

About the project

The Media Pluralism Monitor (MPM) is a research tool that was 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 that 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 for 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.

Table of contents

1. Introduction
2. Results from the data collection: assessment of the risks to media pluralism
 - 2.1 Basic Protection
 - 2.2 Market Plurality
 - 2.3 Political Independence
 - 2.4 Social Inclusiveness
3. Conclusions

Annexe I. List of national experts who were consulted

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

The Czech Republic is a Central European country with a population of 10.4 million inhabitants. The country has a marginal presence of minorities, consisting of two main groups (3% of Roma, 1% of Slovaks) and limited language diversity (95% Czech, 2% Slovak, and 3% other languages). The media market is characterised by an overall dominance of television, attracting about half of the total advertising expenditure in the country. Television also remains the dominant source of information (80%), followed by the Internet (56%), radio (52 %), newspapers (19%), and TV viewed online (5%).

The implementation of the MPM2015 for the Czech Republic shows an overall medium (to low) risk for media pluralism. Apart from the ‘Basic Protection’ domain, which is within the limits of low risk (23%), the other three domains display medium levels of risk.

The MPM analysis points to medium risk in the ‘Political Independence’ and the ‘Social Inclusiveness’ domains (34% and 37% respectively). The ‘Market Plurality’ domain also shows medium risk (62%), but it is close to the high risk threshold, reflecting high ownership concentration in the Czech media market, particularly with regard to cross-media ownership. The other areas of risk for media pluralism in the country are the politicisation of control over media outlets, the low transparency in state advertising distribution, the legal lack of existence of a community media sector, and the high centralisation of the media system.

