

About the project

The Media Pluralism Monitor (MPM) is a research tool designed to identify potential risks to media pluralism in the Member States of the European Union. This narrative report has been produced within the framework of the second pilot test implementation of the MPM, which was carried out in 2015. The implementation was conducted in 19 EU Member States with the support of a grant awarded by the European Union to the Centre for Media Pluralism and Media Freedom ([CMPF](#)) at the European University Institute.

The Monitor's methodology is based on research carried out by national country teams in the 19 countries, except for Malta where data collection was carried out centrally by the CMPF team. The research is based on a standardised questionnaire and apposite guidelines which were developed by the CMPF. Moreover, to ensure accurate and reliable findings, a group of national experts in each country reviewed the answers to particularly sensitive questions (see Annexe I for the list of experts).

Risks to media pluralism are examined in four main thematic domains, which are considered to capture the main areas of risk to media pluralism and media freedom: Basic Protection, Market Plurality, Political Independence and Social Inclusiveness. The results are based on the assessment of a number of indicators for each thematic area. The Basic Protection domain consists of four indicators, Market Plurality has three, while Political Independence and Social Inclusiveness each contain six indicators.

Basic Protection	Market Plurality	Political Independence	Social Inclusiveness
Protection of freedom of expression	Transparency of media ownership	Political bias in the media	Access to media for different social and cultural groups, and local communities
Protection of right to information	Concentration of media ownership	Politicisation of control over media outlets	Availability of media platforms for community media
Journalistic profession, standards and protection	Concentration of cross-media ownership	Politicisation of control over media distribution networks	Access to media for the physically challenged people
Independence of national authority(ies)		State advertising	Centralisation of the media system
		Independence of PSM governance and funding	Universal coverage of the PSM and the Internet
		Independence of news agencies	Media literacy

The results for each domain and indicator are presented on a scale from negligible to 100%, a negligible risk being the lowest, and 100% risk being the highest score. Scores between negligible and 33% are considered low risk, 34 to 66% are medium risk, while those between 67 and 100% are high risk.

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Disclaimer: The content of the report does not necessarily reflect the views of the CMPF or the EC, but represents the views of the national country team that carried out the data collection.

1. Introduction

Croatia is a post-communist country that gained its independence after the breakup of Yugoslavia. The restructuring of the media system has been a process that included market liberalisation, the introduction of democratic values and the continued influence of the state. Croatia entered the European Union in 2013. However, full acceptance of the legal framework and democratic values still remains an obstacle to the media system. The daily usage of media platforms is dominated by television (82% of the population), followed by the Internet (52%), radio (50%) and press (29%).

The detected risk levels per domain range between low and medium. The Market Plurality and the Basic Protection domains score low risk (28% and 29% respectively), while the Political Independence and the Social Inclusiveness domains score medium risk (40% and 55% respectively). The individual indicators that score high risk are ‘media literacy’ at 100% risk, and ‘state advertising’ at 83% risk.

