring of Democratic Reforms in Armenia," Yerevan, 2005, p. 9, at http://www.ypc.am/upload/DemRef05_arm.pdf (in Armenian), and http://www.ypc.am/upload/DemRef05_eng.pdf (in English) (accessed 10 June 2013).

83. Yerevan Press Club, "Monitoring of the Coverage of the 2007 Parliamentary Election in the Armenian Mass Media," Yerevan, 2007, at http://www.ypc.am/upload/Elections2007_eng.pdf (in English) (accessed 11 June 2013).

H1, contained obvious signs of political bias.”⁸⁴ According to the BBC World Service Trust report “Needs Assessment of Armenian Public Television,” H1 is biased in favor of the government.⁸⁵

The views of politicians on public service broadcasting can be best seen at the annual parliamentary debate on the statement by the Public Television and Radio Company Council. On 10 February 2011, only opposition MPs took part in the debate strongly criticizing the Public Television and Radio Company. Lilit Galstyan, a member of the faction of the Armenian Revolutionary Federation—Dashnaktsutyun party, noted that the Public Television and Radio Company does not reflect diversity of opinions and views and lacks impartiality in its political programs.⁸⁶ Another representative of the opposition, Anahit Bakhshyan from the Heritage Party, mentioned that the Public Television Company discriminates against the opposition and the activities of her party are hardly ever covered. The ruling party expressed no such criticism. The CRRC research indicated that less than a half of the television audience trusts the H1, at 42.8 percent.

The BBC World Service Trust believes the Public Television Company does have the potential to become truly public by nature: “An enhanced regulatory framework combined with clearly articulated editorial obligations will act to build public trust in PTV and strengthen its public service ethos.”⁸⁷

Both the general public and politicians find the Public Radio Company is more diverse, balanced, and engaging than H1.

2.2.2 Public Service Provision in Commercial Media

The Law on Television and Radio contains a general requirement for all broadcasters—public and private—concerning broadcasting in the Armenian language. Article 5 states that “the television and radio programs are obliged to provide appropriate level of clarity in the language.”⁸⁸ Article 59 of the same Law says that broadcasting locally produced programs on any channel cannot be less than 55 percent of the overall airtime a month.

There are special requirements for the coverage of referenda and elections (Article 10). Television and radio companies are required to ensure equal conditions for all candidates in elections, and to “publicly inform about the rates for political advertisement [...] everyone shall use the paid airtime based on contracts, and the conditions shall be the same for everyone.”⁸⁹ All broadcasters, irrespective of their ownership, are also

84. Yerevan Press Club, “Monitoring of the Coverage of the 2008 Presidential Election in the Armenian Broadcast Mass Media,” Yerevan, 2008, p. 14, at http://www.ypc.am/upload/Elections_report-2008-arm.pdf (in Armenian), and http://www.ypc.am/upload/Elections_report-2008-eng.pdf (in English) (accessed 12 June 2013).

85. BBC World Service Trust, “Needs Assessment of Armenia’s Public Television,” 2008, pp. 12–13, at <http://www.osce.org/yerevan/34537> (accessed 12 June 2013) (hereafter, BBC World Service Trust, “Needs Assessment”).

86. See <http://parliament.am/transcript.php?AgendaID=2125&day=10&month=02&year=2011&lang=arm#> (accessed 10 February 2011).

87. BBC World Service Trust, “Needs Assessment.”

88. Law on Television and Radio, Article 5, Paragraph 5, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (in Armenian) (accessed 12 June 2013).

89. Law on Television and Radio, Article 10, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (in Armenian) (accessed 12 June 2013).

required to provide equal conditions for all candidates running for office. According to the Electoral Code, news programs “shall present impartial and non-judgmental information about pre-election campaign run by candidates, parties or party alliances, making sure that fair and equal conditions are in place.”⁹⁰

The current broadcast law does not stipulate any specific requirements for private companies to produce and/or broadcast content of public significance. While organizing licensing contests for private broadcasters (Article 49 of the Law on Television and Radio), the NCTR should consider requirements which concern the content aspect of their activity: the priority of own production, the priority of national production, and the capacity to ensure pluralism.⁹¹

2.3 Assessments

The digitization process of terrestrial platforms has only just begun, and it is premature to make any assessments of its impact on the influence of the public broadcasters.

All taxpayer-funded mass media are present on the internet. However, the impact of their websites on public opinion so far is negligible, as they linger far behind online news leaders in terms of ranking and offer limited information and services. The only notable digital leap is the use of digital satellite broadcasting by H1, which enabled it to expand its audience and reach viewers outside Armenia.

Legal provisions for public service have not changed in recent years, and the public perception of the Public Television has stayed consistently negative (less so in the case of Public Radio). The general public and opposition politicians see it as a mouthpiece of the government and this view is confirmed by independent monitoring reports.

90. Electoral Code of the Republic of Armenia, 5 February 1999, at <http://te.gob.mx/content/armenia-electoral-code-republic-armenia-0> (accessed 12 June 2013).

91. Law on Television and Radio, Article 47, Paragraph 5, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (in Armenian) (accessed 26 June, 2012).

3. Digital Media and Society

3.1 User-Generated Content (UGC)

3.1.1 UGC Overview

Large international social networks, search engines, and email services are the most popular websites in Armenia, with Facebook, Google, YouTube, Odnoklassniki.ru, Mail.ru, V Kontakte, Blognews.am, Yandex, Wikipedia, and News.am making the top 10, according to the ratings on Alexa.com.⁹² As is the case elsewhere in the countries of the former Soviet Union, Russia-based sites compete with global ones, particularly in social networking space, because Russian remains a widely used second language.

The emergence of Blognews.am in 2012 and its rapid rise to prominence is especially interesting, as this site does not produce much content, relying instead on republishing content from various UGC sites: Facebook, YouTube, and blogs. Blognews.am has inspired a range of copycats, but remains the most influential.

Another trend, which is common for the countries of the former Soviet Union, is that Russian internet portals, such as Yandex.ru and Mail.ru, play a key role in creating online communities. These sites combine the search function with a wide array of other services, including news, email, blogs, dictionaries, and social networks, thus serving as a hub for internet users.

While Armenian search and social media websites have a hard time competing with major brands like Facebook, Google, and Yandex, this is not the case with online news. Websites such as News.am, Tert.am, and 1in.am attract large audiences, making them the most popular online resources in Armenia, along with video-sharing community Hottv.am and the local classified ads network List.am.⁹³

All news websites on the list focus on providing UGC opportunities either directly or via social networks, primarily Facebook and Twitter. A1plus.am online is the most advanced in this respect. In April 2011, the website started a special section, “With your eyes”,⁹⁴ giving users the opportunity to upload photos and

92. Alexa.com, at <http://www.alexa.com/topsites/countries/am> (accessed 5 September 2011).

93. Alexa.com, at <http://www.alexa.com/topsites/countries/am> (accessed 5 September 2011).

94. A1plus.am “With Your Eyes” section, at <http://www.a1plus.am/am/mediapod> (accessed 13 June 2013).

videos, and compete. Tert.am features blogs by prominent intellectuals; Azatutyun.am and Lragir.am provide comment options under most of their articles.

3.1.2 Social Networks

While there are no visitor data specific to Armenia for some of the leading social networking sites, there is evidence that Facebook and Odnoklassniki.ru continue to hold dominating positions. Facebook has maintained steady growth of user-base in Armenia, surpassing the 362,000 user mark,⁹⁵ while Odnoklassniki.ru claims up to 2million registered users in Armenia and over 800,000 monthly active users.⁹⁶

Table 5.

Top 10 most popular social networking sites, September 2010 and August 2011

Alexa rank	September 2010	August 2011
1	Facebook	Facebook
2	YouTube.com	YouTube
3	Odnoklassniki.ru	Odnoklassniki.ru
4	V Kontakte (vk.com)	Mail.ru
5	Twitter	V Kontakte (vk.com)
6	Livejournal.com	LinkedIn
7	Linkedin.com	Twitter
8	Haysingles.com	Livejournal.com
9	Hayutyun.am	Armenix.com
10	Hayland.am	Flickr.com

Note: No visitor figures available

Source: Alexa.com⁹⁷

Meanwhile, Armenian social networks such as Hayland.am and Armenia-Online.ru have impressive visitor numbers but are not growing as fast as Facebook; they account for less than half of the overall social networking traffic by Armenian users.

One of the most interesting recent trends has been the emergence of video-sharing websites as popular UGC platforms. While YouTube has been popular for some time, new entrants such as Hottv.am and Uzood.com, as well as less interactive variations, have made rapid gains. With the increase of broadband internet penetration this trend is likely to become more prominent.

95. Socialbakers.com statistics, at <http://www.socialbakers.com/facebook-statistics/armenia> (accessed 20 September 2013).

96. Phone interview with Vahan Afanesyan, director of ID Media LLC, the official representative of Odnoklassniki.ru in Armenia, 21 April 2011.

97. Alexa.com, at <http://www.alexa.com/topsites/countries/am> (accessed 3 October 2010 and 5 September 2011).

3.1.3 News in Social Media

All major Armenian online news sites have embraced Facebook and Twitter as news distribution platforms, although there has been no research to date comparing the different uses of social networks in Armenia. We have also seen several examples where information shared through Facebook and YouTube has grabbed public attention and become nationwide news, suggesting that social networking sites have become important news sources in their own right (see section 3.2.1).

According to Laura Baghdasaryan, head of the Region Research Center, Facebook plays an important social and political role in Armenia:

Although, for example, Odnoklassniki.ru has about 800 thousand users from Armenia, it is more into servicing the establishment of personal contacts and supporting their interpersonal ties, whereas Facebook has brought together mainly those people who are socially active and politically mature, who wish to express their opinions on various pressing issues, political in the first place, and to discuss them. This is the reason why the public figures and the media assess the significance of a specific social phenomenon or political event based on how actively it is discussed on Facebook. In fact, Facebook has grown into a barometer measuring public perception of the most important processes taking place in the country.⁹⁸

3.2 Digital Activism

3.2.1 Digital Platforms and Civil Society Activism

There have been some successful examples of the use of digital platforms for civil society activism. While in 2008 and 2009 there was an unprecedented rise in blogging about political issues and developments, which was led by a very active group of pro-opposition bloggers, in 2010 there was a rising trend of social activism employing a wide range of social media and digital tools.

One such example is the protest group which campaigns against the establishment of foreign-language schools in Armenia, where the primary language of education would be a language other than Armenian. The 3,000-member Facebook group, “We are against the opening of foreign-language schools,”⁹⁹ has been active and there are two dozen active blogs presenting their views and organizing protest actions. The group’s campaign has been so successful that it has forced the Minister of Education to publicly respond to their arguments, and modifications were made to draft legislation on language and public education, to accommodate certain of the group’s demands. (The draft was signed into law in January 2011.)

98. Interview with Laura Baghdasaryan, head of Region Research Center, Yerevan, 15 August 2012.

99. “We are against the opening of foreign-language schools,” at <http://www.facebook.com/#!/group.php?gid=112426852127161&ref=ts> (accessed 5 September 2011).

Another example of civic activism started with the decision by the Municipality of Yerevan to allow the demolition of an open-air cinema to make space for the construction of a new church. Protests against the demolition of the cinema and discussions which started on various blogs (led by young Armenian architects) generated enough commotion to attract the attention of mainstream media. The campaigners forced high-ranking officials, such as Prime Minister Tigran Sargsyan and the mayor of Yerevan, Gagik Beglaryan, as well as representatives of the Armenian Apostolic Church, to answer questions and address the issue. The plans for demolition have now been postponed. The group attracted more supporters and was further empowered when another construction project in Yerevan was threatening to fell trees in the Student Garden to build cafeterias. The group was reshaped and formed into a movement called “We are the owners of our city,”¹⁰⁰ which has a very active community on Facebook of around 4,000 members. Through the Facebook group the activists of the movement coordinated several protest actions, organized a petition to the authorities with 10,000 signatories, and engaged in other forms of activism.

Environmental Activism: Mariam Sukhudian

One of the most successful cases of individual civic activism is that of Mariam Sukhudian,¹⁰¹ an environmental activist and campaigner against a major mining project in the Teghut forest in the Lori Region. Sukhudian has more than 4,600 Facebook friends and has posted more than 1,200 photos exposing illegal logging active throughout Armenia, as well as dozens of videos and hundreds of links to news items and studies related to environmental issues. Her substantial activity online and offline has won her many friends on Facebook, and she is using this leverage to campaign against illegal logging in Yerevan and throughout Armenia. Along with a group of her friends, she is also behind a Ushahidi-type website which facilitates the posting of alerts about illegal logging in Yerevan. The website is called Kanach.am and has on several occasions generated media attention when trees were being cut in the capital.

Armenian citizens used digital means of expression also during the state of emergency following the violent clashes in the streets of the capital Yerevan in the aftermaths of the 2008 presidential elections. Blogs like Bekaisa.livejournal.com, Aramazd.livejournal.com, and YouTube channels such as Youtube.com/A1plus.am, Youtube.com/echannelnews, and Youtube.com/ditord received tens of thousands of unique visitors, since these new media websites had become the only source of pro-opposition or independent news, as the mainstream media were being heavily censored (see section 7.3.3).

The parliamentary elections (6 May 2012), presidential elections (18 February 2013), and Yerevan Council of Elders elections (5 May 2013) saw the development of several major digital platforms, which had a role in leveraging the power of crowdsourcing to monitor the election process. These included the Iditord.org

100. “We are the owners of our city,” at <http://www.facebook.com/profile.php?id=571137480#!/group.php?gid=119537174725392&ref=mf> (accessed 5 September 2011).

101. Mariam Sukhudian’s Facebook profile is at <http://www.facebook.com/profile.php?id=571137480> (accessed 5 September 2011).

project, Mynews.am, and Citizen Observer. The Ushahidi-type Iдитord.org was by far the most significant, registering 1,107 alerts about electoral fraud and violations during the parliamentary elections, 394 alerts during the presidential elections, and 417 during the Yerevan elections. The website also came under a massive DDOS attack on 6 May 2012, when it was receiving a great deal of media attention for publishing numerous alerts about electoral violations. The reports on Iдитord.org were actively covered by the mass media, and law-enforcement bodies and the Central Electoral Commission made a point of investigating and responding to the alerts. According to Iдитord.org's project director Samvel Martirosyan, law-enforcement bodies investigated around 50 alerts about irregularities in the election process received from Iдитord.org, leading to two criminal prosecutions. "The activity of citizens was quite high, and the activity of the police and other law-enforcement bodies also grew with time as they responded actively to alerts published on our website," Mr Martirosyan said.¹⁰²

3.2.2 The Importance of Digital Mobilizations

The cases described in section 3.2.1 generated enough attention to be covered by mainstream media and, starting as small groups online, grew in prominence and encouraged hundreds and sometimes thousands of people to sign online petitions and participate in offline demonstrations.

All of them have already registered moderate success and there is now an understanding in society and even in the government that this newly emergent online civic activity cannot be ignored and should be handled with care.

Initiatives like "We are against the opening of foreign-language schools" and "We are the owners of our city" have generated nationwide attention primarily through their online activism, which has helped raise their profile and invite attention to their cause. They have been invited on television discussion programs and interviewed by mainstream media, and prominent state officials have commented on statements made by these groups online.

Nonetheless, digital civic activism remains an elite pursuit: it is only the wired urban dwellers who engage in online initiatives. Even in the more media-savvy cities, a considerable percentage of people do not use the internet: in Yerevan this figure is 57 percent (see section 1.2).

3.3 Assessments

Major discussions on the social networks and in the blogosphere initiated by civil society groups occasionally make news headlines, and so do some YouTube videos exposing celebrities. With the emergence of platforms like Blognews.am and MediaMall.am, the social networks have become systematic contributors to the daily news and information offer.

102. Interview with Samvel Martirosyan, project coordinator at Media Diversity Institute, Yerevan, 20 July 2013.

Armenian citizens used the potential of blogging and YouTube to bypass the censorship imposed during the state of emergency after the 2008 presidential elections. While the mainstream media were providing only officially sanctioned information, blogs became virtually the only source of independent news.

Armenian citizens have used and still are using the opportunities offered by social media and online tools and this trend is on the rise. The most active and productive utilization of online tools for civil causes to date was during 2010 and 2012. We have seen numerous occasions when the traditional media have quoted social media and blogs, including *Hraparak* daily, which frequently prints extracts from Facebook discussions.

Bloggers and activists make extensive use of sharing features offered by conventional news sites, citing and linking back to news stories and sources.

4. Digital Media and Journalism

4.1 Impact on Journalists and Newsrooms

4.1.1 Journalists

Since 2008, journalists and editors in Armenia have started using digital media increasingly as news sources: social networks, websites of international and local media, as well as reports published on the websites of public and NGOs. Nouneh Sarkissian, managing director of the NGO Internews Media Support,¹⁰³ believes the wide array of news sources available online has contributed to the productivity of working journalists. As well as using social networks as news sources, many journalists are active social network contributors and participants in blog discussions, often maintaining their own blogs that have an influential presence in social networks.¹⁰⁴ The swift development of new sources of information has enabled Armenian journalists to obtain data quicker and more efficiently about both national and global events, and to compare various opinions relating to the pressing political, social, and economic events, as well as other issues.

Boris Navasardian, president of the Yerevan Press Club, says print media have been affected by digitization much more than other types of media.

In many cases blogs, online media, social networks—first of all Facebook—become the main information source for the journalists of printed press and provide them with topics and pressing issues to cover. As for the broadcast media employees, the situation is somewhat different. The Armenian broadcasters have always been, and still are, selective in reporting on events and issues; their coverage is far from being inclusive of all the issues that might be of public interest, and only those aspects are reported which correspond to their specific political objectives. Hence, it is too early to speak about pluralism and diversity here.¹⁰⁵

However, he says, broadcasters have come to understand that, with new media present in the market, they face new responsibilities to provide the audience with varied information. He believes that on the whole

103. See <http://www.internews.am/who-we-are> (accessed 14 May 2013).

104. Interview with Nouneh Sarkissian, managing director of Internews Media Support, Yerevan, 8 October 2010.

105. Interview with Boris Navasardian, president of Yerevan Press Club, Yerevan, 8 August 2012.

those at higher political levels also recognize the need for refraining from covert censorship and control over the broadcast media in view of new media development, but this recognition has not been put into practice yet.¹⁰⁶

The expansion of new sources has also had negative consequences. In particular, the volume of unverified facts has significantly increased. Journalists and editors often attribute this to the need for a more speedy delivery of news to the user. News theft and plagiarism is also on the rise: in pursuit of super-efficiency some journalists use articles from other media, often without reference to the source. The variety of sources has also decreased: in preparing their own publications journalists rely primarily on one source.

According to monitoring by Journalists for the Future in February–May 2012, 81 percent of items (articles or pieces of news) published in the top 10 online media outlets were based on only one source, and 11 percent of the items had no hyperlinks. At the same time, the vast majority of these items (82 percent) were presented as the outlets' own production, while the remaining 18 percent of articles/news were explicitly taken from other sources.¹⁰⁷

Digitization has also changed the age composition in the journalism trade. As mentioned in section 1.3.1, the emergence of pure-play news websites in Armenia is a significant recent phenomenon, and the majority of employees in these media outlets are young graduates. A lack of experience and knowledge is frequently evident in their practical work. As Mr Navasardian notes, although new media are developing rapidly and are expanding their audiences, “We do not see an increase in professional level, i.e. in this case development does not imply professionalization, and unfortunately the prevalence of dilettantism is being increasingly seen in the field of news.” He says that the younger generation penetrates various networks and new media easily, but they lack experience and professional skills. “Due to their zest and energy, these people get hold of the market, while those who possess the experience and the required knowledge are engaged in other activities and chores, and they are not able to allocate enough time for playing a significant role in the new media or social networks, or their conservatism stands in the way.”¹⁰⁸

Meanwhile, proficiency in social networking and the use of digital tools are rapidly becoming a question of both outlets' and journalists' competitiveness in the marketplace. Almost all traditional media now have websites to compete for audiences, and traditional media journalists have to obtain new multimedia production skills and improve their digital literacy, as they have to produce content for a variety of platforms. The experts interviewed for this study noted that journalists seldom receive additional pay (in the form of bonuses, increase in salaries, etc.) from their employers for the extra work online. Media managers try to conquer new platforms using the existing human resources and the means available in the editorial offices.

106. Interview with Boris Navasardian, president of Yerevan Press Club, Yerevan, 8 August 2012.

107. Journalists for the Future, “Monitoring of Armenian Online Media Coverage of May 6, 2012 Elections to RA National Assembly,” 2012, at http://www.jnews.am/en/final_report_armenian_online_media_monitoring_2012 (accessed 12 June 2013). The research considered 16,726 items published in these 10 online media.

108. Interview with Boris Navasardian, president of Yerevan Press Club, Yerevan, 8 August 2012.

On the whole, multimedia and multiplatform production is the main direction of the development of today's journalism in Armenia. This is why, as Mr Navasardian noted, only those traditional media will thrive that can succeed at convergence. He believes that newspapers, for example, should not limit themselves to just merely creating digital versions of printed material, but also use other means—online broadcasting and video blogs, among other things.¹⁰⁹

Some newspapers have realized this and put it into practice. For example, the newspaper *Zhamanak* established 1in.am, a fully fledged and trilingual news website, which is currently one of the leading online news providers in Armenia (see Figure 8). It uses, among other things, a video-streaming option and presents its own television programs.

4.1.2 Ethics

The expansion of the new media has apparently resulted in a decline in the quality of journalism. There has been a significant increase in the volume of unverified facts in the flow of information. Representatives of the online media underscore the danger by emphasizing the need to increase the speed of delivery of news to the consumer. In addition, as a result of the urgency and very often due to laziness, journalists merely copy the information or notes that interest them and insert the copied material into their own item as their own work, with no links to the original. Such practices are particularly widespread among internet publications. Although this practice directly infringes the copyright law and the journalists' code of ethics, nobody has yet been held accountable.