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

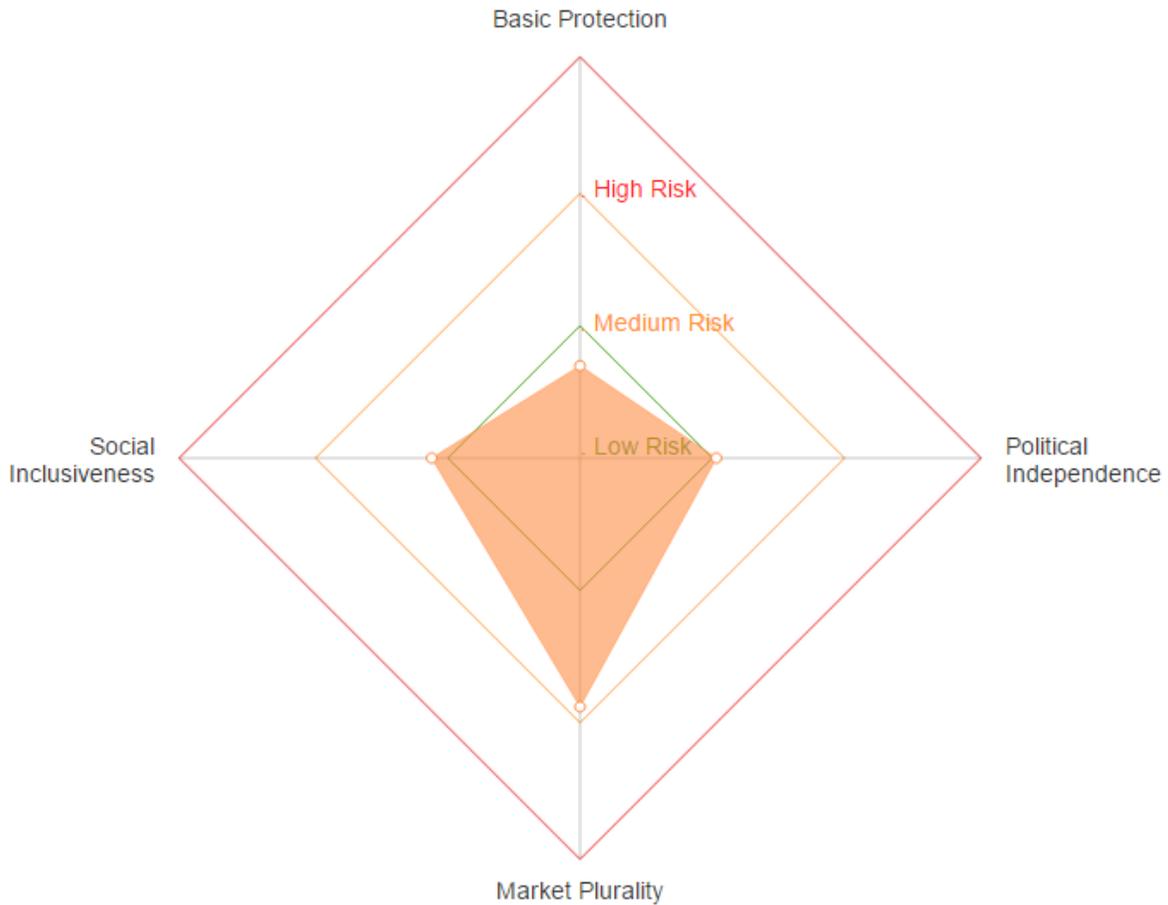


Figure 1 Media Pluralism Monitor 2015 – Czech Republic, results by Risk Domain

2.1 Basic Protection (23% 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	2% risk (low)
Protection of right to information	31% risk (low)
Journalistic profession, standards and protection	33% risk (low)
Independence of national authority(ies)	24% risk (low)

General legislation and the regulatory system related to safeguarding fundamental freedoms are well developed and they include the clearly stated protection of the freedom of expression ('Protection of freedom of expression': risk at 2%). The law recognises the right of free access to information ('Protection for right to information': risk at 31%); however, the appeal mechanisms are sometimes delayed. The state of the 'Journalistic profession, standards and protection' indicator (33%) reveals several potential risks. Firstly, the share of journalists who are represented by professional associations and organisations is rather low (below 10%, according to recent data). The position of the leading professional association – the Syndicate of Czech Journalists – is thus quite weak, and its effectiveness in guaranteeing editorial independence and the respect for professional standards is further undermined by the fact that the Syndicates' Ethical Committee has no sanctioning powers. Additionally, there are no legal or self-regulatory instruments granting social protection to journalists in case of changes of ownership or editorial line. Although there is no evidence that commercial entities or media owners are systematically influencing the editorial content of the media, occasionally there are cases where owners' undue pressure or attempted influence have been revealed (medium risk), with some linked to one of the biggest media houses in the country – MAFRA – which is now in the hands of the Deputy Prime Minister. The protection of journalistic sources is explicitly recognised by the law and by the highest courts); however, it can be broken in particular instances, limiting thereby its effective implementation (medium risk).

The overall assessment of the risks that are related to the independence and efficiency of the main regulatory authorities suggests a low level of risk for pluralism (Indicator: 'Independence of national authority(ies)': 24% risk).¹ However, a closer look at particular questions reveals some potentially risky areas, especially with regard to the independence of competition and telecommunications authorities. With regard to both institutions, the procedures for the allocation of their budgetary resources are not entirely transparent, and their independence from political interference is not properly guaranteed by law. The Council of the Telecommunication Office may potentially be influenced by the government, since it is the government that appoints its members. Both competition and telecommunications authorities have sanctioning powers. The appeal mechanisms are in place, but in some cases they have been delayed (medium risk). The competition authority – the Office for the Protection of Competition – does not always use its powers in the consumers' interest (medium risk). The Telecommunication Office has also, for a long time, been subject to sustained criticism for an alleged inaction, especially against the high concentration of mobile operators, high prices, and the low standards of telecommunication services

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).

(medium risk), although the performance of the Office has allegedly been improving recently.