2. Results from the data collection: assessment of the risks to media pluralism

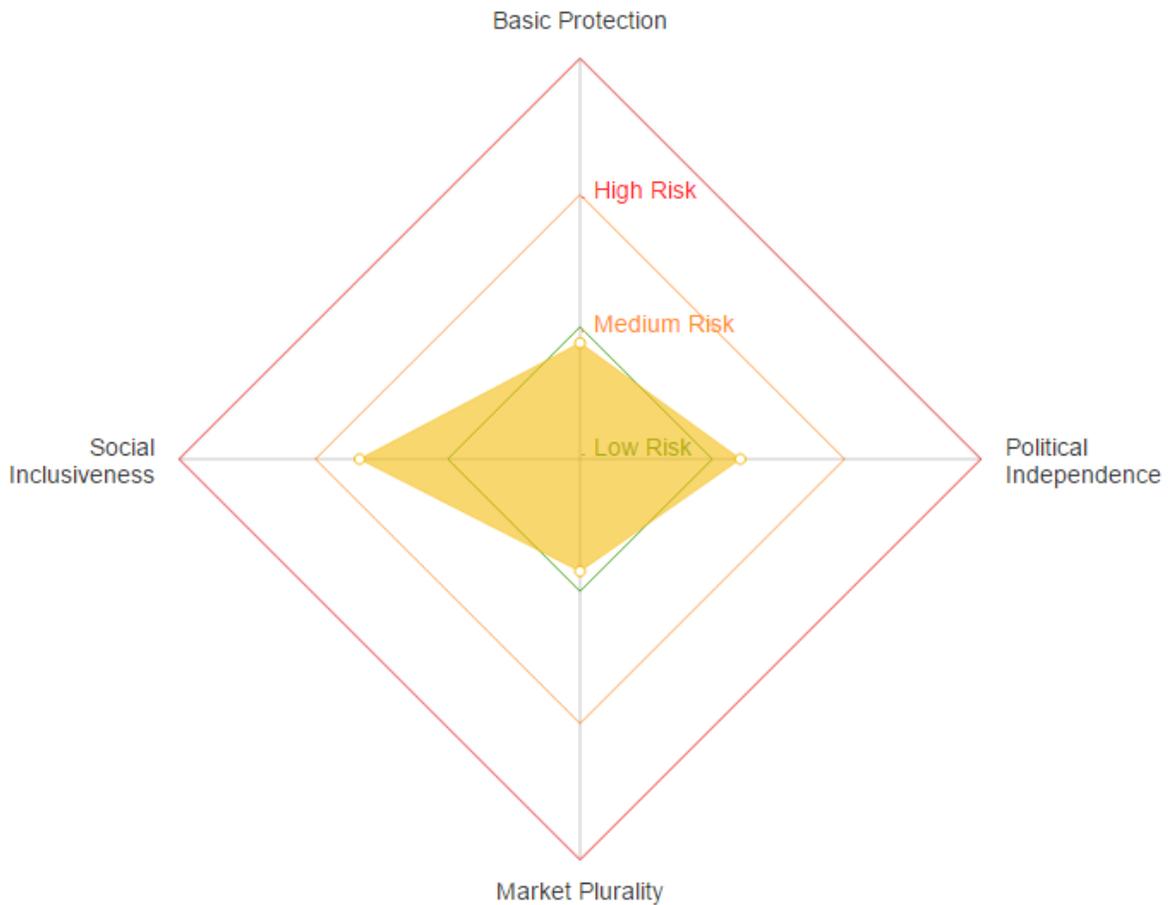


Figure 1 Media Pluralism Monitor 2015 - Croatia, Results by Risk Domain

2.1 Basic Protection (29% risk - low risk)

The Basic Protection indicators represent the regulatory backbone of the media sector in every contemporary democracy and they measure a number of potential areas of risk, including the existence and effectiveness of the implementation of regulatory safeguards for the freedom of expression and the right to information; the status of journalists in each country, including their protection and ability to work; as well as the independence and effectiveness of the national regulatory bodies, namely, media authorities, competition authorities and communications authorities.

Indicator	Risk
Protection of freedom of expression	35% risk (medium)
Protection of right to information	31% risk (low)
Journalistic profession, standards and protection	42% risk (medium)
Independence of national authority(ies)	8% risk (low)

The ‘Basic Protection’ domain shows an overall low risk to media pluralism, but at its higher end. Two of its indicators score medium risk (‘Protection of freedom of expression’ and ‘Journalistic profession, standards and protection’), and one is on the verge of medium risk (‘Protection of right to information’).

The ‘Protection of freedom of expression’ indicator scores a medium risk (35%), primarily since there is evidence of occasional violations of freedom of expression, both offline and online. The relevant international conventions have been ratified, restrictions on the freedom of expression are clear and are narrowly defined, and citizens have legal remedies in cases of the infringement of their freedom of expression. However, these legal remedies are not always effective since the judicial system works with delays and has limitations of access. In addition, the country has not decriminalised defamation, and given that scope of defamation laws is not defined as strictly as is possible, politicians may use it as a way to curtail journalistic reports.

The ‘Protection of right to information’ indicator scores at the upper end of low risk (31%). All legal standards are in place, meaning that the right to information is recognised in the Constitution, its restrictions are narrowly defined and appeal mechanisms are in place. However, there are issues with the implementation of these legal safeguards. Specifically, the appeal procedures are occasionally misused, and there is evidence of some violations of the right to access information.