On 21 May 2013, the heads of the print media issued a statement on violations of copyright of the journalists and the print media. They were concerned that published news and articles appear on the internet mostly without proper references, thereby violating the copyright of the journalists and the media.¹¹⁰ To improve the situation, the editors of the print newspapers suggested that online media should sign an agreement for using news and articles from the press. On 21 June 2013, the editors of online publications made a similar statement, offering terms of cooperation to the partner online media to protect the copyright of journalists and the media.¹¹¹ As a result, amendments were drafted to the Law on Copyright, setting out conditions for reproducing news items. The partial reproduction of a news item from a print/online outlet by another print/online medium—without the author's consent and payment—would be permitted only “within reasonable limits.” Moreover, full reproduction of a news piece would require the author's consent.^{112, 113}

109. Interview with Boris Navasardian, president of Yerevan Press Club, Yerevan, 8 August 2012.

110. “The Statement of the Editors,” at <http://www.a1plus.am/am/social/2013/05/23/statement> (accessed 6 July 2013).

111. “The Statement of the Editors of Electronic Media,” at <http://www.lragir.am/index/arm/0/right/68553/84567> (accessed 6 July 2013).

112. Yerevan Press Club, “Weekly Newspaper, September 6–12,” at <http://ypc.am/bulletin/t/45744/ln/eng> (accessed 22 September 2013).

113. On 30 September 2013, the National Assembly adopted amendments to the RA Law “On Copyright and Related Rights.”

Mechanisms of general self-regulation in the form of codes of ethics have existed in Armenia since 2007. Prior to that, individual codes were developed by NGOs such as the Yerevan Press Club, Internews Media Support, and the Association of Investigative Journalists. On 10 March 2007, at the initiative of the Yerevan Press Club and with the support of other media NGOs, 18 media outlets signed a joint Code of Conduct of Media Professionals and elected a monitoring institution, the Media Ethics Observatory. The Code of Conduct has been signed by 45 entities, representing 48 Armenian media outlets, including three pure-play websites and 16 television companies (of which 13 are regional).¹¹⁴ The signatories have accepted the authority of the Observatory to review the conformity of their actions and publications to the Code of Conduct and have expressed their willingness to publish the Observatory's decisions.

By 1 August 2012, a total of 28 complaints had been submitted to the Media Ethics Observatory, 14 of which related to the publication of unverified or misrepresented facts. Another four complaints dealt with the copyright law violation. The remaining 10 related to other aspects of professional ethics.¹¹⁵ According to Olga Safaryan, a lawyer and a member of the Observatory, these figures may reflect trends in the violation of media ethics.

However, the real number of such violations is many times greater. This particularly refers to new media. There, virtually every day one can come across inaccurate facts, publications without references to sources, including cases where the contents are taken from other outlets. As for the scarcity of appeals that reach us, it is a problem of the Observatory itself. We ought to work more actively both with the mass media and with civil society so that they are aware of our activities and trust us.¹¹⁶

Another member of the Observatory, the chairwoman of the Journalists Union Astghik Gevorgyan, argues that the institution's decisions, even if not yet numerous, have already led to positive change. "When media professionals or ordinary citizens apply to this body, we study the dispute thoroughly to reach relevant decisions, which, on the whole, produce a positive impact on the situation."¹¹⁷ She mentions an example: the newspaper *Zhamanaki Mitk* (A Contemporary Idea) reprinted contents from the A1+ television company website, with no source citation. The director of A1+ filed a complaint to the Observatory, which found that the newspaper had violated the norms of professional ethics. The dispute was settled; subsequently, the editor-in-chief of *Zhamanaki Mitk* joined the self-regulation initiative and signed the Code of Conduct.¹¹⁸

On 1 May 2011, another ethics-related initiative came into being: the Information Disputes Council (IDC) was established. Comprising representatives of the media and civil society, IDC issues opinions or statements on and offers out-of-court solutions to disputes related to freedom of expression. According to Shushan

114. Yerevan Press Club, "Media Self-regulation Initiative," at http://www.ypc.am/self_regul/ln/en (accessed 5 September 2012).

115. Yerevan Press Club, "Media Self-regulation Initiative," at http://www.ypc.am/self_regul/ln/en (accessed 5 September 2012).

116. Interview with Olga Safaryan, lawyer, member of the Media ethics Observatory, Yerevan, 10 August 2012.

117. Interview with Astghik Gevorgyan, chairwoman of the Journalists Union of Armenia, Yerevan, 20 August 2012.

118. Yerevan Press Club, "Media Self-regulation Initiative," at http://www.ypc.am/self_regul/ln/en (accessed 5 September 2012).

Doydoyan, secretary of the council and president of the Freedom of Information Center, by 15 August 2012 the IDC had published 14 expert opinions on lawsuits related to libel and insult in the media.¹¹⁹ The IDC has a bilingual (Armenian and English) website, Idcarmenia.am, which serves both as a platform for presenting IDC activities and opinions, and as a comprehensive source of legislation as well as local and international court practices on freedom of expression and information.

4.2 Investigative Journalism

4.2.1 Opportunities

The digital environment has brought about two notable benefits: it is easier to gather and compare data and it helps investigative journalists integrate with and publish their output through international investigative networks.

The Association of Investigative Journalists is now present on the website of the Organized Crime and Corruption Reporting Project (OCCRP).¹²⁰ It is an international project that, according to Edik Baghdasaryan, head of Investigative Journalists, promotes close cooperation with peers all over the world. “On the whole, such partnership is crucial in our sphere as quite often threads of corruption and other criminal stories lead to other countries. In such cases foreign counterparts assist in the search and verification of the facts, and in other issues related to the preparation of investigative materials,” Mr Baghdasaryan says.¹²¹ He believes participation in this project gives an opportunity to learn from international expertise in the sphere of investigative journalism and to present the work of Armenian journalists to wider foreign audiences.¹²²

In Mr Baghdasaryan’s view, Armenian journalism in general and investigative journalism in particular does not make enough use of digital opportunities. Technology is developing swiftly, so “it is essential to quickly upgrade computers, acquire new hardware and software, to conduct training courses for the personnel.” But it is a very costly process, and very few editorial offices can afford such expenses.¹²³

In January 2012, the investigative weekly *Hetq*, published by the Association of Investigative Journalists, was closed down due to financial constraints. In the last months of the weekly’s existence it could only sell 800 copies of each edition. At the same time, the number of users of its online version, Hetq.am, doubled, reaching 12,000 per day. Mr Baghdasaryan believes that this happened mainly due to the topicality of the

119. Interview with Shushan Doydoyan, president of Freedom of Information Center, Yerevan, 3 August 2012.

120. Organized Crime and Corruption Reporting Project (OCCRP), at <http://www.reportingproject.net> (accessed 5 September 2012).

121. Interview with Edik Baghdasaryan, president of the Association of Investigative Journalists, editor-in-chief of Hetq.am, Yerevan, 4 September 2012.

122. Interview with Edik Baghdasaryan, president of the Association of Investigative Journalists, editor-in-chief of Hetq.am, Yerevan, 4 September 2012.

123. Interview with Edik Baghdasaryan, president of the Association of Investigative Journalists, editor-in-chief of Hetq.am, Yerevan, 4 September 2012.

information published, but also owed much to the efficient use of photo, audio, and video materials. “I am confident that turning our online publication into a multimedia platform, which is our current focus, will increase the number of Hetq.am users considerably,” Mr Baghdasaryan says.

The advances in digital technology have made it easier for journalists in general and investigative journalists in particular to find information about Armenia and to perform comparative analysis with indicators from other countries. A number of state and private websites in Armenia, such as the website of the National Statistical Service, contain important information that can be used for investigations. The website Taxinfo.am, for instance, regularly publishes information on the highest taxpayers in Armenia.¹²⁴

However, the websites of state bodies often omit vital data and information which could be used for investigative stories.¹²⁵ According to Mr Baghdasaryan, information on spending by ministries and national agencies is frequently inaccessible. Sometimes it is also impossible to get information about open court proceedings.

4.2.2 Threats

Investigative journalism has always been a high-risk profession and investigative journalists have been subjected to attacks and pressure in Armenia. The wide use of digital technologies has created some new risks: Hetq.am website has been hacked three times since 2008 and the Association of Investigative Journalists had to change the location of its server on three occasions due to security concerns.¹²⁶

4.2.3 New Platforms

Generally, there is no significant investigative reporting by bloggers in Armenia. An exception is Ara Manoogian, an Armenian human rights activist and blogger based in the United States, who publishes posts on pressing social issues such as women’s rights and children’s rights, as well as exposés on human trafficking and corruption based on his own investigation, which he publishes on a multitude of platforms, including YouTube, social networks, blogs, and media.¹²⁷

Bruce Tasker, a British citizen residing in Armenia and former employee of the World Bank, has done some investigative journalism. He has created a blog called Blowing the World Bank Whistle, but his publications are largely opinion-based.¹²⁸

Video materials exposing dubious practices sporadically appear on YouTube, produced and posted by individual citizens. In September 2010, a video about abuse and bullying in the Armenian Army entitled “The

124. Interview with Gegham Vardanian, journalist, new media expert, Yerevan, 8 October 2010.

125. Interview with Edik Baghdasaryan, president of the Association of Investigative Journalists, editor-in-chief of Hetq.am, Yerevan, 4 September 2012.

126. Interview with Edik Baghdasaryan, president of Association of Investigative Journalists, editor-in-chief of Hetq.am, Yerevan, 21 July 2011.

127. See <http://www.armanoogian.blogspot.co.uk> (accessed 13 June 2013).

128. See <http://better-not-wb-the-wb.blogspot.com> (accessed 13 June 2013).

Real Face of the Army,” was published on YouTube. After initially dismissing the video as a fabrication, the authorities were forced to open an investigation after a wave of public outrage was sparked by the footage.¹²⁹

4.2.4 Dissemination and Impact

Online media and new media tools provide greater freedom to publish materials with investigative content. The better-quality investigative articles in Armenia can be found on the websites Hetq.am, ArmeniaNow.com, and Azatutyun.am. The first two are internet initiatives of NGOs and the third is the website of the Armenian Service of Radio Free Europe/Radio Liberty (RFE/RL). Among these platforms, Hetq.am has been and remains the leader in disseminating investigative content in Armenia.

“The impact of investigative materials has grown in relation to digitization to the extent that it is now possible to publish audio and video stories, pictures to which state bodies respond immediately, whereas the response to text-only publications is not always adequate,” states Edik Baghdasaryan, editor-in-chief of Hetq.am.¹³⁰ Besides, it is now possible to disseminate materials via international networks and to expand the readership.

However, despite new platforms for dissemination, the overall audience for investigative material remains small. According to Mr Baghdasaryan, this mirrors the situation all over the world: the audience for investigative journalism is much smaller than the number of consumers of daily generalist news. The reason is probably that “serious investigative publications require readers or viewers [to do] mental work, ... to be socially active.”¹³¹

4.3 Social and Cultural Diversity

4.3.1 Sensitive Issues

Issues related to sexual and religious minorities are among the most contentious in the Armenian media, and are often affected by biased and unprofessional journalism. When covering minorities, some journalists label them as a threat to national security, a type of psychological deviation, or a departure from accepted standards. They are often associated with what is called European influence, which is presented as being at odds with traditional Armenian values.

All religious minorities are referred to as sects and religious identity is often mentioned in crime reports.

129. “Armenian army rocked by video abuse scandal,” France 24, at <http://observers.france24.com/content/20100924-armenian-army-rocked-video-abuse-scandal> (accessed 13 June 2013).

130. Interview with Edik Baghdasaryan, president of the Association of Investigative Journalists, editor-in-chief of Hetq.am, Yerevan, 4 September 2012.

131. Interview with Edik Baghdasaryan, president of the Association of Investigative Journalists, editor-in-chief of Hetq.am, Yerevan, 4 September 2012.

Two recent events have highlighted the sensitivity of lesbian, gay, bisexual, and transgender (LGBT) issues. The leader of an Armenian nationalist group (Armenian Aryan Order) threatened to publish a list of state officials who had non-heterosexual orientations; none of the media criticized the intention. The list was never published. In another case, when the DIY club (a club of the LGBT community) was set on fire in downtown Yerevan in 2012,¹³² the incident was not condemned by the political establishment.

Avetik Ishkhanyan, president of the Helsinki Committee of Armenia, believes that negative and mocking attitudes toward sexual minorities “frequently originate from politicians and state officials, are disseminated through the mass media, and reach society. Here, the stereotypes formed under the influence of Christian traditions and the Soviet past, when same-sex relations were subject to criminal prosecution, still linger.”¹³³ He believes that although the situation has somewhat changed in recent years (organizations of sexual minorities have been created—something that was inconceivable 10 years ago), nothing is being done by the government to promote tolerance toward these minorities. “Take the arson at the DIY club, for instance: the act was not condemned by the political circles ... Open discussions in the social media and on television, including some with the participation of the club owner, certainly are a step forwards—a testament of some change in society,” says Mr Ishkhanyan.¹³⁴

Other areas of sensitivity concern people who became refugees or were displaced because of the Nagorno-Karabakh conflict, and issues related to gender, disability, and some ethnic minorities (Yezidis and Kurds). Stereotypes are frequently used in referring to these groups. For instance, when referring to an official, a journalist might randomly mention the fact that the official is female, or call her “emotional,” or start a video about Yezidis with an image of a flock of sheep.

4.3.2 Coverage of Sensitive Issues

Under Paragraph 5 of Article 26 of the Republic of Armenia Law on Television and Radio, the Public Television and Radio Company of Armenia must “allocate airtime for broadcasting special programs and content in the languages of the national minorities of the Republic of Armenia.”¹³⁵ Article 22 of the Republic of Armenia Law on Television and Radio prohibits the use of television and radio programs for inciting ethnic, racial, and religious hostility or divisions.¹³⁶

Coverage of the LGBT community is mostly negative. In general, minorities are largely ignored by the mainstream media. Several successive surveys conducted during 2004–2006 by the London-based Media Diversity Institute (MDI) have shown that the Armenian media mostly avoid coverage of issues related to

132. The DIY club incident occurred at 5.05 a.m. on 8 May 2012. Several young men broke the window glass and threw a “Molotov cocktail” bottle inside, setting the club on fire. There was an explosion, and the club almost totally burnt down. The next day, the police detained two of the young suspects. They were soon released on bail, paid by two high-level representatives of the Armenian Revolutionary Federation—Dashnaksutyun political party.

133. Interview with Avetik Ishkhanyan, president of the Helsinki Committee of Armenia, Yerevan, 11 September, 2012.

134. Interview with Avetik Ishkhanyan, president of the Helsinki Committee of Armenia, Yerevan, 11 September 2012.

135. Law on Television and Radio, Article 26, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 12 September 2012).

136. Law on Television and Radio, Article 22, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 12 September 2012).

minorities: the coverage of topics related to five minority and social groups, including women and ethnic, sexual, and religious minorities, as well as persons with disabilities during 2004 and 2005 accounted for only 3.4 percent of the total news output of five newspapers and five nationwide television stations. During 2005–2006, the coverage volume fell to 2.5 percent. With a few exceptions, the trend continues today.¹³⁷ Journalists report on minorities only when there is a special occasion to do so (for instance, the International Day of Persons with Disabilities, a seminar on ethnic minorities, and the like), rarely trying to explore an issue in its own right. As a consequence, the coverage and analysis of issues related to social and cultural diversity is neither deep nor comprehensive.¹³⁸

Some online media and blogs have recently started changing the minority coverage landscape. ArmeniaNow.com and Hetq.am play a particularly important role in this respect, and they have the best experience in covering the issues of minorities.

4.3.3 Space for Public Expression

In recent years, a number of individual and collective blogs dealing with minority issues (mostly sexual minorities) have emerged. For instance, blogs like Unzipped Gay Armenia, Dorian's, and Pink Armenia have a notable presence in the Armenian blogosphere and have occasionally been cited by the traditional media.

Starting in 2010, and mostly thanks to the efforts of local and international organizations such as the Institute for War and Peace Reporting (IWPR) and Internews Media Support, blogs of ethnic minorities, refugees, and displaced persons have also been created, including the Yezidi, Greek, Polish, and Ukrainian communities of Armenia. However, these blogs are still in an embryonic state and it is premature to assess their impact.

4.4 Political Diversity

4.4.1 Elections and Political Coverage

No changes relating to digitization have been introduced in the laws regulating election coverage. The Law on Television and Radio contains provisions regulating the activities of the Public Television and Radio Company in respect of political coverage. It requires impartiality and limits the airtime given to “a political position” or “campaign programs.”¹³⁹ But these provisions existed prior to the amendments made on 10 June 2010 and are not related to digitization.

There are also some specific rules for the coverage of elections and referenda contained in the new Electoral Code and the Law on Television and Radio adopted in 2011. These include requirements for broadcasters

137. Media Diversity Institute, “Media Coverage of Minority Groups in the South Caucasus 2004–2006,” April 2006, at <http://www.slideshare.net/angryroot/mdi-media-coverage-of-minority-groups-in-the-south-caucasus-2004-200620042006> (accessed 13 June 2023).

138. Interview with Elina Poghosbekyan, board chair of the Media Diversity Institute NGO, Yerevan, 10 October 2010.

139. Law on Television and Radio, Article 26, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 12 September 2012).

“to ensure equal conditions for candidates, parties, and party alliances running in the National Assembly elections.”¹⁴⁰ These rules are also unrelated to digitization and apply only to conventional broadcasters.

Virtually the same requirements are present in the Electoral Code of the Republic of Armenia, which specifies the rules applying to television and radio companies performing terrestrial broadcasting.¹⁴¹ The law also states that the National Commission for Television and Radio shall oversee compliance with those provisions.

The Electoral Code contains the following clause regulating the print media: “During the pre-electoral campaign period, newspapers and journals founded by state government and local self-government bodies must ensure non-discriminatory and impartial conditions for candidates and parties and party alliances running in the proportional contest.”¹⁴²

There are no legislative requirements concerning private print media.

4.4.2 Digital Political Communications

In a major step forward, the internet was embraced as a tool for political and social change in 2012. For the parliamentary elections in May 2012, two election monitoring websites were launched, Irazek.am and Iдитord.org, to inform citizens about electoral rules and empowering them to report alleged election problems and community outreach initiatives. Irazek.am was implemented by the Journalists for the Future NGO and funded by the Organization for Security and Co-operation in Europe (OSCE) and the U.S. Embassy in Armenia. Iдитord.org is a project of the Transparency International Anti-corruption Center and the Media Diversity Institute in Armenia, with the support of Open Society Foundations-Armenia and the U.S. Agency for International Development (USAID), through a number of its partners, the Eurasia Partnership Foundation, Internews Media Support, and Counterpart International.

Irazek.am provides information on candidates, the role of citizens in the election process, election legislation, and locations of polling stations. It also had an interactive message board for observers, which received 171 messages before and during election day. Iдитord.org is a more interactive election monitoring and reporting site that enables every citizen to be an observer. The website lets people call, text or tweet, election problems to the site. This accessibility resulted in the site receiving more than 1,100 user-generated reports, which were displayed on an interactive map. Users identified where they made their observation, and sometimes uploaded a photo to help tell the story. According to a report by the OSCE Parliamentary Assembly, the websites helped the election process to be more transparent. The two sites complemented each other with

140. Law on Television and Radio, Article 10, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 12 September 2012).

141. Electoral Code of the Republic of Armenia, Article 19, at <http://parliament.am/legislation.php?sel=show&ID=4216&lang=arm> (accessed 12 September 2012).

142. Electoral Code of the Republic of Armenia, Article 19, at <http://parliament.am/legislation.php?sel=show&ID=4216&lang=arm> (accessed 12 September 2012).

information and interactivity, capitalizing on technological advancements to engage Armenians in a new form of civic participation.¹⁴³

Armenian politicians, parliamentarians, public officials, and even some ambassadors and embassies have tried in the last several years to secure their presence in blogs and social networks. A number of senior officials, including President Sargsyan (who was elected for the second term in the presidential elections of February 2013), Prime Minister Sargsyan, the Speaker of the National Assembly, Hovik Abrahamyan, and the education and science minister, Armen Ashotyan, all have a blog and/or a Facebook page.

The Prosperous Armenia Party, which is part of the ruling coalition, and the opposition movement led by Levon Ter-Petrossian (which became the Armenian National Congress) are the political forces that have most effectively used their internet presence for political aims. While the Prosperous Armenia Party uses the internet to generate support among students and youngsters, the Armenian National Congress solves specific organizational issues by using the internet to organize its activists and to disseminate information about its political actions and demonstrations. A noteworthy case was the “Silent Protest Action” by the opposition on 21 March 2008, which was organized by supporters of Levon Ter-Petrossian.

There were cases in 2010 and 2011 when statements disseminated by politicians using the new media resonated widely with the public. Among them were Suren Surenyantz’s blogpost regarding a meeting with the defense minister, Seyran Ohanyan, and Karapet Rubinyan’s statement on his Facebook page about leaving the Armenian National Movement Party.¹⁴⁴ Both cases became prominent because of their sensational character. In the first, Suren Surenyantz, a former opposition politician and at present a political analyst, used his personal blog to publicize confidential information from his conversation with the minister of defense. In the second, the former vice-speaker of the Armenian Parliament, one of the famous figures in the opposition movement, posted on his Facebook page a revelatory open letter, in which he claimed that at the last congress of the Armenian National Movement (*Hayots Hamazgayin Sharzhum*) the board elections were falsified, and that was the reason why he decided to leave the party.

The Foreign Affairs Ministry of Armenia uses its YouTube account to disseminate official statements and videos of interviews with the minister. The spokesman for the Foreign Affairs Ministry uses his Twitter account for similar purposes.