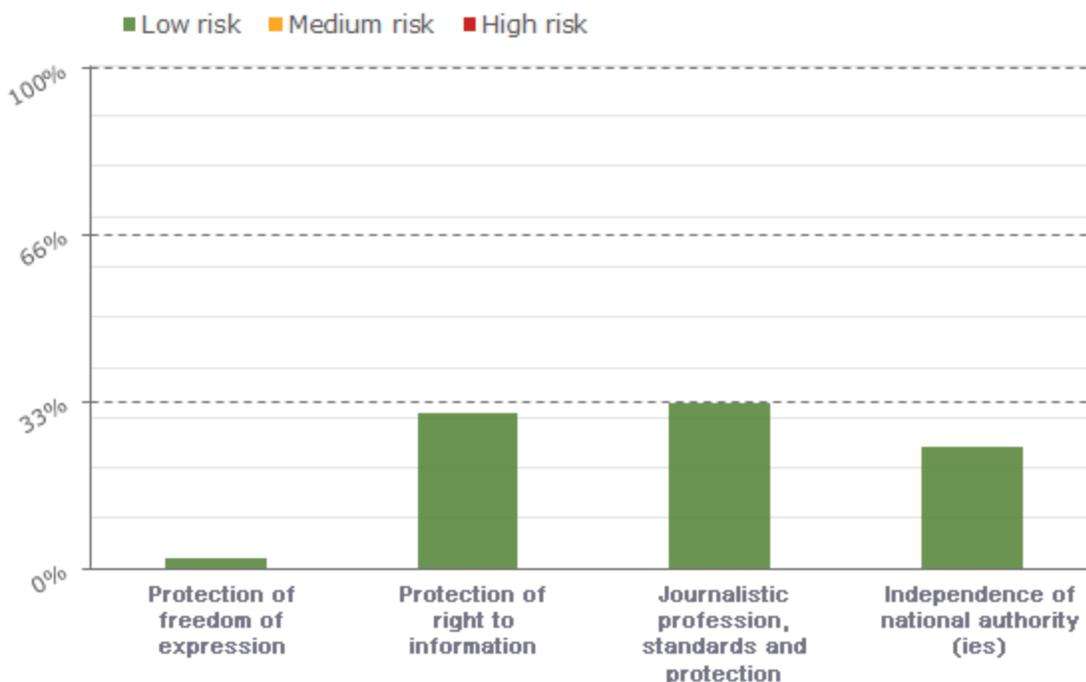


Figure 2 Media Pluralism Monitor 2015 – Czech Republic, Basic Protection Domain, results by indicators

2.2 Market Plurality (62% risk – medium 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	60% risk (medium)
Concentration of cross-media ownership	100% risk (high)

Media plurality represents a medium to high risk to pluralism of the Czech media landscape, in particular in regard to the concerns relating to market concentration. The indicator ‘Concentration of media ownership’, which is assessing regulatory safeguards in different media and actual concentration within

the media sector, is only slightly below the high risk level (60%). The Broadcasting Act sets some limits on concentration by prohibiting a single legal/natural person from holding more than one license for nation-wide analogue broadcasting and more than two licenses for nation-wide digital broadcasting, and restricting the number of licenses for local and regional television and radio broadcasting. There are no specific provisions when it comes to the internet and newspapers, which are thus only subject to general restrictions by competition law. The decisions of the Office for the Protection of Competition always depend on the definition of the ‘relevant market’ which allows for a high degree of flexibility in interpretation. However, so far, the Office, in its decisions, has always ruled in favour of mergers (even in the cases of cross-media ownership), despite existing concerns about the increasing power of companies in different market sectors following mergers.

Data on ownership concentration, measured by audience/readership shares (publicly available figures on companies’ revenues are incomplete across particular sectors) indicate a high level of horizontal concentration. The audience share of the Top 4 owners in the television sector accounts for 88%; the nation-wide radio market is divided among three players, and the entire nation-wide newspaper sector belongs to only four owners. Taking into account regional and local stations/regional newspapers, the shares of TOP4 owners change to 75.4% and 95%, respectively. The excessive horizontal concentration is most evident in the case of the Czech regional print media market, where one daily enjoys a monopoly position, which is enabled by the traditionally very inclusive definition of the ‘relevant market’ by the competition authority.