The indicator on ‘Journalistic profession, standards and protection’ shows medium risk (42%). There are no restrictions on accessing the journalistic profession, either in law or in practice. Moreover, it seems that professional associations in Croatia represent most of the journalists, although it is difficult to obtain data on the exact number of journalists in the country. Nonetheless, journalist organisations and unions are not effective in guaranteeing editorial independence and professional standards, as agreed by the majority of the panel of experts consulted. In addition, attacks and threats to the physical safety of

journalists occur and there are some indications of threats to digital safety, although there are no systematic and recorded data on the issue. Further increasing the risk for this indicator is the fact that there are frequent irregularities in payments and there is high job insecurity. Finally, although there are legal safeguards aimed at protection of journalists from commercial entities, there is evidence to suggest that commercial entities and/or media owners systematically influence editorial content. All of the consulted national experts agree on this.

The ‘Independence and effectiveness of the national authorities’ indicator shows a low risk (8%)¹. The Council for Electronic Media (VEM) is the designated media authority in the country. All legal safeguards aiming at the protection of its independence are in place, and it appears that they are also well implemented. Its decisional practice is in the interest of the public, as agreed by the majority of the experts on the panel. The Agency for Market Competition Protection (AZTN) is the competition authority involved in the regulation of the media sector, and as with the media authority, all relevant legal safeguards are in place. However, it has been reported that its budgetary resources are inadequate, and that the authority’s powers are not always used effectively in the interest of the consumers. All consulted experts agreed that the authority cannot exercise its powers effectively, since the media do not regularly report the changes in their ownership structures, as the law commands. Finally, the independence of the telecommunication authority, the Croatian Regulatory Authority for Network Industries, is also protected by law. However, similarly to the competition authority, not all of these legal safeguards are well implemented. In spite of this, the telecommunications authority effectively uses its powers in the decisional practice, what has also been confirmed by all of the experts on the panel.

¹ NB: It needs to be noted that this indicator has been found to be problematic in the 2015 implementation of the Media Pluralism Monitor. The indicator aimed to combine the risks to the independence and effectiveness of media authorities, competition authorities and communication authorities, but it was found to produce unreliable findings. In particular, despite significant problems with regard to the independence and effectiveness of some of the authorities in many of the countries, the indicator failed to pick up on such risks and tended to produce an overall low level of risk for all countries. This indicator will be revised in future versions of the MPM (note by CMPF).