On the eve of the parliamentary elections on 6 May 2012, the Region Research Center conducted a monitoring of the Armenian segment of Facebook to identify the trends in its use as an election campaign tool and the level of Facebook users’ interest in the elections.¹⁴⁵ According to the results of the study, all of the

143. Parliamentary Assembly of OSCE, “Social Scape: A collection of case studies produced by the OSCE Parliamentary Assembly,” at <http://www.beogradu.gov.rs/userfiles/files/OSTALO/socialscape2206final.pdf> (accessed 12 September 2012).

144. “Karapet Rubinyan leaving the Armenian National Movement Party,” Lragir.am, 19 July 2010, at <http://www.lragir.am/armsrc/country37011.html> (in Armenian) (accessed 14 September 2012).

145. Region Research Center Report, “Facebook as a pre-electoral tool in Armenia,” at <http://regioncenter.info/en/projects/5.html> (accessed 14 September 2012) (hereafter, Region Research Center Report, “Facebook”).

10 political forces contesting these elections were represented on Facebook, which was seen as an important platform for communicating with the voters. Even such large parties as the Republican Party of Armenia and the Prosperous Armenia Party, which together with the Rule of Law Party had been part of the ruling coalition before the elections and whose leaders were in the spotlight of television companies, considered it necessary to conduct their campaigns on Facebook as well. This was unprecedented in Armenia. According to Ms Baghdasaryan, the recent parliamentary elections became the benchmark for the extensive use of Facebook in campaigning.¹⁴⁶

The steep rise in the number of Facebook users in Armenia coincided with the pre-election period. In January 2012 there were 193,000 registered users and just two months later their number had grown by 100,000, and by the end of June it totaled 304,460. In mid-July 2012, the Armenian segment of Facebook had 311,280 users.¹⁴⁷

As the findings of the monitoring show, a number of parties—the Communist Party of Armenia, the Democratic Party of Armenia, the United Armenians Party, the Rule of Law Party, the Armenian Revolutionary Federation—Dashnaktsutyun—and their members posted reports on their meetings with voters on their web pages. It should be noted, though, that these parties were very active online only at the time of the election campaign; after the elections the updates dwindled.

There were some exceptions, though. For example, a member of the ruling Republican Party, Armen Ashotyan, Vartan Oskanian, a member of the Prosperous Armenia Party, and opposition figures Stepan Safaryan from the Heritage Party and an independent candidate, Karapet Rubinyan (mentioned above), willingly participated in interactive discussions. Upon becoming an MP, another member of the opposition, the former prime minister Hrant Bagratyan from the Armenian National Congress, expanded his Facebook activities. He provided a brief description of 50 draft laws which he was planning to propose, and offered to discuss them online. A lively discussion followed, which was then summarized by Mr Bagratyan in his comments.¹⁴⁸

On the whole, based on Ms Baghdasaryan's estimate, the recent parliamentary elections in Armenia and the post-election processes were reflected in Facebook much more comprehensively than in the coverage of traditional media.¹⁴⁹

146. Interview with Laura Baghdasaryan, head of the Region Research Center, Yerevan, 15 August 2012.

147. Region Research Center Report, "Facebook."

148. Region Research Center Report, "Facebook."

149. Interview with Laura Baghdasaryan, head of the Region Research Center, Yerevan, 15 August 2012.

4.5 Assessments

Digitization has influenced journalism in Armenia both positively and negatively. Journalists use opportunities created by digital technologies and the internet to collect information, to identify sources, and to seek topics and ideas for publications. Many journalists use blogs and social networks to disseminate their materials and solicit feedback on their work.

One of the negative consequences of digitization is the emergence of lazy journalism. In pursuit of speed, journalists do not pay enough attention to verifying the facts, which leads to an increase in the amount of unsubstantiated and sometimes false material. The vast majority of publications in the online media are based on a single source, and unattributed information is commonplace.

Multimedia and the expansion of new platforms have become the main trend of development in the media. To remain competitive, the media need to diversify their platforms and journalists need to study digital tools and skills in multimedia production.

The impact of the internet on political communication is growing. In recent years, political parties and politicians have been paying increasing attention to campaigning through online media and especially social networks. The 2012 parliamentary elections set the precedent for dynamic Facebook use in political communication.

In Armenia, the audience of investigative journalism is small, as is the community of investigative reporters. However, digitization has had a positive effect: dissemination through multimedia platforms and the use of photos, audio, and video materials have raised the profile of investigative journalism and increased its audience. It has also helped to utilize better the international networks of investigative journalists.

Marginalized and sensitive groups in society have gained more space for public expression in the digital period, but remain either largely invisible in the mainstream media or are portrayed unattractively. One of the most sensitive groups remains the LGBT community, which is given a negative profile not only in the media but also in the discourse of the political elite.

5. Digital Media and Technology

5.1 Broadcasting Spectrum

5.1.1 Spectrum Allocation Policy

In June 2010, a new broadcasting law regulating the broadcasting regulator's duties and spectrum allocation was adopted. Amendments to the law were necessary because of the upcoming transition from analog to digital broadcasting. Under the 2010 law, the digital broadcasting network, which is scheduled to become operational in July 2015, is owned by the state.¹⁵⁰ The establishment of an entity to operate the network, and the functions of such an entity, will be outlined in a government decree. Creating private digital broadcasting networks will be allowed only from 2015.¹⁵¹

According to the law, a license is the only legal basis for terrestrial broadcasting by private television and radio companies. It is issued for 10 years by the NCTR via a public tender. The NCTR also issues licenses for broadcasting via the cable network, but there is no tendering process, and a license is granted rather as a result of reviewing an application received by the commission. The license for broadcasting television and radio programs cannot be transferred or sold to another person.¹⁵² The Ministry of Transport and Communications licenses the allocation of frequencies for all other purposes.

Some changes were introduced in the 2010 law in the approach to the allocation of broadcasting frequencies. In the past, the commission had to take into consideration the following four criteria when making decisions: the proportion of own content, the proportion of domestically produced content, the technical and financial capacity of the applicant, and the professional competence of the staff. Two other criteria have now been added: the feasibility of the business plan of the applicant and the ability to promote pluralism.

150. On 14 June 2013, based on the amendments made to the Law on Television and Radio, the deadline was extended for transition from analog to digital broadcasting as well as analog licenses of operation for regional TV channels for six months until 1 July 2015, and the deadline for digital radio broadcasting was extended for 3 years until 20 July 2016. The government justified the need for such amendments by "essential technical, material, and financial difficulties," which occurred during the transition from analog to digital broadcasting.

151. Law on Television and Radio, 10 June 2010, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&clang=eng> (in Armenian) (accessed 5 September 2012).

152. Law on Television and Radio, 10 June 2010, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&clang=eng> (in Armenian) (accessed 5 September 2012).

The most recent tender for a broadcasting license was held in December 2010, among private television companies for digital broadcasting licenses. Although the process of digitization allows for an increased number of broadcasters, the opposite happened: as a consequence of the tender, the number of nationwide and capital city television stations fell from 22 to 18. Genuine competition existed in only two of the 18 tenders, while in the others only one bid was filed for each frequency. The competitions were severely criticized by a number of media and human rights organizations in Armenia, as well as by international organizations.

The Yerevan Press Club carried out a monitoring survey of broadcast license tenders in December 2010. According to the findings, the procedure of conducting tenders adopted by the NCTR failed to preclude bias in the decision-making process. The report also criticized the flawed criteria for allocating scores to applicants. “The same score was given by the members of the commission in 27 of the 29 votes on applications. This means that the evaluation was the same for television companies with years of experience and virtually no technical, human resources, and financial problems, on the one side, and newly-created ones that have nothing but intentions.”¹⁵³

The monitoring body of the Parliamentary Assembly of the Council of Europe (PACE) noted in a report published on 14 April 2011 that in December 2010, “the pluralism criterion has not been sufficiently taken into account by the licensing authority when making its decision ... As a result, the tender process did not lead to a more pluralist media environment.”¹⁵⁴

The independent television company A1+, which was forced off the air in 2002, was not granted a license in December 2010. It was the company’s 13th bid for a license. In 2008, in response to an appeal from A1+, the European Court of Human Rights (ECHR) ruled that the NCTR’s refusal to provide a written explanation for its repeated refusals to grant a license to A1+ violated the freedom of expression provisions of the Convention. The ECHR awarded and the government paid €30,000 (US\$ 42,900) to A1+’s parent company, Meltex. Nevertheless, as the U.S. Department of State’s “2010 Human Rights Report” noted in December 2010, the NCTR again turned down the bid for a frequency by A1+:

According to the NCTR’s chairman, Grigor Amalian, A1+ lost its latest bid for a television broadcasting license to another television company because it presented false letters of financial support in its application for a new license. According to the attorneys of A1+, NCTR committed procedural violations in its conduct of the competition for the new license; they maintained the NCTR should have returned the application, requested clarifications, or completely removed A1+ from the competition if it had concerns about the application’s contents. A1+ representatives also maintained that even without the funds that were pledged in the letters in question, the media outlet still had sufficient financial resources to carry out

153. Yerevan Press Club, “Expert analysis of the broadcasting licensing competition results.”

154. “PACE Monitoring Committee highlighted the lacks of Armenian broadcast sphere,” April 2011, at <http://www.ypc.am/bulletin/ln/en/t/45072> (accessed 5 September 2012).

its proposed business plan. NCTR had refused to provide the documents to A1+ immediately after the competition, claiming it needed the documents for work ...¹⁵⁵

The Public Television and Radio Company does not take part in the tenders. The law provides that the state shall create the necessary conditions and take measures to secure reception of the programs of the Public Television and Radio Company throughout Armenia (see section 7.1).¹⁵⁶

Privileges are also granted to Russian television companies broadcasting under the inter-governmental treaty, Channel One Russia and two channels of the All-Russia State Television and Radio Broadcasting Company (VGTRK), and the Mir interstate television company representing the CIS countries, which also do not participate in the licensing tenders.

The switch-over will release spectrum in the UHF bands, usually referred to as the “digital dividend,” that could—if properly used—have a significant impact on Armenia’s economic development. In transitional economies, there is always a risk of non-transparent allocation of radio frequencies. The influence of big business, the financial interests of government, and other short-term political concerns often prevent the adoption of effective public-interest policy on the digital dividend. The digital switch-over action plan does not address general principles of spectrum management, including the exploitation of the digital dividend.

5.1.2 Transparency

Both before and after the launch of the digital switch-over process, industry professionals and the general public expressed serious doubts about the fairness of the broadcast licensing competitions held by the NCTR. One of the main reasons was the lack of transparency of the application review process. Although the Law on Television and Radio (Part 3 of Article 36) allows the engagement of public experts in the review and assessment of applications,¹⁵⁷ the NCTR has refused to be open in its activities. Furthermore, the NCTR ignored the proposal by media freedom organizations to publish all applications received and all the relevant documents on its website.

After the last tenders ended (in December 2010) and licenses were issued, the Committee to Protect Freedom of Expression (CPFE) officially requested the NCTR to make available copies of the applications by a number of television companies and the documents submitted for the review by the NCTR, so as to prepare an expert opinion. The NCTR, however, refused to provide all the requested information, as a result of which the CPFE filed a court claim against the NCTR on 21 February 2011.¹⁵⁸ The court partly satisfied the CPFE’s claim in August 2012.

155. U.S. Department of State, “2010 Human Rights Report: Armenia,” 8 April 2011, at <http://www.state.gov/j/drl/rls/hrrpt/2010/eur/154411.htm> (accessed 5 September 2012).

156. Law on Television and Radio, at <http://parliament.am/legislation.php?sel=show&id=3853&clang=arm> (accessed 5 September 2012).

157. Law on Amending the Republic of Armenia Law on Television and Radio, at <http://parliament.am/legislation.php?sel=show&ID=3853&clang=arm> (in Armenian) (accessed 17 June 2013).

158. Committee to Protect Freedom of Expression (CPFE), “Judicial disclosure of CVs,” at <http://khosq.am/en/2012/09/24/judicial-disclosure-of-cvs/> (accessed 5 September 2012).

The Armenian practice of conducting broadcast licensing tenders was also harshly criticized by international NGOs. According to the UK-based freedom of expression organization, Article 19, the licensing competitions in Armenia were applied in an unclear and non-transparent manner. The Yerevan Press Club's "Expert analysis of the broadcast licensing competition results" noted: "the decisions of the NCTR in the applications reviewed do not give any indications of coherent and clear assessment and indicate possibility for arbitrariness, with ultimate impact on the right to freedom of expression of the Armenian citizens."¹⁵⁹

5.1.3 Competition for Spectrum

A government tender for the formation and management of digital broadcasting multiplexes was not transparent. The tender for "The Introduction and Management of RA Terrestrial Digital Broadcast Transmission Services" was cancelled in November 2012 as no appropriate or sufficient applications were received. According to a government decree of 20 June 2013, the responsible authority for digital switch-over has become the state-owned Television and Radio Broadcasting Network.¹⁶⁰ The government made this decision directly without announcing a new tender, and without public discussions.

On 6 June 2013, the government issued a decree that started the distribution of digital dividend frequencies without developing a national digital dividend plan/policy, and without consulting civil society, media organizations, and telecoms companies. According to this decree, the government plans to sell the 20 MHz wide frequency for broadband mobile internet provision from the digital dividend spectrum for the sum of AMD 6 billion (US\$15 million).¹⁶¹ This decree raises concerns over the transparency and accountability of digital dividend distribution.

5.2 Digital Gatekeeping

5.2.1 Technical Standards

The television digitization process is in its preparatory phase and experts are still discussing the technical details. In particular, there is a discussion over introducing the single frequency networks (SFN) that are already used in Europe. Such networks would allow broadcasting television content in DVB-T and DVB-H standards in a single multiplex.¹⁶²

There is also an ongoing discussion over the selection of broadcasting standards. According to Norayr Stepanyan, the head of the Information Department of the Communication and Transport Ministry,

159. Yerevan Press Club, "Expert analysis of the broadcast licensing competition results," p.56.

160. Decision taken in the minutes of the government session on 20 June 2013, at https://www.e-gov.am/u_files/file/decrees/arc_voroshum/2013/06/qax24-24.pdf (accessed 7 September 2013).

161. Decision taken in the minutes of the government session on 6 June 2013, at http://www.gov.am/tiny_forms/gnf.php?f=TNT-22-34-01.doc (accessed 1 July 2013).

162. Ministry of Economy, "Concept Paper on Migrating to Digital Radio and TV Broadcasting System in Armenia," p. 4, at <http://www.mineconomy.am/arm/73/e45b2284f31a5d43294dd22d94b008e6/download.file.html> (in Armenian) (accessed 20 November 2012).

broadcasting in the MPEG-2 standard would be considerably cheaper, and the use of the MPEG-4 standard would significantly augment the technical capacity.¹⁶³

Martin Ayyvazyan, associate professor at the State Engineering University of Armenia, also favors the use of the MPEG-4 standard. He believes that the equipment for MPEG-4 will allow working with MPEG-2 as well. Besides, as technologies available on the market develop, high-precision content will emerge, and the MPEG-4 standard is more appropriate for broadcasting them. He also suggested abandoning the multi-frequency networks, which are much less efficient than a single-frequency network.¹⁶⁴

5.2.2 Gatekeepers

Armenia will switch to digital broadcasting in July 2015 (see section 1.1.2). According to the plans publicized so far, a free package of programs will be broadcast over four state multiplexes: each of the three multiplexes in Yerevan will include six television stations and four radio programs, while the nationwide multiplex will contain nine television stations (eight in the capital city and one local) and four radio programs.

After analog broadcasting has been switched off, the available frequencies will be offered for sale to private operators, who will have the right to establish multiplexes. The implementation of digitization is expected to be financed mostly through interest-free loans from international donors. The state plans to repay the loans later by privatizing a part of the state network of digital television and radio broadcasting, as well as through stamp duties set for television stations. According to amendments to the Law on Stamp Duties, television stations broadcasting in Yerevan over three state multiplexes will, parallel to the digital switch-over, pay a stamp duty of AMD 10 million (US\$ 27,000) per year or AMD 20 million (US\$ 54,000) per year if they wish to broadcast via the regional state multiplex as well. The annual stamp duty for the regional television stations will be AMD 1 million (US\$ 2,700).¹⁶⁵

5.2.3 Transmission Networks

The dominant network operator is the state-owned Television and Radio Broadcasting Network of Armenia. Since the switch-over process is at an early stage, it is premature to analyze the possible interference of the transmission network operator in the distribution of spectrum resources. However, the OSCE in its “Analysis of the Concept Paper” (see section 7.1.1.4) on the migration to digital broadcasting warns that “digitization should not be seen as a means to cement the dominance” of the Television and Radio Broadcasting Network. “Access provisions must be strictly applied and transmission ownership should never mean any interference in broadcasting content or in deciding which channels can be broadcast.”¹⁶⁶

163. Interview with Norayr Stepanyan, head of the Information Department of the Communication and Transport Ministry, Yerevan, 26 September 2011.

164. Interview with Martin Ayyvazyan, associate professor at the State Engineering University of Armenia, Yerevan, 26 September 2011.

165. “To Buy or Not to Buy New TV set,” JNews.am, 22 June 2011, at <http://jnews.am/en/armenia-digitalization-process> (accessed 5 September, 2012).

166. OSCE, “The Analysis of the Concept Paper on migrating to digital radio and TV broadcasting system in Armenia,” 2010, p. 7, at <http://www.osce.org/fom/67722> (accessed 17 June 2013) (hereafter, OSCE, “Analysis of Concept Paper”).

5.3 Telecommunications

5.3.1 Telecoms and News

Before 2012, the cable television market was divided among three companies: Ucom, Interactive TV, and EuroCable. On 11 July 2012, Interactive was bought by Ucom LLC, which became the biggest player in the cable television market. However, Interactive TV continues to operate as a separate brand.¹⁶⁷ All three providers broadcast in digital format. Both Ucom and Interactive TV use their internet IP networks to transmit their television services. Ucom offers a combined package of internet, television, and fixed phone services, thereby becoming the first “triple play” provider. In 2013, the biggest Russian internet service provider, Rostelecom, acquired GMC-Alpha and began the provision of digital TV through its IP network to the whole country. Currently, these four major cable TV networks operate in the territory of Armenia.

Existing legislation contains no must-carry requirements for cable operators. However, these companies choose to retransmit the Armenian television channels, which are included in their standard packages, and television channels from Russian satellite TV provider, NTV+. Their output includes almost all the Russian news television channels and several western TV channels (EuroNews, BBC, CNN).

Of Armenia’s three telecom operators—ArmenTel, Orange Armenia, and VivaCell-MTS—two started offering television services in recent years (Orange Armenia and VivaCell-MTS). Orange Armenia offers its subscribers 11 Armenian and eight international television channels.¹⁶⁸ VivaCell-MTS offers just 10 Armenian channels.¹⁶⁹ ArmenTel (operating under the Beeline banner), Armenia’s largest telecommunications operator, has launched the “Mobile Entertainment” site for transmitting voice, data, high-resolution television, and interactive games. In 2010, IPTV became available in Armenia, initially in Yerevan.

5.3.2 Pressure of Telecoms on News Providers

There have been no reported cases of pressure on or discrimination against television companies by the telecom operators.

Critical voices are present in the packages offered. For example, the mobile television service packages of the Orange Armenia and VivaCell-MTS operators include television companies Kentron and Yerkir Media, which are sponsored by political forces vocally critical of the government’s policies. Kentron is sponsored by Gagik Tsarukyan, an oligarch and president of the Prosperous Armenia Party, which has the second-largest number of seats in Parliament.¹⁷⁰ Yerkir Media is sponsored by the Armenian Revolutionary Federation—

167. “Ucom bought Interactive TV,” at <http://news.am/arm/news/113517.html> (accessed 8 October 2013).

168. Orange TV, at <http://orangearmenia.am/en/mobile/services/entertainment/Orange-TV/index.php> (accessed 5 September 2012).

169. VivaCell-MTS Mobile TV, at <http://mts.am/en/individual-customers/internet-and-tv/mobile-tv> (accessed 5 September 2012).

170. The Prosperous Armenia Party was in the ruling coalition from 2007 to 2012. Multimedia Kentron, which is under the patronage of the leader of the Prosperous Armenia Party, is the owner of Kentron TV.

Dashnaktsutyun, which has five seats in the National Assembly.¹⁷¹ The package of Orange Armenia also contains the television channel ArmNews, which broadcasts news programs produced by the independent television company A1+ (whose applications for a license have been turned down by the NCTR 13 times). The A1+ news bulletin is broadcast five times a week in primetime (9 p.m.).

5.4 Assessments

Broadcast licensing tenders in Armenia carried out by the NCTR, including the December 2010 tenders for slots in digital networks, have been flawed and heavily criticized by local civil society and international organizations. They lack transparency and fail to promote competition and pluralism. International experts have noted that the regulator needs to be strong and truly independent to efficiently and objectively carry out its duties in the digitization process, including the important selection of which content providers will be placed on platforms, especially the free-to-air platform.

According to the 2013 amendments to the Law on Television and Radio, the digital broadcasting network will start operating from July 2015, and the state will be its owner. Private multiplexes will only be allowed to launch after 2015, which makes it impossible for new players to enter the market earlier.

The new version of the Law on Television and Radio was harshly criticized by local and international organizations for its vague definitions, lack of provisions for transparent, fair, and independent functioning of the broadcasting regulator, insufficient safeguards of the public broadcaster's independence, and lack of legal grounds for establishing private digital television operators.

Both the practices inherited from the analog era and the faulty legal framework make the transition to digital broadcasting non-transparent, and leave many questions unanswered. This fact triggers concerns that the authorities may intend to keep the broadcasting sector under state control after digitization as well. The government decree of 6 June 2013 raises specific concerns around the transparency and accountability of digital dividend distribution (see section 5.1.3). The optimal management of digital dividend frequencies will entail mapping the whole frequency range to avoid the unusable zones in the released spectrum.