The indicator ‘Concentration of cross-media ownership’ shows an even higher risk (100%). There are no specific thresholds to prevent cross-ownership between the different types of media. The Broadcasting Act, the Press Act and the Act on the Protection of Competition do not contain any limits on cross-media ownership.

The assessment of ‘Transparency in media ownership’ points to a relatively low risk (25%). Although media companies are not obliged to publish their ownership structures on their websites, the law on the Public Registers of Corporate Entities and Natural Persons defines the facts to be recorded in the public registers (especially in the commercial register), which are accessible to the public. However, there is no duty to reveal the ‘end owner’ of the company. Nevertheless, despite the fact that the current Czech legislation is relatively lenient concerning the obligation to disclose the ownership structures of media companies, especially in the print media sector, the current owners of the majority of the relevant Czech media do not attempt to hide behind a chain of offshore companies and they are generally known to the public.

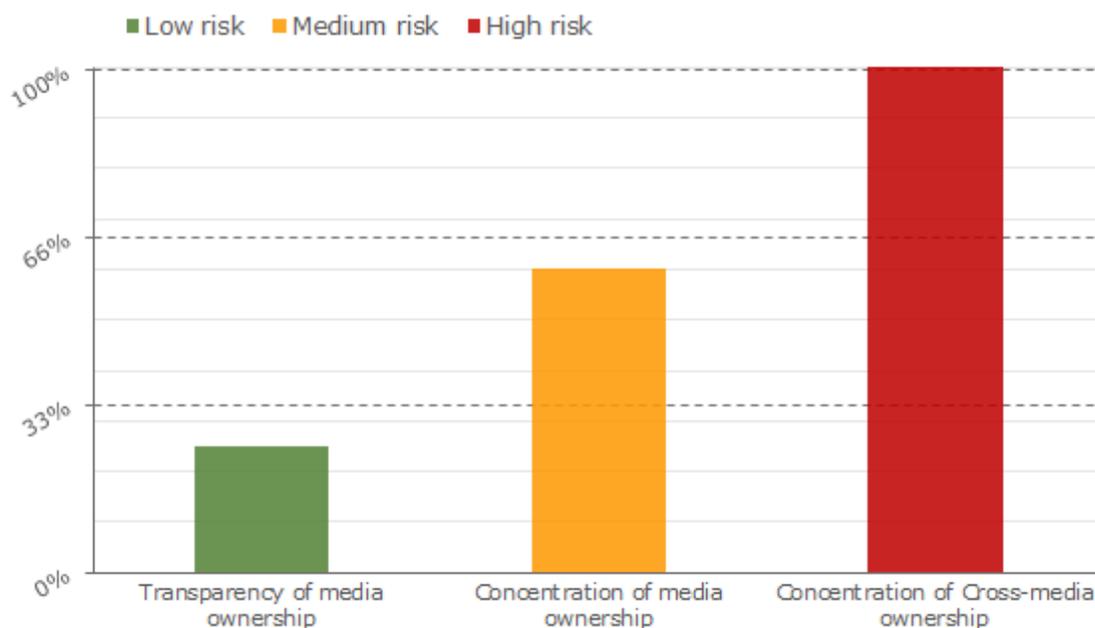


Figure 3 Media Pluralism Monitor 2015 – Czech Republic, Market Plurality Domain, results by indicators

2.3 Political Independence (34% 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	4% risk (low)
Politicisation of control over media outlets	54% risk (medium)
Politicisation of control over media distribution networks	negligible
State advertising	72% risk (high)
Independence of PSM governance and funding	24% risk (low)
Independence of news agencies	50% risk (medium)

The political environment presents, on average, a marginally medium risk to media pluralism. Although many legislative regulations and practices serve to guarantee media independence from political pressures, there are some areas where such guarantees are found wanting.