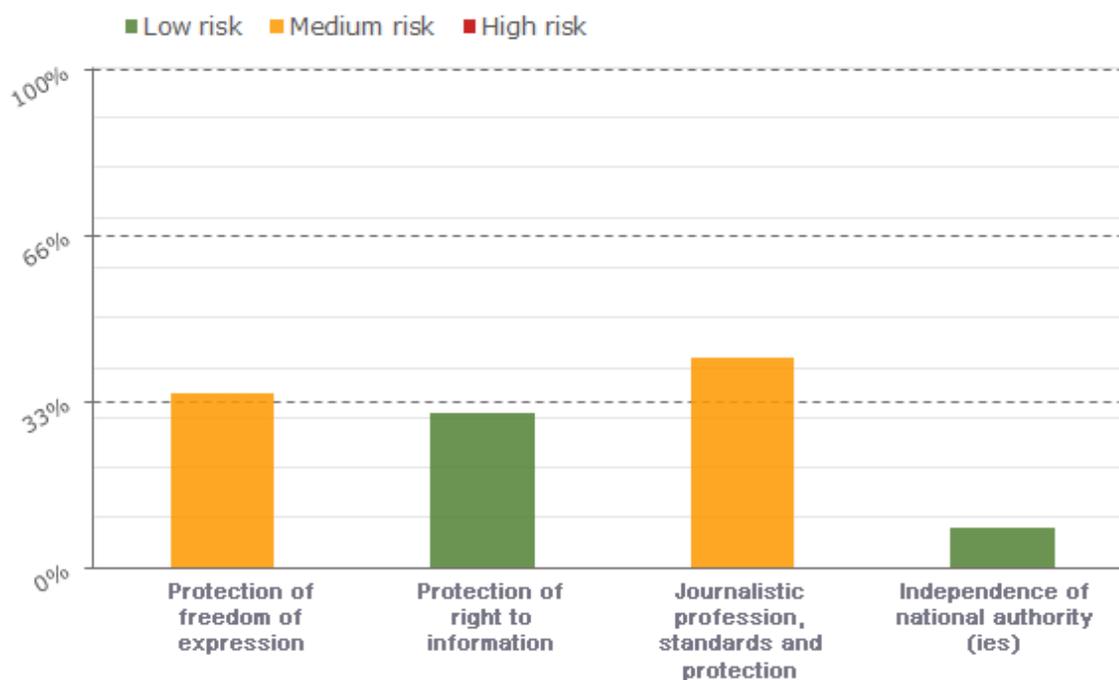


Figure 2 Media Pluralism Monitor 2015 - Croatia, Basic Protection Domain, Results by Indicators

2.2 Market Plurality (28% risk - low risk)

The Market Plurality indicators examine the existence and effectiveness of the implementation of transparency and disclosure provisions with regard to media ownership. In addition, they assess the regulatory safeguards against high concentration of media ownership and control in the different media, within a media market as well as cross-ownership concentration within the media sector.

Indicator	Risk
Transparency of media ownership	25% risk (low)
Concentration of media ownership	49% risk (medium)
Concentration of cross-media ownership	8% risk (low)

The 'Market Plurality' domain shows an overall low risk (28%), with two of its indicators scoring low, and one medium risk ('Concentration of media ownership').

The 'Transparency in media ownership' indicator scores a low risk (25%). The media are obliged to report their structures to the public authorities, as well as any changes in these structures, and there are

sanctions in cases of failure to respect these obligations. However, some owners are still unknown, so the media ownership is not completely transparent.

The ‘Concentration in media ownership’ shows a medium level of risk (49%). Media legislation includes restrictions on horizontal ownership concentration in the audiovisual, radio and print sector. Legal safeguards are well monitored and implemented in the audiovisual and radio sector, but are not equally efficient when it comes to preventing concentration in the print sector. Furthermore, high levels of horizontal concentration can be prevented via merger control rules, but the Agency for market competition protection does not continuously perform active monitoring. In spite of the fact that it recently self-initiated several investigations due to suspicions of ownership concentration, it continues to mostly react to companies’ reports. The fact that there are issues with horizontal concentration in the Croatian media market is further reinforced by the information about media’s market and audience shares. Market share analysis shows that main markets (audiovisual, radio, internet content providers, and internet service providers) are highly concentrated (i.e. Top4 companies have more than 50% of the market), and the same can be speculated about the print market although there are no reliable data for the market share of Top4 newspaper owners, and the official body did not provide such information. The audience shares information points to the same conclusion, with the exception of the radio market in which the Top4 companies hold 40% of the market, which is classified as medium risk.

The ‘Concentration of cross-media ownership’ indicator shows a low level of risk (8%). Media legislation includes specific cross-ownership restrictions, and a high degree of cross-ownership can be prevented via merger control rules. There are authorities monitoring compliance with these rules, but their powers are not always used in all the relevant cases. The information about Top8’s market shares has been excluded from the analysis since it is not publicly available, and no authority is tasked with gathering this information.