171. The Armenian Revolutionary Federation—Dashnaktsutyun was in the ruling coalition from 2003 to 2009. The Yerkir Media television company sponsored by it obtained the first broadcasting license in 2003 and the second one in 2010, when the party was no longer in the coalition.

6. Digital Business

6.1 Ownership

6.1.1 Legal Developments in Media Ownership

The Law on the Dissemination of Mass Information (hereafter, “the DMI Law”) contains no provisions regulating media ownership. Article 12 regulates only the transparency of funding sources with respect to newspapers, stipulating that owners must publish details on an annual basis pertaining to the “gross income and the portion of donations in it.”¹⁷² This provision, which is only implicitly related to ownership, has not been amended since the adoption of the law in 2003.

The only provisions specifically addressing ownership of television and radio companies are in the Law on Television and Radio, which was amended in June 2010. In the new version of this law, Article 16 relating to the founders of television broadcasting companies has been revised and amended. The former version stipulated that the following entities could not become founders of private television and radio broadcasting companies: state governance and local self-governance agencies, members of the Council of the Public Television and Radio Company, members of the NCTR, political parties, religious organizations, legally incapable persons, convicted to imprisonment and serving their sentence, and citizens under 18. At present, in addition to these, the president, members of the government, members of the National Assembly, and judges are not allowed to become founders of television and radio companies. In all the cases in which the founder is a natural person, the law further provides that “persons affiliated with them” include the person’s spouse, parents, children, and siblings.¹⁷³

Paragraph 2 of Article 16 regulates the share of foreign capital in television and radio companies: “At the time of or after founding (creation) of television and radio companies, the share of foreign capital participation may not be equal to or greater than 50 percent of the shares needed for decision-making by the broadcasting organization. A greater share may be stipulated by international treaties.” The law also contains provisions

172. Law on the Dissemination of Mass Information, at <http://parliament.am/legislation.php?sel=show&ID=1890&lang=eng> (accessed 25 October 2012) (hereafter, Law on the Dissemination of Mass Information).

173. Law on Television and Radio, Article 16, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=eng> (in Armenian) (accessed 25 October 2012).

against monopolies: under Article 18, legal entities and natural persons may have no more than one television broadcasting license and one radio license.¹⁷⁴ According to the previous law, this limitation only applied to the same area, that is, the same person could own other broadcasting media in other broadcasting zones.

Due to the adoption of the new law and the licensing competition for migration to digital broadcasting, certain changes took place in the broadcasting sector. In particular, two companies, Hayrenik and AR, both owned by Hrant Vardanyan, president of Grand Holding, merged and currently function as one company, AR TV. TV5, owned by the CS Media City Holding, did not take part in the competition and left the television market. On the whole, of 22 national and local companies that were present on the market before 2010, only 18 remained after the licensing competition. Thus, the range of owners in the broadcasting sphere was reduced at the beginning of the transition to digital broadcasting.

6.1.2 New Entrants in the News Market

Under the DMI Law, the mass media are published in Armenia without prior or ongoing notification of, registration with, or licensing by any state or other body.¹⁷⁵ So it is hard to be precise about what media outlets are entering or leaving the market.

The print media market has not seen major changes in recent years. A couple of new private dailies entered the market, *Hraparak* and *Joghovurd*, aligned with the political opposition. Other publications have disappeared: the daily newspaper *Capital* (stopped publishing in August 2011) and the journal *Business Class* (stopped publishing in May 2011), both owned by one of the major players in the media market, the Media Style Company. It also owns one of the leading news websites, Tert.am, which was launched in 2008, as well as Armsport.am and Hayutyun.am.

There have been no new entrants in the broadcasting market.

6.1.3 Ownership Consolidation

The start of the transition from analog to digital broadcasting triggered ownership redistribution and the formation of new media groups in the media market.

One noteworthy event is the consolidation of regional broadcasters. Three television companies in the Gegharkunik Region merged: STV1 (Sevan), Kyavar (Gavar), and Zangak (Martuni). Their founders created a united media holding in 2010, Geghama, in which each party owns 33.33 percent of the shares. Consequently, each of these three companies has expanded its audience and broadcasts to almost the entire region, which they were unable to do before. However, Suren Barseghyan, executive director of Geghama, admitted that the consolidation was partly dictated by the recent legal changes. In accordance with the

174. Law on Television and Radio, Article 18, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=eng> (in Armenian) (accessed 25 October 2012).

175. Law on the Dissemination of Mass Information, Article 4.

new Law on Broadcasting, after digitization each region of the country was to have one regional television company. “That is why prior to the licensing competition for digital network broadcasts in December 2010, we united into a media holding, submitted a joint proposal and won,” Suren Barseghyan says. “In other words, we decided to cooperate rather than compete. Otherwise only one television company would get the license, and two others would lose.”¹⁷⁶

In the national and Yerevan-based media, the most notable event was the formation of the PanArmenian Media Group Holding, incorporating the national channel, Armenia TV, two Yerevan generalist channels (ArmNews and ATV), the radio stations ArmRadio 107 and Radio Jan, a women’s magazine, *Nane*, and a weekly television guide, *TV-mol*. The planned consolidation was reviewed by the State Commission for Protection of Economic Competition, which decided that the holding was not in contradiction with the anti-monopoly legislation and would not lead to a dominating position.¹⁷⁷

Nouneh Sarkissian, executive director of Internews Media Support, argues that the formation of the PanArmenian Media Group cannot be seen as a new consolidation. What’s happening is, rather, a redistribution of the old ownership and rebranding of the already existing groups. Ms Sarkissian says the PanArmenian Media Group was formed on the basis of CS Media Holding. “It is widely supposed that Mikayel Minasyan [son-in-law and deputy chief of staff of the president] is directly related to the PanArmenian Media Group, and these discussions are not groundless.”¹⁷⁸ *De jure* though, each company in this holding is a separate legal entity, that is, the owners are different, but common management is what unites them.”¹⁷⁹

Another recent change in the television market, in addition to these cases of ownership changes, is the 2008 acquisition of ArmenAkob TV¹⁸⁰ by Hopar Media. According to the Yerevan Press Club, the ostensible founder and owner of Hopar Media is a businessman called Otari Hakobyan, but the real owner is Artur Janibekyan, general producer of the Russian-produced show, “*Comedy Club*.”¹⁸¹ Also in 2010, Arman Sahakyan, a businessman who is, according to the Yerevan Press Club, a friend of Mikayel Minasyan, acquired 67 percent of the company Shark, which owns the television channel 12 (formerly HAY TV).¹⁸² Now this channel is being broadcast as Lime TV.

Although the real owners of media, as a rule, try to remain unidentified to hide their political influence on a given broadcaster or publisher, such influence is traceable by analyzing media content. In broadcasting, according

176. Interview with Suren Barseghyan, executive director of Geghama Media Holding, Yerevan, 30 October 2012.

177. Decision N292A dated 18 July 2012 of the State Commission for Protection of Economic Competition, Yerevan. The copy of this document was obtained on 29 October 2012 based on an official inquiry.

178. In November 2011, Mikayel Minasyan resigned as deputy chief of staff to the president in order to become deputy chief of the campaign headquarters of the ruling party. In March 2013, he was appointed as the ambassador of Armenia to the Holy See.

179. Interview with Nouneh Sarkissian, executive director of Internews Media Support, Yerevan, 26 October 2012.

180. Before being transferred to Hopar Media, ArmenAkob TV belonged to Armen Amiryan, director of the Public Radio, and Hagob Jambazian, a Canadian-Armenian philanthropist.

181. Yerevan Press Club, “Expert analysis of the broadcasting licensing competition results.”

182. Yerevan Press Club, “Expert analysis of the broadcasting licensing competition results.”

to Nouneh Sarkissian, Armenia is going through a very interesting process: there are no independent media, but nevertheless there is a degree of pluralism in the television market, “although not each channel taken individually, but resulting from various political influences on various television companies.”¹⁸³ For example, when the Prosperous Armenia Party did not join the ruling coalition after the parliamentary elections of 2012, Kentron Television became affiliated with it, significantly changing its editorial policy in the direction of criticism of the ruling powers. Yerkir Media is affiliated with the Armenian Revolutionary Federation—Dashnaktsutyun Party, which has not been in the ruling coalition since 2009. And the channels that joined PanArmenian Media Group, like other private and public broadcasters, are largely pro-government.

6.1.4 Telecoms Business and the Media

In the surveyed years, the telecoms giants in Armenia—Armentel, Vivacell-MTS, and Orange Armenia—have not purchased media assets and, consequently, have had no impact on the independence of the media.

Resulting from the competition among the operators, the tariffs decreased significantly and new services were introduced, resulting in more news content being available through mobile devices. Orange Armenia and VivaCell-MTS offer to their subscribers a number of Armenian television channels on their mobiles. Ucom telecoms company, too, has included all local licensed television channels in the list of its IP television stations (see section 5.3.1).

Orange Armenia has developed the My Time tariff plan, which allows subscribers to use the Armenian news websites at affordable price.¹⁸⁴ Arka.am, Aravot.am, A1plus.am, Aysor.am, News.am, Panorama.am, and Tert.am websites can be used at a tariff of 5 AMD/Mb, whereas the general tariff is 20 AMD/Mb. Orange Armenia makes a selection of the websites itself and, as the managers of Aravot.am and A1plus.am Anna Israelyan and Mesrop Movsesyan said, the company has signed no contracts with them.¹⁸⁵

The reduction of tariffs also increased the number of mobile internet users. According to Samvel Arabajyan, member of the Committee for Public Services Regulation, in January 2012 the number of mobile internet users reached 1.5 million.¹⁸⁶ No pressures or restrictions of independence by the telecoms companies have been observed.

6.1.5 Transparency of Media Ownership

No law contains requirements to disclose information about media owners, except with regard to funding (see section 6.1.1). Information pertaining to beneficial ownership structures is virtually inaccessible to the public. Ms Sarkissian says: “We hear that the owners of a broadcaster have changed, or someone has taken

183. Interview with Nouneh Sarkissian, executive director of Internews, Yerevan, 26 October 2012.

184. Orange Armenia, “My Time tariff plan,” at <http://www.orangearmenia.am/en/mobile/lets-talk/my-time/index.php> (accessed 17 June 2013).

185. Telephone interviews with the managers of Aravot.am and A1plus.am, Anna Israelyan and Mesrop Movsesyan, Yerevan, 12 November 2012.

186. “Arabajyan: The number of broadband internet users increased by 130–150 thousand in a year,” Panorama.am, at <http://www.panorama.am/am/interviews/2012/02/14/inet-prices-arabajyan> (accessed 17 June 2013).

control of a television company through a front man but the processes are not transparent.”¹⁸⁷ In the tenders for digital broadcasting licenses, the part of the application concerning owners was not transparent and the NCTR refused to provide a number of tender documents to the Yerevan Press Club’s expert team, on the basis that they constituted commercial secrets.¹⁸⁸

Ms Sarkissian states that on the whole media ownership is not transparent. In her opinion, only in the first post-Soviet years, when new print outlets appeared in multiparty conditions, it was apparent which political party backed a given outlet.

Later on, after the media market was formed, several redistributions of ownership occurred. The first one was in the second half of the 1990s, when new private television companies appeared in Yerevan, and the formation of the largest Armenian media market started here. The second was in 2002, when the A1+ was deprived of the broadcasting possibility, and became clear that television, still on its way of becoming a large business, was being turned into a tool for shaping the situation in the country. The third began in 2008 and is connected with shifting to digital broadcasting; this third redistribution is still ongoing ... the ownership in the media sphere is becoming more and more covert.¹⁸⁹

Thus, hearsay is the only source of information about who really controls the media. Levon Barseghyan, council chairman of the Journalists’ Club Asparez, an NGO, believes the unwillingness of real owners to publicize their names results from two factors: “firstly, these people try to conceal from the society their political influence on the controlled media, and secondly, acquisition of media, especially the broadcasting ones, is associated with big money the sources of which, as a rule, give rise to serious suspicions, especially so in the case of Armenia where a fusion of business and power has taken place.”¹⁹⁰

6.2 Media Funding

6.2.1 Public and Private Funding

Advertising, subsidies from the owners, and sponsorships constitute the main income sources of private broadcasting and online. Public Television and Public Radio are financed through the state budget and receive revenues from commercials and sponsorship. Very few of the print publications have advertising opportunities, and in view of their low circulation, exist due to their incomes from retail sales and subscriptions, as well as various subsidies and/or contributions from owners or sponsors (see also section 1.3.1.2).

187. Interview with Nouneh Sarkissian, executive director of Internews Media Support, Yerevan, 10 September 2011.

188. Yerevan Press Club, “Expert analysis of the broadcasting licensing competition results.”

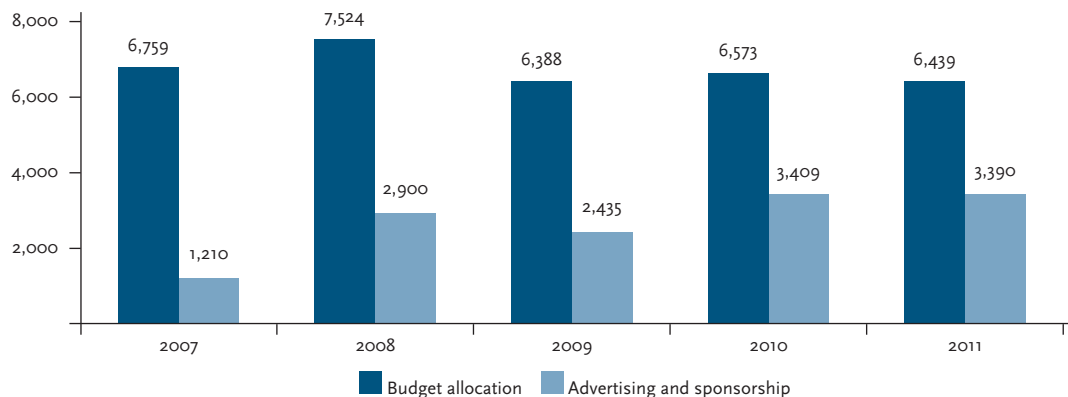
189. Interview with Nouneh Sarkissian, executive director of Internews Media Support, Yerevan, 26 October 2012.

190. Interview with Levon Barseghyan, council chairman of the Journalists’ Club Asparez, Yerevan, 1 November 2012.

The funding of private television companies has grown. According to data from Aghasi Yenokyan, president of Starcom Media West Armenia, revenue more than doubled in 2007 year on year, and doubled again in 2008. From 2009 to 2011, the annual increase in funding was 5–10 percent year on year. He claims that Armenia’s advertising market has now reached the maximum growth that the economy can support.¹⁹¹

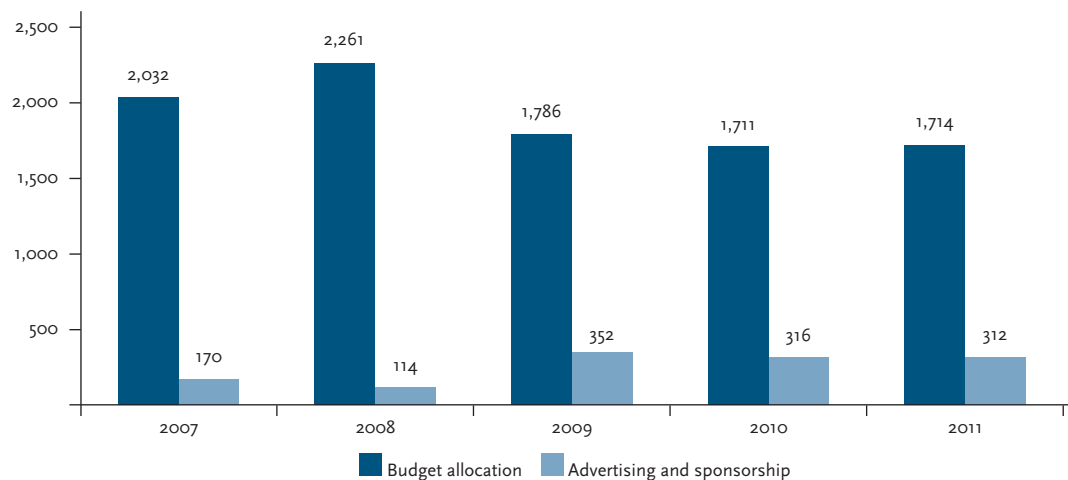
The Public Television and Radio Company of Armenia receives the largest funds from the state budget. At the same time, it is one of the major actors in the advertising market.

Figure 11.
Public Television’s annual budget (US\$ ’000), 2007–2011



Source: Annual reports of Council of the Public Television and Radio Company from 2007 to 2011, obtained from the Public Television and Radio Company through an official inquiry lodged by the Journalists’ Club Asparez

Figure 12.
Public Radio’s annual budget (US\$ ’000), 2007–2011



Source: Annual reports of Council of the Public Television and Radio Company from 2007 to 2011, obtained from the Public Television and Radio Company through an official inquiry lodged by the Journalists’ Club Asparez

191. Interview with Aghasi Yenokyan, president of Starcom Media West Armenia, 3 November 2011.

Since the establishment of the Public Television and Radio Company, several media organizations (Yerevan Press Club, Internews Media Support, CPFE, and the Journalists' Club Asparez, among others) have expressed their concerns about its funding, and in particular the fact that state budget allocations and advertising revenues create unequal and unfair conditions for competitors. In terms of the content, H1 focusses on commercially lucrative projects that are likely to attract advertising, to the detriment of the channel's priorities as set out in Article 26 of the Law on Television and Radio, namely, to ensure the citizens' constitutional right "to get various political, economic, educational, cultural, children and adolescents-related, scientific information; information on the Armenian language and history; sports, entertainment and other types of information that is important and significant for society."¹⁹²

The Journalists' Club Asparez studied the volume of H1 commercials in 2011–2012 and concluded that since H1's commercial revenues over the previous six years amounted to, according to the official data, AMD 335 million–983 million (US\$ 805,000–2,500,000), it would be reasonable to allot another AMD 1 billion to this company from the state budget and to forbid the station to carry advertising. Levon Barseghyan, council chairman of the club, sent this suggestion to 73 MPs.¹⁹³ However, only one of them expressed a readiness to discuss it.

State allocations are also made to the *Hayastani Hanrapetutyun* and *Respublika Armenia* state daily newspapers, as well as to non-state print media. The amount allocated in the state budget for these purposes remained virtually unchanged between 2007 and 2011. The funds are provided through the Book and Publishing Affairs Center under the Ministry of Culture, according to a list that is drawn up annually (see section 7.3.1).

Generally, private media do not disclose information about their income and expenses, referring to commercial confidentiality. However, some of the media managers interviewed for this study provided limited data. David Hakobyan, director of Yerkir Media TV, said that 50 percent of their income came from commercials, about 25 percent was provided through international donor organizations' grants, and the remaining 25 percent consisted of the owners' subsidies. This structure of income has remained unchanged over the past five years. "If some of these funds are not received, then we find ourselves in a very difficult situation," Mr Hakobyan admitted.¹⁹⁴

As for the print media, according to Aram Abrahamyan, editor-in-chief of the influential daily paper *Aravot*, 50 percent of income is generated through retail sales and subscriptions, about 30 percent through advertising, and 20 percent from sponsorship.¹⁹⁵ Marina Meruzhanyan, director of the same daily, notes that advertising revenue is not always predictable: in 2007 it increased by 30 percent compared with the previous year, in

192. Law on Television and Radio, Article 16, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=eng> (in Armenian) (accessed 25 October 2012).

193. Levon Barseghyan, council chairman of the Journalists' Club Asparez, letter to MPs, at <http://www.asparez.am/news-hy/h1-advert-1bl> (in Armenian) (accessed 17 June 2013).

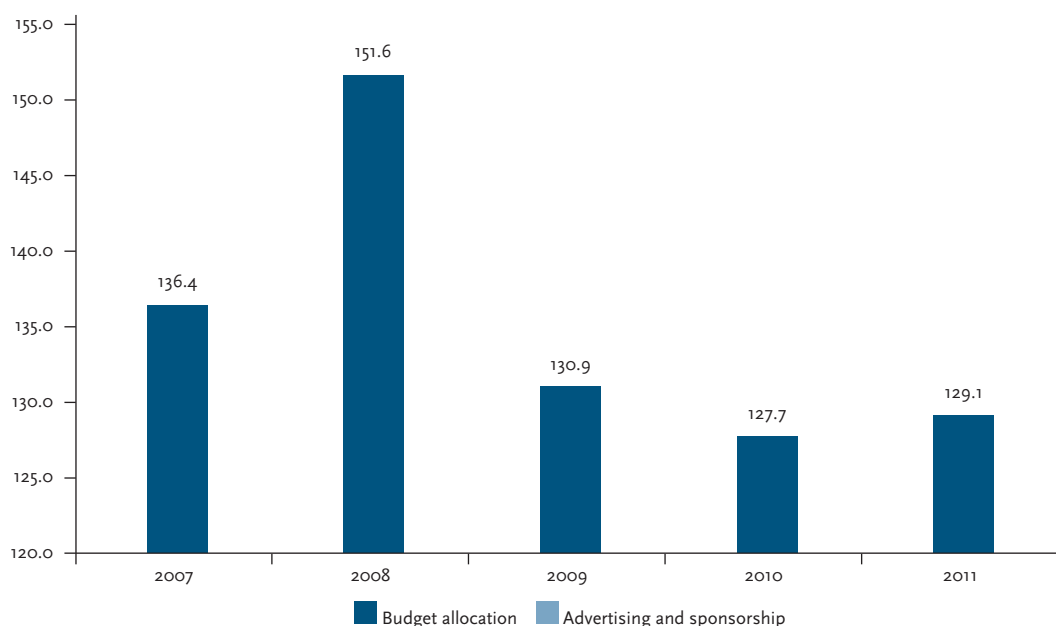
194. Interview with Davit Hakobyan, director of Yerkir Media, Yerevan, 5 November 2012.