The public service media (PSM), i.e., Czech Television and Radio, as well as commercial channels, are bound by law to provide fair and balanced information, and their performance is monitored by The Council for Radio and Television Broadcasting. In addition, both PSM media have their own Councils, which serve as monitoring bodies. Appeals are possible via administrative courts; however, their protracted duration and the overuse of appeals can make the appeal process less effective. PSM media also have self-regulatory mechanisms in place, although, in some instances, they lack proper instruments for the evaluation of internal editorial policies. Election laws regulate fair access to airtime during election campaigns, and there is little evidence of complaints against the broadcast media's conduct during electoral campaigns. The buying of political advertisements is prohibited. Apart from occasional incidents, Czech broadcasters generally fulfil their legal obligations, as the indicator on 'Political bias in the media' attests (4%).

The indicator 'Politicisation of control over media outlets' shows a medium risk (54%). This value does not necessarily mean that there is an excessive politicisation of control over media outlets – the share of TV channels owned by politically affiliated entities accounts for 5%, 24% for radio channels, and 37% for national newspapers (all measured by audience/readership shares). The fact that one of the biggest media houses in the country, MAFRA, is currently in the hands of the Deputy Prime Minister, has nevertheless raised concern and stirred debates on the possible tightening of the rules on media ownership. The particular risk increasing factor is the lack of self-regulatory mechanisms that stipulate editorial independence.

Several private companies control the distribution outlets for both print and broadcast media. Although the market is not entirely competitive and is highly skewed in favour of just a handful of big players, in terms of political pressure, the current arrangement does not warrant serious concern (a negligible risk for the indicator 'politicisation of control over media distribution networks').

There are two main factors causing a high level of risk for the 'State advertising' indicator (72%). Firstly, it is the absence of rules on the distribution of state advertising; secondly, the lack of data on the share of state advertising in different markets. The lack of data for state advertising in the newspaper market should itself be considered a serious problem, given that many newspapers, and the print media in general, cope with financial problems, and due to the lack of transparency in state advertising and PR campaigns, they can be prone to political instrumentalisation in return for financial gain.

PSM governance is considered at low risk, especially because there is no direct governmental influence on either the wages of employees or on funding ('Independence of PSM governance and funding' indicator: low risk, 24%). There is room for improvement with regard to the accountability of PSM media. The particular PSM Councils that are elected by the Chamber of Deputies from nominations from the civil society supervise the management of PSM media. The ultimate control over the Councils by the Chamber of Deputies through the appointment procedures and the lack of appeal mechanisms sometimes raises concerns about partisan influences.

The leading news agency – a public service corporation, the Czech News Agency (ČTK) – has around a 90% share of the market and only competes with foreign news agencies. The lack of a competitive national market could itself be of a concern (indicator ‘independence of news agencies’: medium risk, 50%). Even though the oversight over ČTK is carried out by the Council, which is elected by the Chamber of Deputies, there are no records of political influences; despite having the option of receiving subsidies, the Czech News Agency has been fully financed by its independent business activities.