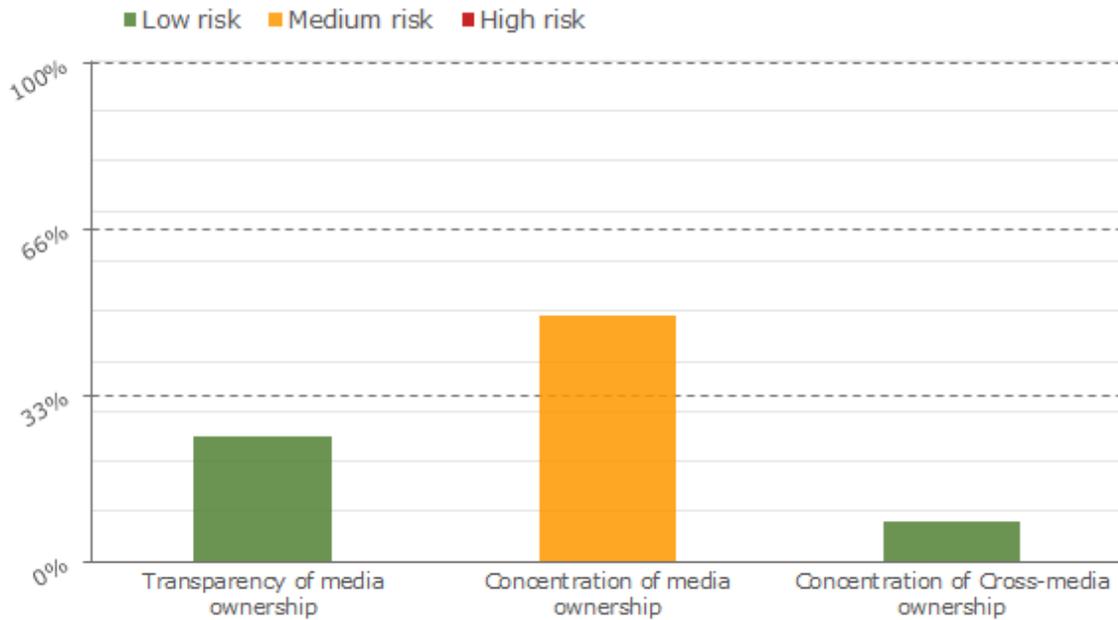


Figure 3 Media Pluralism Monitor 2015 - Croatia, Market Plurality Domain, Results by Indicators

2.3 Political Independence (40% risk - medium risk)

The Political Independence indicators assess the existence and effectiveness of the implementation of regulatory safeguards against the biased representation of the political viewpoints in the media, and also the extent of the politicisation over media outlets, media distribution networks and news agencies. Moreover, it examines the influence of the state on the functioning of the media market, with a focus on state advertisement and public service media.

Indicator	Risk
Political bias in the media	16% risk (low)
Politicisation of control over media outlets	56% risk (medium)
Politicisation of control over media distribution networks	8% risk (low)
State advertising	83% risk (high)
Independence of PSM governance and funding	12% risk (low)
Independence of news agencies	62% risk (medium)

The ‘Political Independence’ domain scores a medium risk to media pluralism, with three of its indicators scoring low risk, two medium (‘Politicisation of control over media outlets’ and ‘Independence of news

agencies’), and one high risk (‘State advertising’).

The ‘Political bias in the media’ indicator scores a low risk (16%). This is due to the fact that there are legal safeguards imposing rules that aim at the fair, balanced and impartial representation of political viewpoints on the PSM channels and services, and PSM also guarantees access to airtime to political actors during electoral campaigns. These legal provisions are actively monitored, and there is no evidence to suggest that there is political bias in either PSM reporting, or in commercial television stations’ programming. Consulted experts confirm these evaluations. The only issue which slightly increases the risk is this indicator is tied to the fact that there are no legal measures that impose restrictions to political advertising during electoral campaigns, and hence, there is neither active monitoring nor sanctioning. However, the buying of political advertising is allowed on equal conditions and rates of payment, and the regulatory framework ensures that the public is aware of paid political advertising. It should be noted that these regulatory safeguards are only partially implemented.

The indicator ‘Politicisation of control of media outlets’ shows a medium level of risk (56%). There are no data on the shares of TV channels, radio channels and newspapers that are owned by politically affiliated entities, which points to a situation of low transparency and the problems in accessibility of data on media ownership. The Council for Electronic Media keeps a register for radio and television, while the Croatian Chamber of the Economy keeps a register for the print media. This creates problems in determining political affiliation, particularly in cases of cross-media ownership. All of the experts on the panel agree with this assessment. Furthermore, self-regulatory measures that stipulate editorial independence exist and there are various self-regulatory bodies, such as ethics committees and councils of honour, aiming to enforce them. However, the self-regulatory mechanisms fail to impose effective and proportionate remedies. Overall, self-regulation is weak in Croatia, systematically ignored and not implemented.

The ‘Politicisation of control of media distribution networks’ indicator scores low risk (8%). There are no publicly available data on the political affiliation of the leading print distribution networks, but this isn’t deemed to be a transparency issue, while leading radio and television distribution networks are not politically affiliated.