195. Interview with Aram Abrahamyan, editor-in-chief of *Aravot* daily, Yerevan, 6 November 2012.

2008 it stayed at the same level, in 2009 it grew by 10 percent, in 2010 there was almost no change from the previous year, and in 2011 the revenue decreased by 8 percent. As of November 2012, the lion's share of advertising went to the printed version of the newspaper, at 85 percent, with only 15 percent to the online version. In 2011, the ratio was 95 percent to 5 percent. "The tendency of an increased flow of advertising toward the online version, Aravot.am is already noticeable, even though the rates here are significantly higher than in case of the printed version," Ms Meruzhanyan said.¹⁹⁶

Figure 13.

Annual budget allocation to *Hayastani Hanrapetutyun* and *Respublika Armenia* state dailies (combined) (US\$ '000), 2007–2011



Source: Data provided by the Book and Publishing Affairs Center under the Ministry of Culture, 9 October 2011.

Several experts interviewed for this study noted that the media market is very fragmented and the capacity of the advertising market is such that it cannot support the excessive number of outlets. Boris Navasardian estimated that the whole advertising market of Armenia is worth about US\$ 100 million annually.¹⁹⁷ Aghasi Yenokyan, president of Starcom Media West Armenia, cites an even smaller figure of about US\$60 million, of which US\$50 million was taken by television.¹⁹⁸ Under these circumstances, the financial dependency of the media on political patrons and sponsors is considerable, and the latter, as a rule, determine editorial policy and content.

196. Interview with Marina Meruzhanyan, director of *Aravot* daily, Yerevan, 6 November 2012.

197. Interview with Boris Navasardian, president of the Yerevan Press Club, Yerevan, 1 November 2011.

198. Interview with Aghasi Yenokyan, president of Starcom Media West Armenia, Yerevan, 3 November 2011.

6.2.2 Other Sources of Funding

Foreign donor funding has grown in prominence in the surveyed years. Nevertheless, according to Mr Navasardyan, the share of grants still remains insignificant in the bigger picture.¹⁹⁹ The only exception is Yerkir Media TV: grants make up a significant part of its income, as noted in section 6.2.1.

Hidden sponsorship remains widespread in the media: businesses secretly finance selected media, and this money is not reported or recorded in any way or form.

6.3 Media Business Models

6.3.1 Changes in Media Business Models

The beginning of the process of migration to digital broadcasting coincided with the global economic crisis. There are conflicting opinions on the effect it had on the media and business models (and hard data on the dynamics of the advertising market are not available).

Mr Yenokyan believes that the crisis has not had a strong impact, other than changing the sources of advertising: the domestic small advertisers have simply been driven out of the market, while the advertising of mass products of foreign companies has grown. Gagik Mkrtchyan, director of Armenia TV, says that the only impact of the crisis has been the delay in some wire transfers of advertising payments. According to him, the volume of advertising did not decline. The crisis has not affected the diversity and content of programs, either.²⁰⁰ The investigative weekly *Hetq*, in a January 2010 report, quoted Mr Hakobyan as saying that the economic crisis had hit the finances of all businesses, and that television advertising had declined. He also claimed that the price of advertising fell by about a half. “I can responsibly say that it happens everywhere,” Mr Hakobyan said.²⁰¹

Mesrop Movsesyan, president of Meltex and a founder of the television company A1+ (after losing its broadcasting license, A1+ reports news only on its website and for 20 minutes on ArmNews TV), thinks that online media benefitted from the crisis. He said that many advertisers discontinued expensive television advertising and started to advertise through newspapers and websites. According to Mr Movsesyan, “it is the only way in which we benefitted from the fuss about the crisis.”²⁰²

The main recent trend in the print media market is seeking to earn money from the online versions. Here, the surge of activity coincided with the steep rise in internet usage throughout the territory of the country and a significant decline in the demand for papers and magazines. The development of the internet version

199. Interview with Boris Navasardian, president of the Yerevan Press Club, Yerevan, 1 November 2011.

200. Interview with Boris Navasardian, president of the Yerevan Press Club, Yerevan, 1 November 2011.

201. “When the crisis and the television companies clash,” *Hetq*, 4 February 2010, at <http://old.hetq.am/am/economy/tv-7> (accessed 11 November 2011).

202. “News sites even benefitted,” *Hetq*, 8 February 2010, at <http://old.hetq.am/am/media/web> (accessed 11 November 2011).

of *Aravor*, Aravot.am, is one of the examples of the growing prominence of online in revenue-generation. According to Ms Meruzhanyan, although the price for an advertisement in the print version is AMD 200–600 (between 50 U.S. cents and US\$1.50) per square centimeter, and in the online version AMD 50,000–200,000 (US\$ 125–500), advertisers increasingly put up their ads in both versions, and sometimes primarily in the online version.²⁰³

Online media are exploring two lines of development: creating multimedia platforms and implementing convergent projects, and developing mobile versions of their content in order to be accessible to mobile subscribers and increase their audience.

6.4 Assessments

While advertising revenues are more beneficial in terms of securing news content that meets the public interest, the advertising market is unable to provide sufficient funding. Hence, owner subsidies and hidden sponsorship are widespread in the mass media. This type of financing leads to editorial control, which harms pluralism and diversity.

Media ownership is not transparent and there have been no legislative developments to make it more so. The general public remains unaware of who the true owners of the media are.

The process of digitization that has just started, and it is accompanied by media ownership changes and the creation of new holdings. But just as in the analog era, the media continue to be dependent on the business and political elite. The recent political changes, with some political parties leaving the ruling coalition but preserving their control over television companies, have added some diversity of opinion to broadcasting, but on the whole the broadcasting sector is largely under the control of the government.

Along with the rapid development of the internet, online media keep growing, developing, and acquiring influence in the media market, as well as tapping increasingly into the advertising market. Although telecoms companies have not obtained media assets, as a result of the competition among these companies the tariffs have decreased and favorable conditions were created for disseminating online media content among mobile subscribers, thus leading to the expansion of their audience.

203. Interview with Marina Meruzhanyan, director of *Aravot*, Yerevan, 6 November 2012.

7. Policies, Laws, and Regulators

7.1 Policies and Laws

7.1.1 Digital Switch-over of Terrestrial Transmission

The process of migration from analog to digital broadcasting started as Armenia signed the international treaty at the conclusion of the Regional Radiocommunication Conference organized by the ITU in Geneva in 2006.²⁰⁴

In November 2009, the government approved the Radio and Television Broadcasting Digital Switch-over Concept Paper developed by an inter-agency commission led by the minister of the economy.²⁰⁵ The paper was expected to provide an outline of digital switch-over process strategy. However, it failed to provide clear answers to a number of key questions. According to an analysis by the OSCE, the concept paper does not sufficiently reflect matters related to the accessibility of broadcasting, the funding of the digitization process, and the creation of the infrastructure. Moreover, the rules on multiplex tariffs have not been included, and there are gaps relating to the financing of the public broadcaster.²⁰⁶ The analysis by the OSCE reads: “The Concept Paper sets out good aims and objectives that should be promoted but very little on how such promotion shall be made. As the process with drawing up a strategy started already several years ago there should now be more detail.”²⁰⁷

In relation to the digital switch-over strategy the OSCE notes that it should not be drafted and adopted as a result of closed-door negotiations between businesses and the government, but be under constant public scrutiny to guarantee the pluralism of broadcasting services and public access to an enlarged choice and variety of quality programs. The concept paper also does not have adequate provisions on maximizing the

204. International Telecommunication Union (ITU), Geneva, “Digital broadcasting set to transform communication landscape by 2015,” press release, 16 June 2006, at http://www.itu.int/newsroom/press_releases/2006/11.html (accessed 20 November 2012).

205. Ministry of Economy, “Concept Paper.”

206. The analysis examines the Concept Paper approved by the government on 12 November 2009. The analysis is made from the viewpoint of international obligations as well as best international and European standards. It also uses earlier reports related to digital switch-over in Armenia and the “Guide to Digital Switch-over” commissioned by the OSCE Representative on Freedom of the Media and published in March 2010. Best European practice is seen in different instruments issued by the Council of Europe and the EU, at <http://www.osce.org/fom/68579> (accessed 5 September 2012).

207. OSCE, “Analysis of Concept Paper.”

benefits of convergence and other technologies, as well as the digital dividend. The OSCE emphasized that “support for purchasing set-top boxes is important, because few people use satellite and cable broadcasting services, and it should be taken into consideration in practice so that the population does not lose access to broadcasting services after the analog broadcast is cut off.” It also underlined the need for the government to consider subsidies for viewers for whom purchasing set-top boxes would be a financial burden. In a separate analysis, the OSCE called on Armenia’s government and broadcasters to “immediately launch a process of raising public awareness so that the service delivered to viewers is not interrupted during the transition from one system to the other.”²⁰⁸

However, the concept paper was not modified in response to these criticisms.

Subsequently, on 13 May 2010, the government approved the draft law on amending the Law on Television and Radio and urgently submitted it to the National Assembly. According to its authors, this law would support the digital switch-over, with a deadline of January 2015, and the amendments would affect only the articles relating to the switch-over. This draft law was submitted to the National Assembly without public discussion. It became accessible to the public only as a result of pressure by NGOs.

After the adoption of the draft law at the first reading, a parliamentary hearing was held on 26 May in the National Assembly, during which civil society representatives and international organizations expressed their concerns. After some days, a public hearing was held in the Ministry of Economy. Two other discussions were held by the Partnership for Open Society initiative and the OSCE’s Yerevan office. In each case the OSCE experts presented their analysis of the draft law, including the main issues as they saw them and possible solutions. The OSCE’s “Addendum to the comments on the amendments to the law on broadcasting” states:

The proposed version of the Law raises doubts that the appeals of the OSCE Representative on Freedom of the Media concerning broadcasting legislation have been adequately reflected in its draft ... The legal reform cannot be made in several days and the Government is in a hurry to have the draft law adopted before expiration of the moratorium,²⁰⁹ we would like to point out that earlier recommendations were not compiled in a chaotic but rather in a complex way and put to the single aim of harmonization of the draft law with the OSCE standards ... Some earlier recommendations were totally ignored and/or related to “future law” or “future amendments.”²¹⁰

208. OSCE, “Comments on the amendments to the law of the Republic of Armenia on broadcasting, 2010,” at <http://www.osce.org/fom/68242> (accessed 5 September 2012).

209. On 10 September 2008, the National Assembly adopted amendments to the Law on Television and Radio, which imposed a moratorium on television and radio broadcasting tenders until 20 July 2010, and the terms of the existing analog broadcast licenses were extended till 21 January 2011. The government cited transition to digital broadcasting as the reason for the moratorium.

210. OSCE, “Addendum to the Comments on the Amendments to the Law of the Republic of Armenia on Broadcasting and to the Review on the Concept Paper on Migrating to Digital Radio and TV Broadcasting System Made Earlier (in May and March 2010) by the OSCE FOM Experts,” June 2010, pp. 5–6, at <http://www.osce.org/fom/68579> (accessed 5 September 2012).

The OSCE experts recommended the following changes to the law:

- Provide clear distinctions between regulations for satellite, mobile, internet-provided broadcasting, and non-linear audiovisual media services.
- Lay legal grounds for the establishment of non-state operators of digital broadcasting.
- Be specific in relation to the number or thematic direction of radio programs on national and capital multiplexes.
- Change the system of financing Public Television and Radio and that of the National Commission on Television and Radio for an automatic guarantee of their financial independence from the state.
- Reform the system of selecting and appointing members of the Council for Public Television and Radio to provide for a possibility of a pluralistic public broadcasting.²¹¹

On 10 June 2010, the National Assembly convened an extraordinary session and adopted the draft law at the second reading. After the first reading, only minor wording changes were made to the draft law, while the important issues raised by the experts were disregarded.²¹² The law entered into force on 17 June after being signed by the president.

The OSCE Representative on Freedom of the Media, Dunja Mijatović, voiced criticism: “Despite amendments, Armenia’s new Law on Television and Radio fails to promote broadcast pluralism in the digital era. Although some recommendations from the legal review have been addressed, other recommendations that are of crucial importance for a smooth transition from analogue to digital broadcasting have not been taken into account.”²¹³

Hillary Clinton, U.S. Secretary of State, who made a two-day official visit to Armenia in July 2010, also commented on the law. In a meeting with civil society representatives in Armenia, she said that she had raised concerns about media freedom with President Sargsyan and other Armenian officials: “I know many of you are concerned about the Government’s recent changes to the Law on Television and Radio and these are concerns that the United States, the OSCE, and the European Union share. I raised this issue and was told that the Government is open to amending the law this fall.”²¹⁴

On 18 September 2010, the president suggested that the Human Rights Defender of the Republic of Armenia (Ombudsman) should create a working group to finalize the activities of the legislative regulation of

211. OSCE, “Comments on the amendments to the law of the Republic of Armenia on broadcasting, 2010,” at <http://www.osce.org/fom/68242> (accessed 5 September 2012).

212. Law on Amending the Republic of Armenia Law on Television and Radio, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (in Armenian) (accessed 5 September 2012).

213. Statement by Dunja Mijatović, OSCE Representative on Freedom of the Media, 15 June 2010, at <http://www.osce.org/documents/69430> (in English) and at <http://www.jnews.am/en/tv-radio-law-osce-media-freedom-statement> (in Armenian) (accessed 5 September 2012).

214. “Armenian Media 2010: Pluralism on TV Decreasing More and More,” JNews.am, at <http://jnews.am/en/armenian-media-2010> (accessed 5 September 2012).

the television broadcasting digital switch-over process.²¹⁵ The working group, consisting of representatives of state bodies and non-governmental organizations, was expected to revise the law in response to the numerous critical assessments.

The draft prepared by the working group was submitted to the National Assembly on 31 May 2011. However, some of the media organizations included in the group expressed their concerns about the document, calling it incomplete and the finalization of the work premature.²¹⁶ The media organizations, in particular, stated that the recommendations of local and international organizations, including the OSCE, had not been taken into account. The draft law was never circulated.

Three media advocacy organizations (the Yerevan Press Club, Internews Media Support, and the CPFE) proposed their own version of draft amendments to the law. On 15 December 2011, the draft was discussed in the National Assembly's Standing Committee for Education, Science, Culture, Youth, and Sports, with the participation of representatives of government institutions, NGOs, and international organizations. The document was accepted as a basis for further work.²¹⁷

Several discussions took place within state bodies, including the NCTR, with the participation of representatives of Parliament, the Television and Radio Broadcasting Network, and journalistic and international organizations, to try and incorporate recommendations into the draft law and get the draft law brought before the National Assembly during 2013. The legislative process, aimed at reforming broadcast legislation to secure broadcast independence and diversity on air, had been stalled for more than two years.

7.1.1.1 Access and Affordability

The concept paper contained provisions aimed at ensuring access and affordability for the population. Section 6 lists the measures: the safeguarding by an independent regulator of the legitimate operation of two or three multiplexes containing at least one must-carry package with free-of-charge access to five or six channels, and several paid packages in accordance with fair and transparent criteria; ensuring that socially vulnerable Armenian citizens are able to receive television and radio programs and decoders by digital transmission prior to the final cut-off of analog broadcasting, and ensuring the maximum coverage of the digital signal in populated areas.²¹⁸

The concept paper has provisions for access to the digital signal: "Prior to the final cut-off of analog broadcasting, ensure the digital broadcasting coverage of television and radio programs (at least of the social

215. The Human Rights Defender of the Republic of Armenia (Ombudsman) is an independent institution, but it is funded from the state budget; see <http://www.ombuds.am/en> (accessed 5 September 2012).

216. Yerevan Press Club, "Statement of NGO-Members of Working Group on Reforming the Broadcast Legislation," weekly bulletin, at <http://www.ypc.am/bulletin/t/45137/In/en> (accessed 5 September 2012).

217. CPFE, "Quarterly Report (January–March 2012), On the Situation with Freedom of Speech and Violations of Rights of Journalists and Media in Armenia," at <http://khosq.am/en/reports/cpfe-quarterly-report-january-march-2012> (accessed 5 September 2012).

218. Ministry of Economy, "Concept Paper," p. 8.

multiplex) throughout the territory of the Republic of Armenia” and “pay special attention to connectivity and broadcasting to the hard-to-reach settlements.”²¹⁹

Experts interviewed for this study criticized the concept paper for vague definitions and lack of concrete details. Ms Sarkissian said that the document was more a declaration of good intentions than a specific action plan.²²⁰

Access is also regulated by the amendments to the Law on Television and Radio. Article 4 provides:

2. Everyone has the right to freely receive television and radio programs and additional information, including by satellite and cable networks, free of charge or on a paid basis, via decoding devices or open networks of television and radio broadcasting.
3. The state shall create the necessary conditions and take the necessary measures for the reception of the Public Television and Radio Company (at least one television channel and one radio channel) throughout the territory of the Republic of Armenia.
4. A company performing air broadcasting of television and the radio shall not, in areas where the relevant coverage zones overlap, limit the right of people to receive other programs of television and the radio.²²¹

The Law on Television and Radio also deals with access to digital content by ethnic minorities, the disabled, and other groups. Article 5 states that the language of programs broadcast in Armenia is literary Armenian, but Paragraph 2 of the Article makes an exception for programs broadcast in the languages of national minorities.

According to Article 26 of the Law, the Public Television and Radio Company must deliver content that represents the interests of the different regions of Armenia, ethnic minorities, and various groups of society; it must ensure access to information for the hearing-impaired and broadcast at least one children’s and one news program a day using sign-language translation or Armenian subtitles; and they must provide airtime for broadcasting content in the languages of ethnic minorities. The total duration of such programs should not exceed two hours per week on television and one hour per week on radio. Content in minority languages must be broadcast with Armenian subtitles. Currently, only Public Radio has programs in minority languages (Yezidi, Kurdish, and Russian).

7.1.1.2 Subsidies for Equipment

The concept paper refers to the government’s intention to subsidize low-income families included in the national welfare assistance program, so that they can buy digital decoders (set-top boxes). There are about

219. Ministry of Economy, “Concept Paper,” pp. 13–14.

220. Interview with Nouneh Sarkissian, managing director of Internews, Yerevan, 9 September 2011.

221. Law on Television and Radio, at <http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=eng> (in Armenian) (accessed 25 October 2012).

150,000 such families in the country. According to the concept paper, such subsidies will require AMD 1.5–2 billion (US\$4–5 million). The state will have to announce a tender to provide the public with affordable and high-quality decoders.²²² However, no concrete subsidy schemes have been drafted so far.²²³

7.1.1.3 Legal Provisions on Public Interest

The concept paper does not provide a definition of public interest, but instead refers to the need to “safeguard” the interests of citizens: “The goal of the ... Concept is to implement reforms in the sphere of television and radio broadcasting while balancing and safeguarding the interests of the citizens of the Republic of Armenia, the domestic industry, the telecommunication operators, the television and radio program producers, state structures, other interested organizations and institutions, and the end-users of information services.”²²⁴ It also says that at least one must-carry social package has to be included in each multiplex. According to the Law on Television and Radio the number of must-carry television channels will be 18 (national and citywide) in Yerevan and nine in each region (eight national and one regional).²²⁵

Public interest is also implicit in the principles of an independent and free broadcasting market outlined in the concept paper: they include freedom of media, professionalism, prevention of unlawful interference in editorial decisions by means of censorship, balanced coexistence of the public and private broadcasters, free and equal access to telecoms infrastructure, and the promotion of competition and pluralism.

Section 8 of the concept paper (“Economic Field and Business”) specifies the main types of expenditure related to the digital switch-over. These include the costs of the digitization of the existing main radio relay lines or offering alternative ways to broadcast to the regions; the acquisition and installation of digital reception systems in retransmission stations for the must-carry package; the provision of digital set-top boxes for television to the most vulnerable segments of the population; and the acquisition and installation of at least one DVB-T digital transmitter and accessories of appropriate capacity in television stations for broadcasting at least one package of programs. The sources of funding have yet to be determined.²²⁶

According to the experts interviewed for this study, the total cost of migration to digital broadcasting will be US\$30 million to US\$33 million. The exact amount will be clearer once the institution in charge of building the digital broadcasting system is selected.

7.1.1.4 Public Consultation

An interdepartmental commission led by the Ministry of the Economy was charged with working on the digital switch-over concept paper and drafting the legislative amendments. No public consultation took

222. Ministry of Economy, “Concept Paper.”

223. Interview with Levon Barseghyan, council chairman of Journalists’ Club Asparez, Yerevan, 14 September 2011.

224. Ministry of Economy, “Concept Paper.”

225. Law on Television and Radio, Article 47, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (in Armenian) (accessed 20 November 2012).

226. Interview with Levon Barseghyan, council chairman of Journalists’ Club Asparez, Yerevan, 14 September 2011.

place during the drafting process and civil society organizations and the general public had no access to the document, which became available only after it was approved by the government on 12 November 2009. In its decision to approve the Concept Paper, the government instructed the inter-agency commission “to develop, within one-month period, and to present to the government a timetable of the public consultation regarding the Radio and Television Broadcasting Digital Switch-over Concept.”²²⁷ It was only after that that the Ministry of Economy posted the concept paper on its website for public consultation—but no consultation followed. It was only discussed later, jointly with the draft amendments to the Law on Television and Radio.

The draft law was approved by the government on 13 May 2010. It was submitted to the National Assembly immediately for quick adoption. Meanwhile, both the draft law and the concept paper were harshly criticized by civil society institutions.