The ‘State advertising’ indicator is the only one showing a high risk (83%) in this domain. There are no rules relating to the distribution of state advertising and no data on the share of state advertising as part of the TV, radio and newspaper advertising market, which is seen as a transparency issue due to recent cases in which state advertising has been abused by political actors. Specifically, state advertising was part of high level corruption cases with regard to the company Fimi-Media through which state funds were drawn and channelled to a secret fund. Among other indictments these were keys in sentencing the former Prime Minister Ivo Sanader. There is full agreement between consulted experts on this issue.

The ‘Independence of PSM governance and funding’ indicator scores low risk (12%). The law provides fair, objective and transparent appointment procedures for management functions of the PSM, and these

guarantee the independence of boards. Risk from PSM management is slightly increased by the fact that there is no body actively monitoring the compliance with appointment procedure rules. In addition, there are occasional conflicts, but no systematic evidence of conflicts, concerning appointments and dismissals procedures for PSM management. Its independence is further reinforced by the fact that the government does not decide on the wages of the PSM, although all public institutions are under close scrutiny due to the economic crisis. With regards to PSM funding, the media law prescribes transparent and objective procedures on determining it. The mechanism depends on the economic indicator set in the law, and the percentage of direct government financing for the PSM is under 1 percent, creating a low risk situation when it comes to potential political influence through PSM funding.

Finally, the ‘Independence of news agencies’ indicator shows medium risk (62%). There is no data on the market share of the leading news agencies, which is seen as representing a transparency issue. Furthermore, one of the largest agencies, public news agency HINA, is dependent on political groupings. There is full agreement between the experts on this issue.

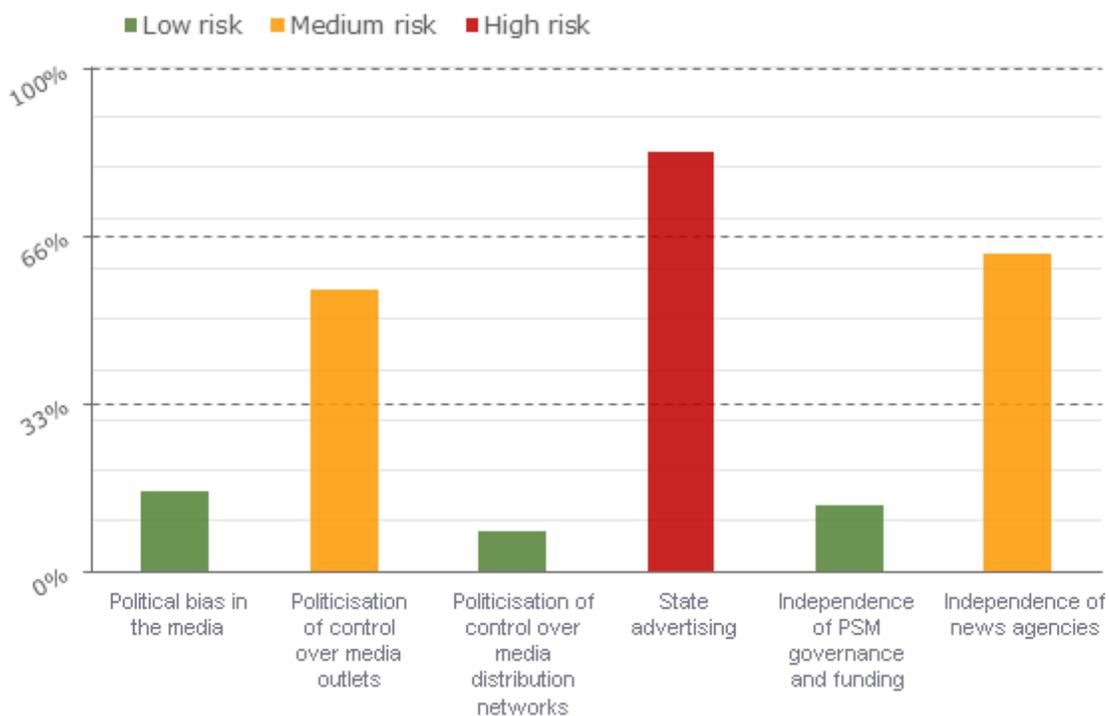


Figure 4 Media Pluralism Monitor 2015 - Croatia, Political Independence Domain, Results by Indicators

2.4 Social Inclusiveness (55% risk - medium risk)

The Social Inclusiveness indicators are concerned with access to, and availability of, media for different, and particularly vulnerable, groups in the population. They assess regulatory and policy safeguards for access to media by various cultural and social groups, by local communities and by people with disabilities. Moreover, they assess the centralisation of the media system, and the quality of the country's media literacy policy, as well as the digital media skills of the population.