On 14 May, a day after the draft law was approved, the Partnership for Open Society initiative of more than 60 NGOs organized a roundtable with the members of the inter-agency commission to discuss the most problematic issues in the two documents. In particular, civil society representatives expressed their concern about the fact that the draft law did not contain any mechanisms for regulating the process of migration to digital broadcasting and the relations between the participants of this process. They were also concerned that the draft limited the number of television licenses to 18 national and Yerevan city channels and one regional channel in every one of the 10 *marzes* (regions), which was lower than the number of existing television companies. This meant that many broadcasters would be closed down and it would be unlikely that any new companies would enter the market. The conditions and procedures of broadcast licensing competitions were non-transparent and left the door wide open for subjective decisions.

These and other serious problems were pointed out in the 17 May 2010 joint statement by the Yerevan Press Club, Internews Media Support, and the CPFE.²²⁸ On 18 May 2010, the OSCE Yerevan office organized a seminar to present “The Analysis of the Concept Paper on Migrating to Digital Radio and TV Broadcasting System in Armenia,” prepared by Katrin Nyman-Metcalf and Andrei Richter for the OSCE Representative on Freedom of the Media.²²⁹ This document covered in detail all the shortcomings and inconsistencies in the government documents on digitization and offered solutions (see section 7.1.1).

Under the pressure from the public and international organizations, the National Assembly held parliamentary hearings on the draft amendments to the law on 26 May 2010, during which representatives of the government and MPs from the ruling coalition strongly supported the document, while representatives of independent media organizations and parliamentarians from the opposition called it unacceptable. An agreement was reached that the inter-agency commission would discuss all the proposals made during the hearing. This took

227. “Excerpt of the Republic of Armenia Government session protocol,” No. 47, 12 November 2009, at <http://www.gov.am/am/news/item/7672> (in Armenian) (accessed 20 November 2012).

228. Statements of Armenian NGOs, 17 May 2010, at <http://www.ypc.am/expert/ln/en> (in English) (accessed 20 November 2012).

229. OSCE, “Analysis of Concept Paper.”

place on 3 June 2010, and the result was that the inter-agency commission, headed by the Minister of the Economy, made assurances that the proposals made by media organizations would be adopted.

However, these assurances were not followed in practice. According to Levon Barseghyan, council chairman of the Journalists' Club Asparez, the authorities were simply trying to maintain a total control over broadcasting by adopting the new law.²³⁰

Another joint statement, signed by four media freedom organizations and the Open Society Foundations-Armenia and released on 6 June 2010, noted that only some of the proposals (and not the most important ones) were adopted, which violated the previous agreements, which led these organizations "to question the willingness and the ability of the Ministry of Economy and the interdepartmental commission to keep their promise and engage in constructive cooperation."²³¹ The document called on Parliament not to discuss the draft law unless it was submitted in a format and with the content that had been agreed on.

Nevertheless, the National Assembly adopted the law on 10 June 2010, and licensing competitions for terrestrial broadcasting through the digital network were conducted under the new law in the same year. However, less than two months after the competitions were announced, President Sargsyan asked the Human Rights Defender to establish a working group to improve the Law on Television and Radio.²³² The working group was established, but it proved to be ineffective and the document, developed by the group, was never taken into consideration.

A new draft of amendments to the Law on Television and Radio was submitted to the National Assembly's standing committee on Science, Education, Culture, Youth Affairs, and Sports in October 2011. The draft was developed by three journalists' organizations: the Yerevan Press Club, Internews Media Support, and the CPFE.²³³ As of September 2013, this document was being discussed in various government agencies.

7.1.2 The Internet

7.1.2.1 Regulation of News Content on the Internet

Mass media activities come under the DMI Law. It regulates relations pertaining to the implementation of media activities, defines the guarantees of ensuring the right of freedom of speech in the media, the main provisions for the accreditation of journalists, the right of reply and refutation, and the grounds for which the implementers of media activities are not subject to liability.²³⁴ The DMI Law provides that journalists shall operate freely in compliance with the principles of equality, legitimacy, freedom of expression, and

230. Interview with Levon Barseghyan, council chairman of Journalists' Club Asparez, Yerevan, 23 November 2012.

231. Statements of Armenian NGOs, 6 June 2010, at <http://www.ypc.am/expert/ln/en> (accessed 20 November 2012).

232. Yerevan Press Club, "RA President Initiates Forming a Working Group to Improve the Broadcast Legislation," weekly newsletter, at <http://www.ypc.am/bulletin/ln/en/t/44239> (accessed 20 November 2012).

233. CPFE, "Annual Report 2011: On the Situation of Freedom of Speech and Violations of Rights of Journalists and Media in Armenia," Yerevan, p. 2, at <http://khosq.am/en/reports/annual-report-2011-2> (accessed 20 November 2012) (hereafter, CPFE, "Annual Report 2011").

234. Law on Dissemination of Mass Information, Article 1.

pluralism, and prohibits censorship. Article 7 lists the limitations of the right to the freedom of expression: it prohibits “the dissemination of secret information as stipulated by law, or information advocating criminally punishable acts as well as information that violates the right to privacy of one’s personal or family life.”²³⁵

These rights and responsibilities apply to online media as well, because according to Article 3 of the DMI Law, online media is considered mass media.²³⁶ However, because the law was adopted in 2003, when the internet was embryonic in Armenia, the terms “online media” and other related notions were not used in the law. The lack of precise and contemporary definitions leads to different interpretations of the law.

The majority of online media do not follow a number of provisions of the DMI Law, including the basic requirements of Article 11, according to which a mass media outlet is required to provide the name of the legal entity that is the founder of that particular media outlet, the legal entity’s state registration information and the address, as well as the name of the person responsible for the given issue, and other similar information.²³⁷ However, no online media have been penalized for failing to fulfill these requirements of the law.

7.1.2.2 Legal Liability for Internet Content

The DMI Law says that “implementing media activity with violations of the law results in liability as provided by legislation.”²³⁸ The term media is defined in Article 3 of the DMI Law as “legal or natural person, including private entrepreneur, who disseminates a media product on his/her own behalf.” Online media are subject to the same legal provisions on liability as all mass media. According to the DMI Law, the founder/owner is liable for the activities of the media.

Libel and insult were decriminalized in May 2010, and liability for libelous or insulting content in the mass media is stipulated by Articles 19 and 1087.1 of the Civil Code.²³⁹ After decriminalization up to 1 January 2013, there have been 71 lawsuits against media outlets filed since these changes in legislation. Most of these lawsuits were against opposition newspapers. There have been 12 lawsuits in connection with publications in online media.

The year 2011 was unprecedented in terms of the high number of lawsuits against the media, when the Committee to Protect Freedom of Expression reported 37 lawsuits filed. The relevant article of the Civil Code about libel and insult became a political and economic tool for putting pressure on the media, especially the opposition media. As a rule, plaintiffs demanded the maximum amount of compensation for libel and insult allowed by law, at AMD 2 million (approx. US\$ 5,000) for libel and AMD 1 million (US\$ 2,500) for insult, and the courts upheld these claims. As the CPFE’s annual report notes, the situation was caused not so much

235. Law on Dissemination of Mass Information, Article 1.

236. Law on Dissemination of Mass Information, Article 3.

237. Law on Dissemination of Mass Information, Article 11.

238. Law on Dissemination of Mass Information, Article 3.

239. The Law on Amending and Supplementing the Republic of Armenia Civil Code adopted on 18 May 2010, at <http://parliament.am/legislation.php?sel=show&ID=3849&lang=arm> (in Armenian) (accessed 20 November 2012).

by imperfections in Article 1087.1 of the Civil Code, but rather by the sensitivity of the political elite to criticism by the media. The situation is exacerbated by the lack of an independent judiciary: the majority of decisions are in favor of those people with more powerful political and financial levers.²⁴⁰

A typical example of such an attempt to settle scores for criticism was a lawsuit filed by the Arrhythmology Cardiology Center of Armenia LLC against News.am. The lawsuit was prompted by the 23 November 2010 publication “The Arrhythmology Center Cheated the Patient with Heart Disease and Installed Another Device.”²⁴¹ In this article, the patient claimed he was cheated, and the doctors installed a cheap cardio stimulator instead of a more expensive one with a 10-year warranty. The Center insisted that the News.am website ruined its business reputation and dignity, and demanded that it publish a retraction and pay compensation of AMD 2 million (US\$ 5,000).

The case has been pending for two years. However, there have been some interesting developments during the recent hearings. The patient, summoned by the court as a witness, confirmed the information he had provided to the news website. He also submitted as evidence a police document prepared on the basis of his report to the police, which stated that the police had opened a criminal case against the director of the Arrhythmology Cardiology Center at the time of the patient’s treatment. The patient also submitted a medical expertise report, confirming that the cardio stimulator he had received had a five-year and not a 10-year warranty. The report also said that the cost of the device was lower than the amount the patient had paid to the medical center. The former director is now being sought by the authorities.²⁴²

Another example of an attempt to settle scores and to punish an online media outlet for a critical article was the lawsuit filed by Hayk Babukhanyan, the leader of the Constitutional Rights Union, and his company, Iravunq Media, against the journalist and founder of the Report.am online publication, Edik Andreasyan. The conflict arose in connection with the article entitled “The Right of the ‘Iravunq’ is at the Edge of Hayk Babukhanyan’s Sword,” published by Report.am on 31 August 2010.²⁴³ The case was prepared in such a way that it ended up with two respondents. The plaintiff thought that the publication damaged his business reputation and dignity and demanded AMD 6 million (US\$ 15,000) from each of the respondents, Report.am and the author of the article.

The trial started on 21 March 2011, and two months later Hayk Babukhanyan filed another lawsuit against the founder of Report.am. This lawsuit was in connection with the 25 March article by Edik Andreasyan and the readers’ comments. In addition to a public apology and compensation in the amount of AMD 1 million

240. CPFE, “Annual Report 2011,” p. 4.

241. “The Arrhythmology Center cheated the patient with heart disease and installed another device,” News.am, 23 November 2010, at <http://news.am/arm/news/39043.html> (accessed 20 November 2012).

242. CPFE, “Two different approaches towards similar claims,” Yerevan, 7 November 2012, at <http://khosq.am/en/2012/11/07/two-different-approaches-towards-similar-claims> (accessed 20 November 2012).

243. “The Right of the ‘Iravunq’ is at the Edge of Hayk Babukhanyan’s Sword,” Report.am, 31 August 2010, at <http://report.am/news/society/babuxanyan4.html> (in Armenian) (accessed 20 November 2012).

(US\$ 2,500) for the insult, the plaintiff also requested an injunction to stop the publication of any materials about the conflict. The court granted the injunction and Report.am was forced to stop covering this topic, because any criticism in any future articles could have been considered insulting and libelous. According to the CPFE, when a politician or a high-ranking official “files a lawsuit against a media outlet and, at the same time, demand an injunction to stop the media from publishing information about the lawsuit, and the court grants this injunction, ignoring the rights guaranteed by the Constitution, this kind of interference is nothing but covert censorship.”²⁴⁴

After many long hearings, the court eventually dismissed both lawsuits. The politician’s appeals to the Court of Appeals and the Court of Cassation were also dismissed.

According to the experts interviewed for this study, some positive changes in judicial practice on lawsuits regarding insult and libel took place after the 15 November 2011 decision of the Constitutional Court, in which it outlined the ways to prevent or at least minimize the lack of impartiality in judicial decisions. The Constitutional Court took up the issue after the Human Rights Defender (Ombudsman) had asked it to rule on the constitutionality of Article 1087.1 of the Civil Code.

The Constitutional Court concluded that Article 1087.1 of the Civil Code did not contradict the Constitution, but found it necessary to clarify some legal approaches in its implementation, citing the case law of the ECHR. In particular, the Constitutional Court emphasized that “libel” and “insult” must be considered in the context of intent. In addition, “financial compensation should not be ordered for opinions, because it can lead to restricting the freedom of expression. The media has a wider role and is not limited merely to stating facts.” The decision also states that in order to inform the public the media has to comment on facts and events, and promote debates on issues of public importance.²⁴⁵

7.2 Regulators

7.2.1 Changes in Content Regulation

There are no regulatory and supervisory bodies for the print media and online media. The content of the broadcast media is supervised by the NCTR.²⁴⁶ Although in 2010 the Law on Television and Radio was amended to reflect the transition to digital broadcasting, there were no changes to the regulatory functions of the NCTR.

244. CPFE, “Annual Report 2011,” p. 4

245. Constitutional Court, “Decision on the case concerning the determination of the issue regarding the conformity of Article 1087.1 of the RA Civil Code with Article 14, Article 27 Parts 1, 2 and 3, and Article 43 of the Constitution of the Republic of Armenia,” Yerevan, 15 November, 2011, at <http://www.concourt.am/english/decisions/common/pdf/997.pdf> (accessed 20 November 2012).

246. Constitution of the Republic of Armenia (with amendments), Article 83.2, at <http://parliament.am/legislation.php?sel=show&ID=1&lang=eng> (accessed 19 June 2013) (hereafter, Constitution, Article 83.2).

According to the Law on Television and Radio, the NCTR monitors the activities of television and radio companies, determines the compliance of television and radio programs with the legislation, and imposes administrative penalties provided by law in case of violations.²⁴⁷ According to the law, the NCTR also has the power to oversee compliance with the electoral campaign procedure stipulated by the Electoral Code.

The regulatory provisions have undergone no major amendments in the last five years, with the exception of one. Previously, the NCTR had the power to define the criteria for erotic television and radio programs and films containing horror and graphic violence, as well as programs that might have a negative effect on the health, intellectual, and physical development and the rearing of minors. Under the 10 June 2010 amendments to the law, such criteria must be defined by law. However, no relevant legislation has been adopted yet.

The regulation of commercial content in the mass media is carried out by the Law on Advertising, which prohibits the advertisement of hard liquor (with the exception of brandy) and tobacco in broadcast media.²⁴⁸ The designated government body to oversee compliance with this regulation is the NCTR.

7.2.2 Regulatory Independence

The only regulatory body is the NCTR, which regulates broadcast media. According to Article 83.2 of the Constitution, the NCTR is an independent body, half of whose members are selected by the National Assembly, while the other half is appointed by the president for six years.²⁴⁹

This approach was adopted to allow the opposition parties in the National Assembly to participate in the formation of the NCTR. The purpose of giving NCTR members a six-year term (which is longer than the five-year term of the president and the MPs, who appoint NCTR members) is to ensure the commission's independence. Moreover, the members of the governing bodies of political parties and persons affiliated with them, persons under contract with television and radio companies or heads of entities under such contracts and their close relatives, members of the National Assembly, members of the government, the staff of the president, and public servants may not be members of the NCTR. The oath taken by anyone who becomes a member is a further safeguard of independence.²⁵⁰

However, the appointment of NCTR members and its independence remain problematic. The issue of the real independence of this regulatory body was not resolved before the 2005 constitutional amendments, when NCTR members used to be appointed by the president, and it was still not resolved after the amendments, when new procedures for member appointments were adopted. The regulatory body still ends up having a

247. Law on Television and Radio, Article 36.

248. Law on Amending and Supplementing the Law on Advertising adopted on 26 June 2002, at <http://parliament.am/legislation.php?sel=show&ID=1709&lang=arm> (in Armenian) (accessed 20 November 2012).

249. Constitution, Article 83.2.

250. Law on Television and Radio, Article 39, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 20 November 2012).

pro-government slant, because the parliamentary majority, which supports the president, appoints candidates who are loyal to the ruling power.

The need to ensure the NCTR's independence has been pointed out many times in a number of reports on Armenia by international organizations, such as the Council of Europe and the OSCE. For example, in July 2006, when changes in the Broadcasting Law were being made, the OSCE's Representative on Freedom of the Media had noted in his report on Armenia that legislative changes should not be limited to a half-presidential and half-parliamentary regulatory body, and that its composition "should represent the political and social diversity of the country, and should include NGOs and professional associations."²⁵¹

The NCTR's dependence on the ruling power directly affects the broadcasting licensing competitions, which, according to the experts interviewed for this study, are not transparent and fair (see sections 5.1.1 and 5.1.2).

Since the adoption of the Law on Television and Radio (in 2000), the NCTR member selection procedure has been changed several times. After amending the Constitution in 2005, amendments to the Law on Television and the Radio were adopted on 28 March 2009 to harmonize the selection procedure with the relevant constitutional provisions. The National Assembly also amended the Law on the By-Laws of the National Assembly to define the election procedure for NCTR members.

Under the current Law on Television and Radio, four of the eight members of the NCTR are elected by the National Assembly. The Law Amending and Supplementing the Republic of Armenia Law on the By-Laws of the National Assembly (adopted on 28 March 2009) prescribed that a competition commission should be formed for the purpose of nominating the members. The Speaker of Parliament invites the party factions to propose candidates for the commission. Based on the nominations, the Speaker forms the commission within a seven-day period. The law also says that the opposition faction or factions shall nominate two candidates to the commission, while the other factions may nominate four candidates each.²⁵²

A minimum of a 10-day period is then set for nominating candidates for the NCTR. Candidates may nominate themselves, in which case they present two reference letters from NGOs registered and operating in the fields of media and telecoms, in accordance with legislation. The Public Council may issue an additional reference letter.²⁵³ Anyone who meets the requirements of the Law on Television and Radio, that is, "is a citizen of the Republic of Armenia who has professional work experience in the fields of news reporting, television, the radio, the economy, governance, technology, culture, arts, science, law, and religion, has a

251. Yerevan Press Club, "OSCE Representative on Freedom of the Media Miklos Haraszti's Report on Media Situation in Armenia," weekly newsletter, 1–7 September 2006, at <http://www.ypc.am/bulletin/ln/en/t/41393> (accessed 20 November 2012).

252. Law on Supplementing and Amending the Republic of Armenia Law on the By-Laws of the National Assembly, at <http://parliament.am/legislation.php?sel=show&ID=3618&lang=arm> (in Armenian) (accessed 19 June 2013).

253. The Public Council was established on 12 July 2008 by a decree of the president to promote public and political dialogue in the country. It consists of 36 members, who are prominent figures in social, cultural, scientific, and other fields: see <http://www.publiccouncil.am/en/structure> (accessed 20 November 2012).

university degree, is well-reputed, enjoys trust in the broad public, and is fluent in Armenian,” may nominate himself or herself.²⁵⁴

The competition is conducted in two stages, consisting of a test and an interview, after which the chairman presents the conclusions about the competition’s results to the Speaker. According to the competition’s terms, the commission may select more than one candidate for each vacancy, if they meet the criteria specified in the law. The final decision is then taken by the National Assembly. The candidate who receives the majority of the total votes of the National Assembly members is elected as a member of the NCTR.²⁵⁵ The first election by the National Assembly for filling four vacancies in the NCTR was on 9 December 2009. Eight candidates had nominated themselves. All of them met the criteria specified in the law. However, one of them did not pass the test, so the commission selected only seven, four of which were then elected by the National Assembly.

The other four members of the NCTR are appointed by the president in accordance with the competition procedure also approved by him. On 3 May 2013, the president made the most recent appointments to fill the vacancy created by the expiry of the terms of the head of the NCTR, and on 7 May 2013 this new member (Gagik Buniatyan) was elected as a new head.

According to most of the experts interviewed for this study, the legal provisions do not secure the genuine independence of the NCTR, primarily because the election procedure is such that the parliamentary majority can always have its preferred candidate elected, and in Armenia the parliamentary majority always consists of the parties that support the president. In other words, all eight members of the NCTR are affiliated with the ruling political power. There is no mechanism through which society can influence the elections of members of the NCTR and oversee their activities.

7.2.3 Digital Licensing

The Law on Television and Radio provides that the license is the only legal basis for television and radio broadcasting, and that the licensing shall be carried out by the NCTR by means of competition.²⁵⁶

The first competitions for television and radio broadcasting were carried out in April 2002. The experienced and respected television company A1+, which was known for its independent and impartial stance, and the television company Noyan Tapan, which also had a critical stance, were not awarded licenses in those initial competitions.²⁵⁷ Back then, the Law on Television and Radio provided that there should be a brief and formal justification for the selection of the winner. The law did not require the provision (and still does

254. Law on Television and Radio, Article 39, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 20 November 2012).

255. Law of the Rules of Procedure of the National Assembly, at <http://www.parliament.am/legislation.php?sel=show&ID=38&lang=eng> (accessed 20 November 2012).

256. Law on Television and Radio, Articles 36 and 46.

257. Yerevan Press Club, “Media Landscapes of Eastern Partnership Countries,” 2011, p. 9, at http://www.ypc.am/upload/Media%20Landscapes%20of%20EaP%20Countries_eng.pdf (accessed 20 November 2012).

not) of a justification for the refusal to grant a license. According to Levon Barseghyan, council chairman of the Journalists' Club Asparez, "from the first competition in 2002 the non-governmental journalistic organizations understood that the licensing system for broadcasting is unfair and allows broad opportunities for subjectivity."²⁵⁸ (See also section 5.1.1.)

Since 2002, A1+ took part in 13 licensing competitions and was denied a license each time. It kept appealing against the NCTR's decisions in the local courts and subsequently took the matter to the ECHR, which published the judgment in the case of Meltex and Mesrop Movsesyan versus Armenia (known as the A1+ judgment) on 17 June 2008. The court found a violation of the television company's right to the freedom to disseminate information and ideas, which is safeguarded by Article 10 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.²⁵⁹ It further found that a licensing procedure in which the licensing authority fails to substantiate its decisions does not adequately protect the fundamental right to freedom of expression from arbitrary interference by the authorities.