Indicator	Risk
Access to media for different social and cultural groups, and local communities	50% risk (medium)
Availability of media platforms for community media	58% risk (medium)
Access to media for the physically challenged people	50% risk (medium)
Centralisation of the media system	29% risk (low)
Universal coverage of the PSM and the Internet	44% risk (medium)
Media literacy	100% risk (high)

The 'Social Inclusiveness' domain shows an overall score of medium risk, with only one indicator scoring low risk ('Centralisation of the media system'), four scoring medium risk, and one high risk ('Media literacy')

The 'Access to media for different social and cultural groups and local communities' indicator shows medium risk (50%). Access to airtime on PSM channels to different social and cultural groups is not guaranteed by law, although there are specialised programme obligations. There is no designated body monitoring compliance with the law, having sanctioning powers and effectively using it. The proportion of regional and local communities involved is not defined by law and the PSM is not obliged to keep its own local correspondent network from different geographic areas. It is not obligated to broadcast national news in local languages, but the PSM regularly broadcasts local news programmes.

The 'Availability of media platforms for community media' indicator shows medium risk (58%). The law recognizes non-profit media as a distinct group alongside commercial and public media. However, independence of non-profit media is not guaranteed and they are largely dependent on state funding. The law contains specific provisions granting access to media platforms to minority media. The Council for National Minorities monitors compliance with the law regarding minority media although without sanctioning powers and appeal mechanisms against their opinions. The authorities support minority media only by limited policy measures. Minority media in the country is not fully independent and state budgetary resources have been steadily declining as agreed by the majority of experts in the panel. Finally, there are no television or radio channels dedicated to minorities and the number of newspapers dedicated to minorities is less than proportional to the size of the minority population.

The 'Access to media for physically challenged people' indicator also scores medium risk (50%). Media policy for physically challenged people is underdeveloped, and subtitles and sound descriptions are available only on the least popular scheduling windows.

The 'Centralisation of the media system' is the only indicator showing a low level of risk (29%) in this domain. The media legislation does not recognize regional or local media as specific categories, although it does define program obligations for specific media. Furthermore, the law reserves frequencies for regional/local radio and TV, but the legislation is not fully effective in protecting regional/local media. In spite of these issues in legal protection, the data related to local media's audience shares points to the fact that the media system is not at risk from centralisation.

The 'Universal coverage of the PSM and the Internet' indicator shows medium risk to media pluralism (44%), primarily due to issues in broadband coverage and speed. The universal coverage of the PSM is guaranteed, and the entire population is covered by the signal of all public TV and radio channels. However, only 87% of rural population has access to broadband, and broadband penetration in the total population is at 62 percent. Both of these statistics point to medium risk for media pluralism. Additionally, average broadband download speed is 9 and upload speed 5 Mbps, which is significantly under EU-average and represents a high-risk situation related to Internet coverage and access.

Finally, the 'Media literacy' indicator scores a very high risk (100%). All of the national experts consulted agree that there are no steps taken in the development of media literacy policy measures.