The ECHR required the state to pay Meltex the sum of €30,000 within three months of the judgment, comprising €20,000 as compensation for non-material damage and €10,000 as compensation for court expenses.²⁶⁰ The government paid the television company the sum required, but A1+ did not receive a broadcasting license.²⁶¹

The issue was also addressed in Resolution 1620 of the PACE. Paragraph 6 of the Resolution reads:

The Assembly recalls that there is a need for a pluralistic electronic media environment in Armenia and, referring to the decision of the Court concerning the denial of a broadcasting license to the television channel A1+, calls on the licensing authority to now ensure an open, fair and transparent licensing procedure, in line with the guidelines adopted by the Committee of Ministers of the Council of Europe on 26 March 2008, and with the case law of the Court.²⁶²

The open and transparent competitions specified by the PACE had to be conducted in 2010 after the amendments to the Law on Television and Radio, in accordance with which, competitions for digital terrestrial broadcasting were announced on 20 and 27 July 2010, and the results were summarized on 16 and 23 December 2010. This time, A1+ again did not get a broadcasting license. The NCTR reasoning was the following: "The review of the application submitted by the limited liability company Meltex and the attached documents has shown that they contain obviously false documents," which is "a fact that renders

258. Interview with Levon Barseghyan, council chairman of Journalists' Club Asparez, Yerevan, 14 September 2011.

259. European Convention for the Protection of Human Rights and Fundamental Freedoms, Article 10, at <http://conventions.coe.int/treaty/en/treaties/html/005.htm> (accessed 20 November 2012).

260. Chamber judgment in Meltex Ltd and Mesrop Movsesyan versus Armenia, at <http://hudoc.echr.coe.int/sites/eng/pages/search.aspx?i=001-87003> (accessed 20 November 2012).

261. U.S. Department of State, "2010 Human Rights Report: Armenia," p. 27, 8 April 2011, at <http://www.state.gov/documents/organization/160447.pdf> (accessed 20 November 2012).

262. Resolution 1620 (25.06.2008) on the Implementation by Armenia of Assembly Resolution 1609 (2008), at <http://assembly.coe.int/main.asp?Link=/documents/adoptedtext/ta08/eres1620.htm> (accessed 19 June 2013).

unfeasible the comprehensive implementation of terrestrial broadcasting of international and local news and analytical television programs covering the capital city via the digital broadcasting network.”²⁶³ A1+ has appealed against this decision in court, as well.

In 2011, the Yerevan Press Club formed a working group, consisting of independent people, media experts, lawyers, and specialists in technology and finances, which conducted an audit of the competitions for terrestrial broadcasting. It reviewed the legal grounds for calling the competitions, the way the competitions were conducted, the substance of the applications filed, and the decisions of the NCTR on selecting winners. The conclusion stated that the amendments made to the Law on Television and Radio on 10 June 2010 did not ensure the development of the television market, the holding of free, fair, and transparent competitions, and the pluralism and diversity of broadcasting. In addition, neither the law nor competition procedures were able to reduce the possibility of subjective decisions. Despite the fact that the law allowed scoring each of the six criteria separately (see section 5.1.1), this opportunity was not used and every application was given one total score, which adversely affected the objectiveness of the competition. According to the expert group, none of the decisions on winners in 21 competitions met the justification standards required by Part 3 of Article 49 of the law.²⁶⁴

The government ignored the conclusions of the independent expert group and did not take any measures to review the results of competitions for terrestrial broadcast licensing. However, media NGOs continue to insist that fundamental amendments to the Law on Television and Radio should be made, including the sections on competitions and licensing procedures. This is the aim of an initiative by three organizations (Yerevan Press Club, Internews, and the CPFE), which jointly developed a draft law on amending the broadcasting legislation and submitted it to the relevant standing committee in Parliament. The document is currently undergoing working discussions (see section 5.1.1). According to Anna Israelyan, a member of the expert group, “in order to change the situation, fundamental changes need to be made in the Law on Television and Radio, and the NCTR needs to be forced to carry out its responsibilities under the law, which can be achieved only by means of a public control over the regulatory body.”²⁶⁵

7.2.4 Role of Self-regulatory Mechanisms

The first attempt at self-regulation of the media in Armenia was the Code of Conduct for Members of the Yerevan Press Club adopted in 1995. The current version of the document was adopted in 2002. The Code of Conduct concerns only the members of the Yerevan Press Club, and everyone who becomes a member adopts this Code. The Yerevan Press Club Ethics Commission is in charge of overseeing compliance with the Code.

The Union of Journalists of Armenia, Internews Media Support, the Journalists’ Club Asparez, and several media outlets such as the daily paper *Aravot* and the *Hetq* news website of the Association of Investigative

263. Decision 96-A of the NCTR, 16 December 2010, on recognizing the winner in tender number 11 for capital city, international, and local terrestrial broadcasting of news and analytical television programs via the digital broadcasting network, at <http://acts.legalportal.am/show/NjQzOTI=/HERUSTATESUTYAN+EV+RADIOYI+AZGAYIN+HANDzNAJOGHovi+16+DEKTEMBERI+2010+TVAKANI+TIV+96-A+OROSHUM@> (accessed 19 June 2013).

264. Yerevan Press Club, “Expert analysis of the broadcasting licensing competition results.”

265. Interview with Anna Israelyan, member of independent expert group formed by Yerevan Press Club, Yerevan, 6 November 2012.

Journalists have their own codes of conduct. On 10 March 2007, on the initiative of the Yerevan Press Club, 18 outlets of Armenia's mass media signed a joint Code of Conduct and elected members for a new body called the Media Ethics Observatory (MEO). The signatories have pledged to publish the relevant decisions of the observatory in their media outlets.²⁶⁶

This Code of Conduct has by now been signed by 48 mass media outlets (see also section 4.1.2), including 22 print media (10 of them regional), 16 television companies (including 13 regional), four news agencies, three online media, two radio stations (one regional), and one newsletter.²⁶⁷ In this case, it can hardly be argued that the initiative on media self-regulation represents the whole media landscape of the country.

In particular, most of the leading national and city-wide broadcasters, which, as already noted, are loyal to the authorities and in general serve their interests, did not join the Code. Neither did well-known opposition newspapers that occupy an important place in the print media market. According to Olga Safaryan, lawyer and member of the MEO, "both pro-government broadcasters and opposition media in view of political engagement avoid initiatives on media self-regulation and joining the Code."²⁶⁸

In 2011, the MEO decided to expand its functions and review also complaints on publications of those media outlets which had not agreed to the Code. Up until 1 August 2012, the MEO had reviewed and resolved 28 complaints regarding publications in the media (see also section 4.1.2).

On 2 November 2011 the founder of the daily paper *Chorrord Inknishkhanutiun* asked the MEO for an expert judgment on the article "To Know Pharaoh," published in the paper on 9 April 2011, and containing critical expressions by the artist Sergey Gasparyan about the director of the Armenia National Art Gallery, Paravon Mirzoyan.²⁶⁹ Mr Mirzoyan filed a suit with the court to defend his honor and dignity against the founder of the paper and Mr Gasparyan, demanding the withdrawal of the information that had discredited his reputation and compensation for moral damage to the tune of AMD 3 million (US\$ 7,900), as well as settling the court expenses of AMD 360,000 (US\$ 950).²⁷⁰

In its opinion published on 25 December 2011, the MEO noted that a number of expressions contested by the art gallery director were not facts but value judgments. Hence, their validity was unprovable. The MEO concluded that the dispute between Mr Mirzoyan and the daily paper might be settled by publication in *Chorrord Inknishkhanutiun* of a withdrawal or a reply provided by Mr Mirzoyan, or of the MEO judgment. Mr Mirzoyan did not provide a reply to the paper and decided to pursue proceedings in court. On 2 October 2012, the court threw out his suit.

266. Yerevan Press Club, "Media Self-Regulation Initiative," at http://www.ypc.am/self_regul/ln/en (accessed 20 November 2012) (hereafter, Yerevan Press Club, "Media Self-regulation initiative").

267. Yerevan Press Club, "Media Self-regulation initiative."

268. Interview with Olga Safaryan, lawyer, member of the Media Ethics Observatory, Yerevan, 10 August 2012.

269. *Paravon* is "pharaoh" in Armenian.

270. Yerevan Press Club, "Media Self-regulation Initiative," provides a list of judgments/decisions, at http://www.ypc.am/self_regul/ln/en (accessed 20 November 2012).

Another judgment of the MEO was on 17 February 2012 regarding the complaint of Anna Simonian about a photo story by Gagik Shamshyan, “Reportedly, the 38-Year-Old Man Shot Himself to Death,” placed on the website of the newspaper *Aravot* on 7 February 2012. The MEO noted that the identification in the piece of the name of the person who had committed suicide was not acceptable and runs counter to Point 4.3 of the Code of Conduct of Media Professionals: “to be especially tactful when the sources of information or the heroes of publications are ... persons, who have committed suicide”; as well as “when collecting information about people that have suffered tragedy or sorrow, when taking interviews or photos of such people, or when broadcasting video or audio materials about them, to be tactful towards them.” The MEO suggested that the newspaper should be more careful when covering tragic events. Aravot.am posted the MEO’s conclusion and removed the photo that violated journalistic ethics from the website.²⁷¹

In recent years, several media attempted to introduce the role of an internal ombudsman. In 2008–2009, GalaTV, which operated in the town of Gyumri, and the *Aravot* newspaper had ombudsmen, but these initiatives were short-lived. The reason was purely financial. International donor organizations were not interested in these initiatives, since there was already a more comprehensive initiative for self-regulation of the media—the MEO. For their part, the media outlets justified their reluctance to fund the activities of internal ombudsmen by the emergence of a conflict of interest.

Another attempt at self-regulation was initiated by the Public Council created by a presidential decree. The Public Council developed a document entitled “Charter of the Ethical Principles of the Activities of Television and Radio Broadcasters,”²⁷² which was signed by 11 television companies on 11 April 2010. However, the Charter has not been applied in practice. According to Mr Navasardyan, president of the Yerevan Press Club, this happened, first and foremost, because the Charter was an artificially created document, forced on television companies: the initiative of drafting and signing it did not come from the broadcasters themselves. “Television companies signed the Charter in order to avoid conflicts with the authorities, but that did not improve the Armenian television. The broadcasters knew no one was going to enforce the document; moreover, no sanctions for breaking the rules were developed,” Mr Navasardian said.²⁷³

Another attempt at self-regulation was made by the Defender of Human Rights (Ombudsman), who initiated the creation of the Information Disputes Council (IDC), the primary aim of which was “to protect the freedom of speech and access to information, as well as dignity of the person and the right to privacy by means of publishing expert opinions in case of court disputes arising in the course of the exercise of such rights, which are based on the Republic of Armenia legislation, international legal acts, and ethical rules.”²⁷⁴

271. “Conclusion of the Media Ethics Observatory,” Aravot.am, 29 February 2012, at <http://www.aravot.am/2012/02/29/43484> (accessed 20 November 2012).

272. Public Council, “Charter of the Ethical Principles of the Activities of Television and Radio Broadcasters,” 21 April 2010, at <http://www.public-council.am/hy/press-releases/item/2010/04/21/fc489e> (in Armenian) (accessed 20 November 2012).

273. Interview with Boris Navasardian, president of Yerevan Press Club, Yerevan, 11 December 2012.

274. Founding Memorandum of the Council for Information Disputes, at <http://www.ombuds.am/main/am/0/27/2452> (in Armenian), <http://www.ombuds.am/main/en/0/27/2452> (in English) (accessed 19 June 2013).

The IDC and the MEO have different functions. The IDC prepares and submits *amici curiae* briefs in connection with media-related lawsuits, while the MEO examines complaints from natural persons and legal entities and publishes its opinions on violation of journalistic ethics by the media, thus contributing to an out-of-court resolution of conflicts. These two bodies work together in some cases. In particular, the IDC turns to the MEO when there is a need for expert conclusions on publications disputed in courts. However, both bodies need to expand their areas of influence, because both the media community and the public at large are not sufficiently informed about their activities and rarely turn to them (see also section 4.1.2). At the same time, according to the experts interviewed for this study, it is very difficult to bring the media together in a common code of professional ethics, given the level of polarization and affiliation with different political camps.

7.3 Government Interference

7.3.1 The Market

The indirect interference of the state authorities cannot always be proved. At the same time, most of the experts interviewed for this study stated that, given the growing fusion between business and the government, more and more advertising revenues are directed toward the media outlets that are loyal to the ruling elite and serve it. This phenomenon is increasingly mentioned by representatives of the media (including broadcast media) that feel left out of the process of dividing up the advertising pie. However, these matters are far from transparent: reliable information is hardly ever divulged.

The only exception was Gala TV, which openly accused the state of pressuring its advertisers. On 23 March 2010, Gala TV issued a statement, noting that “as a result of direct pressure of some power agencies, since mid-February the advertisers avoid placing their commercials on the air of Gala TV.”²⁷⁵ According to the television company, during one month 26 companies removed their advertisements from Gala, and as a result it only had three advertisers. Likewise, in 2007 Gala was deprived of more than 30 advertisers in three days. The company stated that it would reduce the price tenfold: from now on “one minute of advertisement will cost a nominal price of AMD 960 (US\$2.50).”

According to Gala TV’s executive director, Karine Harutyunyan, advertisers that severed their ties with the company included some major companies, such as Artfood, VivaCell, Semur&Co., and others. Given the ensuing financial constraints, the founder, Vahan Khachatryan, tried to borrow money from a bank, but none of the Gyumri branches of the Armenian banks was willing to lend the money. “The only exception was ProCredit Bank, which, being an international bank with no Armenian citizens among its shareholders, gave us a loan,” Ms Harutyunyan said. She added that the company was able to survive in these difficult conditions also thanks to the financial contributions from the founder and grants from international donor organizations.²⁷⁶

275. Yerevan Press Club, weekly newsletter; 19–25 March 2010, at <http://www.ypc.am/bulletin/t/42272/In/en> (accessed 20 November 2012).

276. Interview with Karine Harutyunyan, executive director of Gala TV, Yerevan, 12 December 2012.

The pressure on Gala TV started in 2007 after it had broadcast the speeches of political opposition figures. In particular, on 14 October 2007, Gala TV aired the speech of the first president, Levon Ter-Petrosyan, on the occasion of Independence Day on 21 September 2007, in which the former head of state called the ruling regime “bandits” and talked about the need to change the government, after a nine-year silence.²⁷⁷ None of the national and local Yerevan television stations aired the speech. The next day, on 15 October 2007, Gala TV aired a live interview with one of Mr Ter-Petrosyan’s supporters, the chief editor of *Haykakan Zhamanak*, Nikol Pashinyan. Giving airtime to the opposition was a serious challenge to the regime, which led to unprecedented pressure on the television company on the part of various state organizations. (For details, see section 7.3.3.) In a statement published on 22 October 2007, Vahan Khachatryan, the owner of CHAP (mother company of Gala), alleged that the authorities were trying to put pressure on Gala, and that the position of Gala—providing equal opportunities on air for all political forces—would not change, and that he, as the owner of the company, would not permit any interference by any organization or individual.²⁷⁸

The case of Gala is not unique. According to the findings of the 2010 Annual Report of the CPFE, “similar alerts received from this and several other media (especially some internet information sites) about businesses avoiding the placement of advertisement with them or even terminating existing contracts on advertisement lead to the conclusion that the political authorities and the businesses that have grown into a synergy with them are trying to put pressure on the undesirable mass media using economic levers.”²⁷⁹

State financing is given to the newspapers *Hayastani Hanrapetutyun* and *Respublika Armenia*, the Public Television and Radio Company, and Armenpress agency (see section 6.2.1). According to experts from media organizations interviewed for this study, the Public Television and Radio Company’s financing from the state budget together with its active involvement in the advertising market create unequal and unfair conditions for competition in broadcasting. However, the authorities are not in a hurry to reform this situation. The newspapers and news agency have a pro-government position, but do not play a significant role in the media market.

The state budget also contains a line for supporting non-state media. The amount allocated for this purpose has varied from US\$ 128,000 to US\$ 151,600 over the years (see section 6.2.1), and has been earmarked for subsidizing literary and cultural publications, publications for children and adolescents, regional (*marz*) and city publications, as well as newspapers published by national minorities. This money is distributed by the Book and Publishing Affairs Center under the Ministry of Culture. The eligibility criteria include: having been published for at least two years, circulation of no less than 500 copies, regularity of publication, quarterly financial reporting to the Center, and justification for the application. Norms have been established, according to which regional (local) newspapers get AMD 400,000 (US\$ 1,000), while literary and cultural

277. Later on, Levon Ter-Petrosyan created a new opposition block called the Armenian National Congress and announced his candidacy in the 2008 presidential election.

278. Yerevan Press Club, “Authorities Intervening with the Editorial Policy of Broadcast Media,” weekly newsletter, 19–25 October 2007, at <http://ypc.am/bulletin/ln/en/t/41643> (accessed 20 November 2012).

279. CPFE, “Annual Report 2010 on the Freedom of Expression Situation and the Violations of Rights of Journalists and the Mass Media in Armenia,” at <http://khosq.am/en/2011/02/1702> (accessed 20 November 2012).

publications get between AMD 1 million and AMD 2 million (US\$ 2,500–5,000). The recipients of these subsidies are required to write in their publications that they are published with the state's support.

According to Astghik Gevorgyan, chairwoman of the *Union of Journalists* of Armenia, the eligibility criteria for subsidies are not clear enough, which leaves room for subjective decision-making. “It would be more objective if the financing was proportional to the annual amount of taxes paid by the media outlets, as was proposed by journalistic organizations,” Ms Gevorgyan said.²⁸⁰ In her turn, Susanna Shahnazaryan, the president of the Goris Press Club, noted that it is necessary to develop clearer criteria for subsidizing print media, which would take into consideration the quality, that is, what is published by a given newspaper or magazine (content of public importance or entertainment only).²⁸¹

7.3.2 The Regulator

In the pre-digital era, the most blatant interference with the media was the refusal to issue a license to the television company A1+ in the licensing competition in 2002 and in 13 subsequent competitions (see section 7.2.3). As a result of this interference, A1+ is currently not on air; it operates online only and realizes online broadcasting through its website containing also text news.

According to Article 58 of the Law on Television and Radio, the NCTR can take administrative measures, such as issue a written warning or impose a fine, when it finds violations of the law or of licensing requirements. In addition, the law provides for a number of other cases when the NCTR has powers, for instance to request a court to annul a broadcasting license (for example, providing false information by the founder when applying for a broadcasting license, failure to start broadcasting within six months of getting the license, transferring the license to another natural person or legal entity, the failure of the broadcasting company's technical equipment to comply with widely accepted standards, etc.). Television and radio companies have the right to appeal to courts to invalidate or change the NCTR's decisions.²⁸²

The NCTR took administrative measures against a broadcaster on 11 May 2012, when it imposed a fine of AMD 1 million (US\$ 2,500) on Kentron TV. The reason for the fine was that on 6 May, the day of voting in the parliamentary election, it had aired a press conference by the opposition Armenian National Congress calling on voters to go out to the polls but not to vote for the ruling Republican Party. The NCTR considered this to be a violation of the Election Code and the Law on Television and Radio. According to Mr Navasardyan of the Yerevan Press Club, the NCTR's decision to fine Kentron TV was completely objective, because the company had broken the law and campaigned at the time when campaigning was not allowed.

The NCTR has also started administrative proceedings against Kentron TV and Yerkir Media TV in connection with their coverage of the 2012 parliamentary election campaign. These proceedings were prompted by the

280. Interview with Astghik Gevorgyan, chairwoman of the *Union of Journalists* of Armenia, Yerevan, 13 December 2012.

281. Interview with Susanna Shahnazaryan, president of the Goris Press Club, Yerevan, 14 December 2012,

282. Law on Television and Radio, Article 58, at <http://parliament.am/legislation.php?sel=show&ID=3853&lang=arm> (accessed 20 November 2012).

NCTR's monitoring of campaign coverage, according to which both television stations had given much more airtime to the candidates and political parties they were affiliated with (Prosperous Armenia and Armenian Revolutionary Federation—Dashnaktsutyun, respectively) (see also section 5.3.2). In this case, according to Mr Navasardyan, the NCTR's actions were more politically motivated. "Both TV stations represented the interests of political parties that had left the ruling coalition as a result of the recent political changes and become alternative political forces. At the same time, the ruling Republican Party was used to control all broadcast media and make them serve its interests. Since these two TV companies behaved differently, a decision was made to put pressure on them by means of the NCTR, which has always been a body that does what the authorities want," Mr Navasardian said.²⁸³

On 18 May, the NCTR decided to stop the proceedings against Kentron and Yerkir Media, taking into consideration that it was the first time that it had conducted such monitoring, as well as the fact that Kentron had already been fined. "The NCTR realized that the media community was going to raise a lot of noise if an administrative sanction were imposed, because the assessments of violations by the two TV stations were subjective."²⁸⁴

At the same time, as Mr Navasardian noted, the Yerevan Press Club and international organizations had reported many times during previous election campaigns that almost all the television companies had broken the balance in coverage in favor of the ruling parties, but the NCTR had never sanctioned anyone before.²⁸⁵

7.3.3 Other Forms of Interference

One of the common forms of interference by the authorities is subjecting a "disobedient" media outlet to frequent inspections. One of the recipients was CHAP, whose owner was Vahan Khachatryan.

Tax inspections in CHAP began in late October 2007, after Mr Khachatryan made a statement about Gala (see section 7.3.1). Upon completion of the inspections, the State Tax Service reported having found several violations. According to the final report prepared by the inspectors, the company had concealed the true volume of television advertisement, failing to pay more than AMD 25 million (more than US\$ 81,000) to the state budget.²⁸⁶ Mr Khachatryan, in turn, stated that Gala could not have had the volume of advertisement based on which the tax inspectors had performed their calculations.²⁸⁷

On 27 November 2007, the Economic Court admitted the claim of the Tax Service claiming the confiscation of tax liabilities to the amount of AMD 25.2 million (more than US\$ 82,000) from CHAP (including fines

283. Interview with Boris Navasardian, president of Yerevan Press Club, Yerevan, 8 August 2012.

284. CPFE, "Second Quarterly Report on the Freedom of Expression Situation and the Violations of Rights of Journalists and the Mass Media in Armenia, 2012," at <http://khosq.am/en/reports/cpfe-quarterly-report-april-june-2012> (accessed 20 November 2012).

285. Interview with Boris Navasardian, president of Yerevan Press Club, Yerevan, 15 December 2012.

286. Yerevan Press Club, "GALA must pay tax liability. Collection of financial assistance in support of the TV company has been launched," weekly newsletter, 14–20 March 2007, at <http://www.ypc.am/bulletin/ln/en/t/41816> (accessed 20 November 2012).

287. Statement of Vahan Khachatryan, owner of CHAP, at <http://archive.168.am/am/articles/11919-pr> (in Armenian) (accessed 20 November 2012).

and penalties, minus taxes already paid).²⁸⁸ On 3 December 2007, acting on the motion of the State Tax Service, the assets and financial means of CHAP were seized. On 17 December, the court hearings began, only to stop a day later on 18 December after the court admitted the counterclaim by CHAP demanding the invalidation of the final protocol of the inspection results. The court decided to merge the two claims into one case. Subsequently, the case was transferred to the Administrative Court of the Republic of Armenia (the Economic Court was dismantled and the Administrative Court was created in 2008 due to reforms in the judiciary).

On 19 March 2008, the Administrative Court ruled that CHAP had to pay tax arrears and penalties of more than AMD 25 million to the state budget. The same day, a telethon began to raise funds to pay the bill. The telethon was launched by the editorial office of Gala and the CPFE. Over six days, AMD 26.45 million (US\$ 67,000) was raised and transferred to the agency executing court decisions. CHAP appealed to the Cassation Court against the decision of the Administrative Court, but the appeal was not admitted.²⁸⁹

The starkest example of unlawful state pressure on the mass media, including internet publications, was the imposition of censorship by the president during the state of emergency declared from 1 to 20 March 2008 following the presidential elections.²⁹⁰ Censorship is prohibited under the law, but the decree imposing the state of emergency did not mention it. The decree about the state of emergency stated that “media publications on state and domestic political issues shall be limited exclusively to official information from state bodies.”²⁹¹ On 13 March, the decree was amended and the subparagraph about the media was rephrased as follows: “Mass media shall be prohibited from publishing and disseminating information on state and domestic political issues that is known to be false and that destabilizes the situation, as well as from calling to participate in events without notification (unlawful events) and publishing or disseminating such calls in any way.”²⁹²

In practice, this ended up being real censorship, as according to journalists, people would arrive, introduce themselves as national security agents and check the content of print media before publication, and only then either allow or disallow the publication. Other types of media also ended up under strict control. According

288. Yerevan Press Club, “Amount Necessary to Cover GALA Tax Liability Raised,” weekly newsletter, 21–27 March 2008, at <http://www.ypc.am/bulletin/t/41821/ln/en> (accessed 20 November 2012).

289. CPFE, “Annual Report on Violations of the Rights of Journalists and the Mass Media in Armenia, 2008,” at <http://khosq.am/wp-content/uploads/Doklad-2008-Eng.pdf> (accessed 20 November 2012).

290. During the 2008 presidential election, the opposition had supported the candidacy of the first president, Levon Ter-Petrosyan, the leader of the Armenian National Congress. Having objected to the election results and accused the authorities of massive election fraud and falsifications, the opposition then announced indefinite protests. On the morning of 1 March, the authorities used force to disperse the opposition’s tent city on Freedom Square in Yerevan. In response, the opposition gathered tens of thousands of supporters near the Myasnikyan monument. In the evening, special forces were used against demonstrators. Ten people died of gunshot wounds and hundreds were injured as a result of the clashes. A state of emergency was announced at night.

291. Yerevan Press Club, “State of Emergency Restricts Media activities,” weekly newsletter, 29 February–6 March 2008, at <http://www.ypc.am/bulletin/t/41737/ln/en> (accessed 20 November 2012).

292. Yerevan Press Club, “Decree on Emergency Rule Modified as Regards Media activities,” weekly newsletter, 7–13 March 2008, at <http://www.ypc.am/bulletin/t/41837/ln/en> (accessed 20 November 2012).

to the CPFE, attacks on the media become more frequent during election campaigns, when the political situation in the country is tense.²⁹³

Printing of the newspapers *Aravot*, *Haykakan Jamanak*, *Jamanak Yerevan*, *Hraparak*, *Taregir*, *Pakagits*, *Chorrord Ishkhanutyun*, *Hayk*, and *168 Jam* had to stop because of the censorship. Journalists reported that the prohibition of printing was imposed by officials from the National Security Service.²⁹⁴ The websites Lragir.am and Armenia Today (Armtoday.info) were also blocked, and the domain of A1+ was shut down. Broadcasting of Radio Free Europe/Radio Liberty (RFE/RL) programs via ArRadio Intercontinental stopped, and access to its websites was blocked.²⁹⁵ The population of the country faced a complete information blockade; television and rarely newspapers communicated only official information, and then only official positions, opinions, and views.

The year 2008, for example, was unprecedented in terms of the number of incidents of physical violence against journalists: the CPFE recorded 18. Victims of such assaults included not only employees of opposition newspapers (the *Haykakan Zhamanak* correspondent Lusine Barseghyan, the *Chorrord Ishkhanutyun* photo reporter Mr Shamshyan, and others), but also journalists from other media outlets (the acting head of the Yerevan office of RFE/RL, Hrach Melkumyan, the chief editor of Hetq.am, and the president of the Association of Investigative Journalists, Mr Baghdasaryan, and others). Media organizations and human rights organizations had issued a joint statement at that time, saying that “the society, which was hoping to have an atmosphere of tolerance after the tragic events of March 1, 2008, was witnessing a new wave of violence towards media representatives.”²⁹⁶

These violations also stirred an appropriate reaction from international organizations. In particular, on 21 February 2008, Reporters Without Borders (RSF) urged the authorities to punish everyone who was guilty of attacking journalists covering the presidential election. The organization stated: “the authorities must take these incidents seriously. The journalists were simply doing their job.” On 22 February, Human Rights Watch organization issued a statement about incidents of violence and intimidation in polling stations, urging the authorities to investigate the violations against election observers and journalists on election day.²⁹⁷

The wave of violence against journalists did not disappear in subsequent years, even though it died down quite significantly. There were five incidents in 2011 and none in the first quarter of 2012. However, there

293. CPFE, “Second Quarterly Report on the Freedom of Expression Situation and the Violations of Rights of Journalists and the Mass Media in Armenia, 2012,” at <http://khosq.am/en/reports/cpfe-quarterly-report-april-june-2012> (accessed 20 November 2012).

294. CPFE, “Annual Report on Violations of the Rights of Journalists and the Mass Media in Armenia, 2008,” at <http://khosq.am/wp-content/uploads/2010/03/zekuyc-2008.unicode.pdf> (in Armenian), <http://khosq.am/wp-content/uploads/Doklad-2008-Eng.pdf> (in English) (accessed 20 November 2012).

295. Yerevan Press Club, “Censorship in Action,” weekly newsletter, 14-20 March 2008, at <http://www.ypc.am/bulletin/ln/en/t/41816> (accessed 20 November 2012).

296. CPFE, “Annual Report on the Freedom of Expression Situation and the Violations of Rights of Journalists and the Mass Media in Armenia, 2008,” p. 6, at <http://khosq.am/en/reports/annual-report-2008-2> (accessed 20 November 2012).

297. Human Rights Watch, “Armenia’s Disputed 2008 Presidential Election, Post-Election Violence, and the One-Sided Pursuit of Accountability,” 2008 Annual Report, at <http://www.hrw.org/sites/default/files/reports/armenia0209webwcover.pdf> (accessed 20 November 2012).

were three incidents of physical violence against journalists during the second quarter of the same year, when parliamentary elections were taking place, and one incident in the third quarter, during local elections. However, this number is many times smaller than the number of incidents in 2008.

Lawsuits under Article 1087.1 (libel and insult) of the Civil Code became a serious tool for media intimidation. The year 2011 was unprecedented in this regard, with a total of 37 such lawsuits. Most of the plaintiffs interpreted critical articles in the media as insult and libel, for which they demanded compensation, the purpose of which was to punish the media. (For details, see section 7.1.2.2.). Libel and insult court cases against journalists and media fell in 2012 compared with the previous year: 17 cases against 37.²⁹⁸

Table 6.

Registered violations of journalists' rights, 2008–2012

Types of violations	2008	2009	2010	2011	2012
Physical violence against journalists	18	11	9	5	4
Intimidation of media outlets and their employees* (including threats, economic, legal, and other pressure)	16	14	19	49	37
Violations of the right to receive and disseminate information	14	13	18	7	23

Notes: *This type of violation covers various threats against journalists and their media outlets, the use of economic, legal and other mechanisms, including lawsuits, to intimidate the media

Source: CPFE annual reports, at <http://www.khosq.am>

7.4 Assessments

The NCTR has had a long history of non-transparent and unfair practices in the analog era and the old patterns seem to persist in the early days of the digital age. Though the Law on Television and Radio declares that lawfulness, democracy, equality, impartiality, autonomy, collegiality, and publicity are the guiding principles of the NCTR, these principles are not fully adhered to in competitions. Moreover, under the same law, the NCTR may engage specialists and experts from professional NGOs, contracted or volunteers, in helping to assess applications in competitions and ensure impartiality. However, between 2002 and 2010, when analog license competitions were held, not a single expert was invited to take part, even though media non-profit organizations have repeatedly offered their professional services to the NCTR. The same holds true for the competitions carried out in 2010 for digital terrestrial broadcasting.

Though digital broadcasting provides ample opportunities for increasing the number of broadcast television stations, what happened in Armenia was the opposite: in the digitization frequency tender process, the number of television stations was reduced, which further indicates that the authorities wish to maintain the status quo of “controlled broadcasters,” disregarding the public interest.

298. CPFE, “Annual Report on the Freedom of Expression Situation and the Violations of Rights of Journalists and the Mass Media in Armenia, 2012,” p. 13, at <http://khosq.am/en/reports/annual-report-2012> (accessed 15 June 2013).

In the last five years, the extent of government interference in media activities spiked sharply only during the state of emergency in March 2008, when print media were censored and internet news sites were blocked. Otherwise, the degree and the essence of interference have remained unchanged: terrestrial broadcasting is fully controlled by the authorities, whereas print media and internet publications have some freedom. The government's desire to interfere with internet publications is becoming more perceptible with the advances in digital technology.

Public consultation with respect to new media technologies has been scarce, belated, and with a limited impact. Only two documents have been discussed in recent years, the Concept Paper and the draft Law on Television and Radio. Public criticism of the Concept Paper was voiced only after the government had approved the document. And the public discussion of the draft Law on Television and Radio took place after the National Assembly had adopted the draft at the first reading, and none of the substantive comments offered by civil society made it into the final draft.

Considering that digital television broadcasting will be fully implemented only from 1 July 2015, it is not yet possible to estimate the impact of switch-over on media diversity and pluralism. However, the existing Law on Television and Radio and the results of the competition for digital frequencies do not promote diversity and pluralism. The 10-year licensing procedure will essentially leave the broadcast sector unchanged for that period of time, precluding the entry of new players. It is still unknown what status the private multiplexes will have after 2015, and whether they will broadcast alternative media or limit their function to the provision of additional channels to the existing media.

8. Conclusions

8.1 Media Today

Increased use of digital technology in the last five years has had a positive influence on the mass media sector in Armenia. The media are using new technologies and the internet for collecting information and discovering news sources. Blogs and social networks are becoming news sources as well.

Content diversity and pluralism have improved with the traditional media launching their own websites and the increased number of new, internet-only media. Websites are widely employing multimedia tools. Internet penetration is still low, and the digital divide between wired urban-dwellers and unconnected rural communities remains an issue, although the penetration is rapidly improving. As a result, the impact of internet media on public and political processes is growing.

Television remains the main source of information for most of society. However, it is still largely controlled by the authorities. The flawed Law on Television and Radio continues to undermine the independence, plurality, and pluralism of television companies; despite numerous amendments, it still does not solve the main problems in the sector. The latest amendments to the law were determined by the digital switch-over process, which began four years ago. However, they too were heavily criticized by civil society and international organizations for failing to address the problems.

Moreover, the television broadcasting license tenders conducted in December 2010 on the basis of the Law on Television and Radio were harshly criticized due to the absence of real competition and biased, non-transparent decision-making. Although digital broadcasting creates ample opportunities for increasing the number of broadcast television channels, the opposite happened, that is, the number of television stations was reduced. Civil society is making attempts to monitor the television broadcasting digitization process and is presenting recommendations.

Most of the media remain dependent upon large businesses and the political elite, with which they have become integrated. In the absence of adequate self-financing, there is widespread shadow financing of the mass media, which leads to hidden controls, reducing media independence.

The censorship imposed during the state of emergency introduced in Yerevan during 1–20 March 2008 posed a massive obstacle to media development; because of it, a number of newspapers were not published, and the internet news sites were blocked.

Furthermore, there is widespread hidden censorship, especially in the news and public and political programming of the television companies. The aspiration of the authorities to establish control of the internet media is emerging with advances in digital technology.

The rise of the new media has intensified competition in the media market, as a consequence of which the media audience and advertisement flows are being redistributed.

8.2 Media Tomorrow

The licenses of television companies that won digital television broadcasting tenders will remain valid for 10 years, which is up to 2020. Therefore, no major change is expected to take place in the free social package provided to the population on state-operated multiplexes during these years.

Analog broadcasting will be fully replaced by digital from 1 July 2015. At that time, the private multiplexes are expected to enter the market, which will add the paid stations to the social package. However, the private multiplex operation principles, their licensing procedure, and the relationship between multiplex operators and private television companies (content producers) are still unknown.

The internet is developing rapidly; it is now used to disseminate not only texts and photos, but also videos. Moreover, it is used to broadcast television. As a result of this process, internet television may soon become a serious competitor or alternative to terrestrial broadcasting.

The intention of several of the current internet-only broadcasters to broadcast also by satellite in the near future may further diversify the information domain.

9. Recommendations

9.1 Policy

9.1.1 Spectrum Policy

9.1.1.1 Publishing the List of Free and Occupied Frequencies

Issue

The international audit of frequencies in Armenia failed to clarify the situation in the broadcasting sector and the opportunities brought about by digitization. It thus fails to answer the question about available frequencies and unused resources, which is a matter of public interest.²⁹⁹

Recommendation

The government should publish the list of occupied and free broadcasting frequencies.

9.1.1.2 Regulating the Digital Dividend

Issue

Switch-over to digital broadcasting and the ensuing release of significant spectrum resources require a policy agenda and an action plan. The government has started the process of granting permits for digital dividend frequencies without having put any such framework in place.

Recommendation

The government should develop, consult on, and adopt a policy for the use of the digital dividend which prioritizes the public interest and a transparent process. As a precondition for its efficient use, the frequency spectrum should be refarmed, mapping the whole frequency range and ensuring that all zones are used equally.

299. In response to an official inquiry by the Committee to Protect Freedom of Expression, the Ministry of Economy provided a printout of the “To Assist the Ministry of the Economy of the RA with Spectrum Analysis, Benchmarking, and Recommendations” report by Canadian Aerosystems International, regarding the findings of the audit of frequencies in Armenia.

9.1.1.3 Public Awareness Campaign on Digital Switch-over

Issue

With the switch-off date less than two years away, there is still limited public awareness and understanding of the impending change in broadcasting, and of its purpose and implications. Yet, there have been no public information campaigns or broad discussions of digitization.

Recommendations

The Ministry of Transport and Communications and the broadcast regulator, the National Commission for Television and Radio (NCTR), should cooperate with civil society to promote the purpose and advantages of digital broadcasting, and at the same time provide practical advice to media consumers on the use of digital television.

The Public Television and Radio Company should carry out public awareness-raising activities related to the issues of broadcast digitization in the programs of the Public Television, the Public Radio, and the Shirak Television. Given the importance of this process, the Public Television and Radio Company should carry public awareness-raising programs about digitization using the funds allocated under the state budget.

9.2 Media Law and Regulation

9.2.1 Media Regulation

9.2.1.1 Reform of the Broadcasting Regulator

Issue

The Law on Television and Radio does not ensure the independence and accountability of the NCTR. There are no arrangements for civil society involvement in the selection and appointment of its members. It lacks real transparency to ensure fair competition for the broadcast licenses. This was confirmed in December 2010 when the most recent competition for broadcast licenses resulted in an unjustified reduction of the number of television channels on air, and had a negative impact on media freedom and the diversity of television programs.

Recommendation

The National Assembly and the government should provide guarantees for the independence of NCTR members by reforming their selection and appointment. Legal and practical safeguards for the NCTR's independence should be put in place by changing the number of its members to nine, appointed through a competition: three each by the President and the National Assembly, and three upon the recommendation by civil society organizations approved by presidential decree. The political minority in the National Assembly should be given the right to select one of the three candidates appointed by parliament to ensure political pluralism among the three members appointed by parliament.

9.2.1.2 Broadcast Legislation

Issue

The Law on Television and Radio raises many legitimate concerns. It is an obstacle to the liberalization of the broadcasting sector, to the development of competition, and to the diversity of television programs. Despite a number of amendments, the current law still does not address these key problems. New licensing tenders will not be conducted until 2020, and new players will not then enter the field before 2020.

Recommendations

The National Assembly should amend the Law on Television and Radio to provide solid and real guarantees for pluralism and diversity in line with OSCE and civil society recommendations. The amendments should include reforms of the NCTR formation procedure, a transition to a simplified licensing procedure, transparency and fairness of tenders, and clear separation of the regulation of air, satellite, mobile, and internet broadcasting.³⁰⁰

The provisions of the law regarding the funding of the Public Television and Radio Company should also be amended to minimize the amount of commercial advertising and ensure additional funding from the state budget.

The selection and appointment of the members of the Board of the Public Television and Radio Company needs reforming to ensure pluralism in the area of public broadcasting.

9.2.2 Media Ownership

9.2.2.1 Transparency of Media Ownership

Issue

The legislative framework does not guarantee transparency of media ownership. As a result, the identity of media owners remains by and large unknown to the public.

Recommendation

The National Assembly should amend the Law on Television and Radio and the Law on the Dissemination of Mass Information to introduce mandatory requirements for transparency of media ownership, especially for television, which uses a limited public resource, has the largest audience, and is significantly dependent on influential businesses and political authorities. By taking this step, Armenia would comply with the standards set out repeatedly by the Committee of Ministers and the Parliamentary Assembly of the Council of Europe.³⁰¹

300. Comments on the Amendments to the Law of the Republic of Armenia on Broadcasting, 2010, OSCE, available at <http://www.osce.org/fom/68242> (accessed 5 September 2012).

301. See, e.g., PACE, Resolution 1636 (2008), at <http://assembly.coe.int/mainf.asp?link=/documents/adoptedtext/ta08/eres1636.htm> (accessed 2 October 2013).

List of Abbreviations, Figures, Tables, and Companies

Acronyms and Abbreviations

CPFE	Committee to Protect Freedom of Expression
CPSR	Committee on Regulation of Public Services
CRRC	Caucasus Research Resource Center-Armenia
ECHR	European Court of Human Rights
EU	European Union
GDP	Gross domestic product
GNI	Gross national income
IDC	Information Disputes Council
ILO	International Labour Organization
IPTV	Internet protocol television
ITU	International Telecommunication Union
IWPR	Institute for War and Peace Reporting
LGBT	Lesbian, gay, bisexual, and transgender
MEO	Media Ethics Observatory
NCTR	National Commission for Television and Radio
NGO	Non-governmental organization
NSSRA	National Statistical Service of the Republic of Armenia
OCCRP	Organized Crime and Corruption Reporting Project
OSCE	Organization for Security and Co-operation in Europe
PACE	Parliamentary Assembly of the Council of Europe
RFE/RL	Radio Free Europe/Radio Liberty
RSF	Reporters Without Borders (<i>Reporters Sans Frontières</i>)
SFN	Single frequency networks
USAID	U.S. Agency for International Development
VGTRK	All-Russia State Television and Radio Broadcasting Company

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Companies

A1+	CHAP
AGB Nielsen	Express Plus
AR Radio Intercontinental	Gala TV
ArmenAkob TV	Geghama Media Holding
Armenia TV	Haymamul
Armentel	Haypost
AR TV	Iravunq Media
Artfood	KentronTV
Blitz Media	Hopar Media

Media Style Company

Meltex

Mir

Multimedia Kentron

NoyanTapan

Orange Armenia

PanArmenian Media Group Holding

Press Attache

Press Stand

Radio Hay

Russian Comedy Club Production

Semur&Co.

Shant TV

Shark

Starcom Media West Armenia

Ucom

VivaCell-MTS

Yerkir Media

Mapping Digital Media: Country Reports (published in English)

- | | |
|----------------------------|--------------------|
| 1. Romania | 25. Poland |
| 2. Thailand | 26. Montenegro |
| 3. Mexico | 27. Georgia |
| 4. Morocco | 28. Nigeria |
| 5. United Kingdom | 29. Colombia |
| 6. Sweden | 30. Croatia |
| 7. Russia | 31. Slovenia |
| 8. Lithuania | 32. China |
| 9. Italy | 33. Peru |
| 10. Germany | 34. Chile |
| 11. United States | 35. Spain |
| 12. Latvia | 36. Kenya |
| 13. Serbia | 37. Bulgaria |
| 14. Netherlands | 38. India |
| 15. Albania | 39. France |
| 16. Hungary | 40. Estonia |
| 17. Moldova | 41. Kazakhstan |
| 18. Japan | 42. Malaysia |
| 19. Argentina | 43. Pakistan |
| 20. South Africa | 44. Slovakia |
| 21. Turkey | 45. Czech Republic |
| 22. Lebanon | 46. Egypt |
| 23. Macedonia | 47. Singapore |
| 24. Bosnia and Herzegovina | 48. Brazil |

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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Cover Design: Ahlgrim Design Group
Design and Layout: Judit Kovács | Createch Ltd.



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