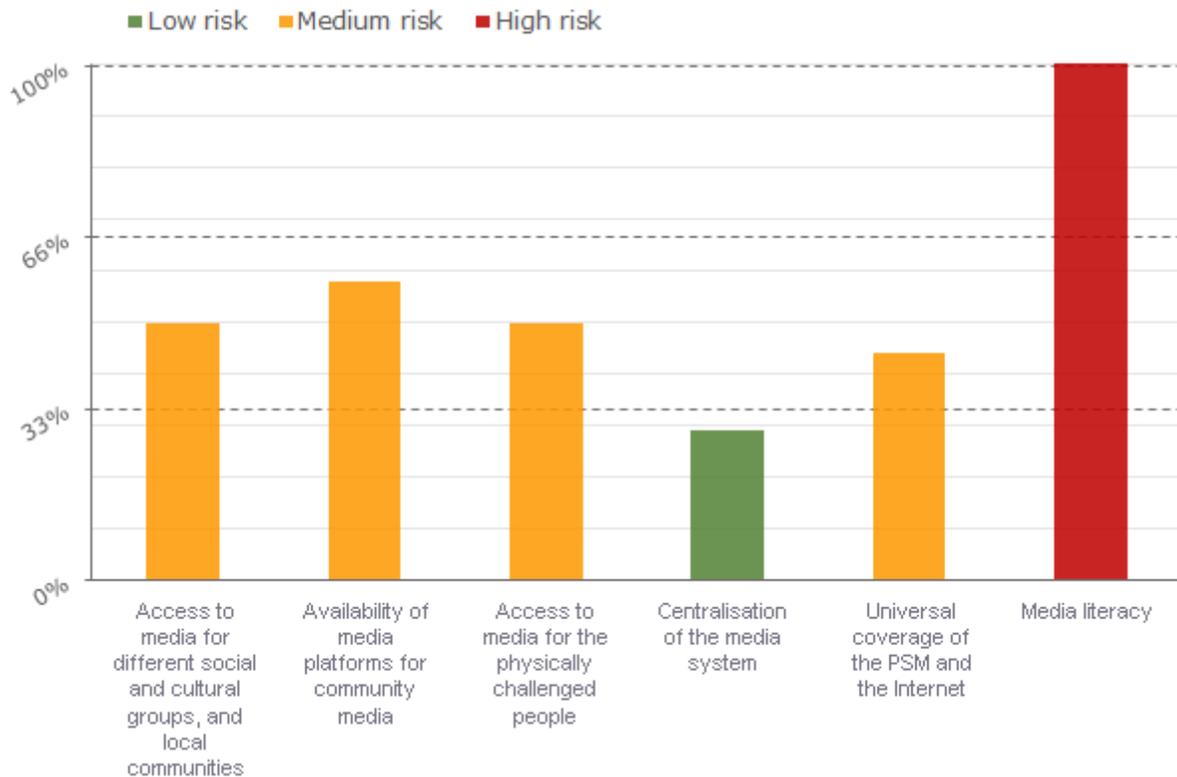


Figure 5 Media Pluralism Monitor 2015 - Croatia, Social Inclusiveness Domain, Results by Indicators

3. Conclusions

Based on the findings of the MPM2015, the following issues have been identified by the country team as being more pressing or as deserving particular attention by policy-makers in order to promote media pluralism and media freedom in the country.

The main issues detected in the MPM2015 implementation in Croatia are weak protection of journalist's rights and working conditions, commercial influence on editorial policies, lack of media literacy policies, independence of community media, and lack of narrowly defined state advertising regulation. Media policies should target these areas to improve the overall condition of media pluralism in the country. Defamation restrictions are in place which can have a negative effect on journalistic reporting. Progress has been made in protecting journalistic rights with the establishment of the Centre for Freedom of Expression in the Croatian Journalist's Association. However, it is not yet possible to assess the impact since it is a recent development. Overall, journalistic organisations are not effective in guaranteeing editorial independence and professional standards. Attacks and threats to physical safety of journalists still occur and there are frequent irregularities in wage payments with high job insecurity. There are mechanisms in cases of ownership and editorial change prohibiting commercial influence. However, commercial entities systematically influence editorial content making such mechanisms ineffective.

The community media are legally recognized but their independence is not guaranteed. Minority media are also not fully independent and are supported only by a limited number of policy measures. While the support for non-profit community media and minority media is a positive development, more should be done to secure stronger and more effective policy measures including financial and political independence of community media.

The law only indirectly regulates media ownership for politicians. There is no official data and monitoring of the share of TV channels, radio channels and newspapers owned by politically affiliated entities. Full transparency and accessibility of data on media ownership is not easily obtained. The problem is exacerbated by the fact that different agencies monitor changes for newspaper and electronic media in accordance with the law. The Council for Electronic Media is responsible for electronic media and the Croatian Chamber of Commerce for print media. Future policies should focus on creating centralized institutional monitoring of ownership structures and changes across print, radio, television and online media.

Annexe I. List of national experts who were consulted

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