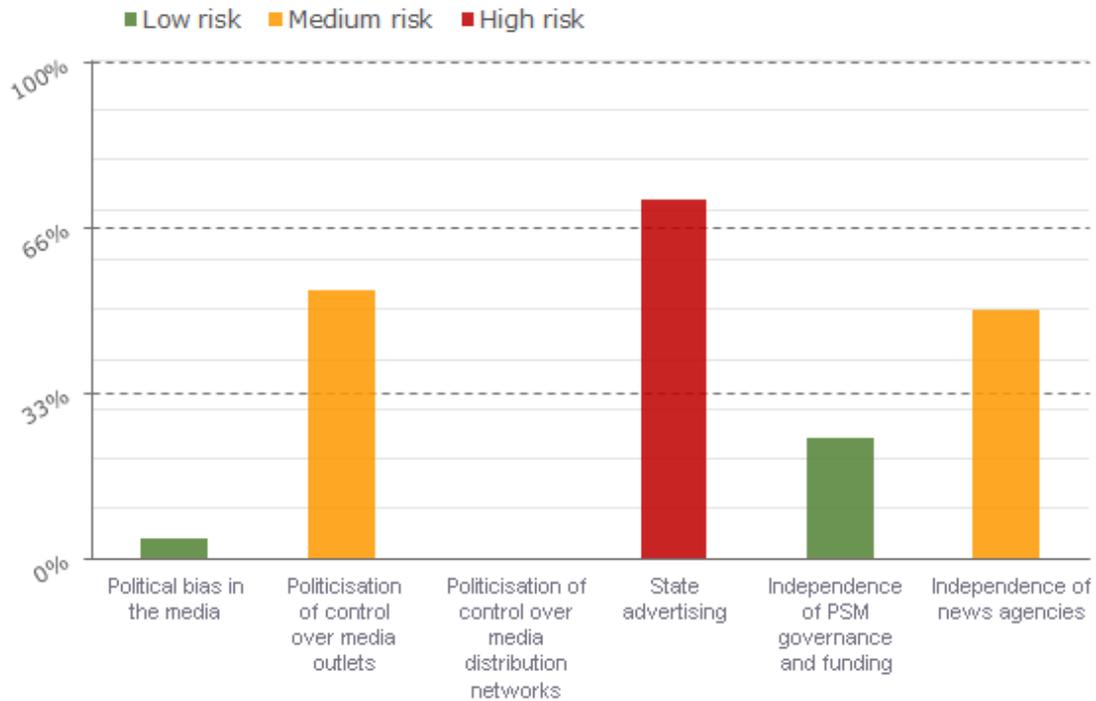


Figure 4 Media Pluralism Monitor 2015 – Czech Republic, Political Independence Domain, results by indicators

2.4 Social Inclusiveness (37% 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	17% risk (low)
Availability of media platforms for community media	75% risk (high)
Access to media for the physically challenged people	Negligible
Centralisation of the media system	79% risk (high)
Universal coverage of the PSM and the Internet	19% risk (low)
Media literacy	33% risk (medium)

In general, the legislative framework includes regulatory safeguards for access to the media by minorities and various cultural and social groups in PSM, with the actual practice effectively monitored by both the Council for Radio and Television Broadcasting and the Council of Czech Television (or Czech Radio). The indicator on 'access to media of different social and cultural groups, and local communities' attests a low level of risk (17%). However, the law does not stipulate a minimum proportion of the regional or local communities that should be involved in the production and distribution of content for PSM.

The indicator 'Availability of media platforms for community media' shows high risk (75%). Provisions for community media are absent from the Czech media legislation, even though several such outlets – mainly radio stations – are effectively operating in the country. There has been an expert debate in recent years about this topic, and the Ministry of Culture presently supports the idea of involving community media as the 'third pillar' of the Czech media system. Officially, only two minority groups number more than the 1% level in the Czech population (Slovaks 1% and Roma 3%), although these numbers depend on self-report in the census. Minority media occupy a very small niche within the Czech media system, and this is virtually only in the print sector and on the Internet (high risk). In terms of state support for minority media, only magazines published in the languages of ethnic minorities can apply for state funding. However, the system of yearly-based allocations of state funding makes them economically vulnerable (medium risk).

Another potentially high risk concerns the centralization of the media system (79%), particularly regarding the newspaper and TV market. Regional and local media are not defined specifically in the law and they are not systematically supported. In the case of broadcasting, no specific frequencies are

reserved for regional/local media. In the case of radio, regional/local broadcasters may gain more than a 50% market share, but it should be noted that these are mostly music stations with only limited space for local/regional news.

The indicators ‘Access to the media for physically challenged people’ and ‘Universal coverage of the PSM and the internet’ show low risk (negligible and 19% risk respectively). The broadband penetration is slightly lower in the Czech Republic, if compared to other countries in Western Europe, but broadband covers over 90% of the rural population. On the threshold between low and medium risk is the level of media literacy (33%). ‘Media literacy’ has been implemented in educational curricula since 2006, but there is no evidence of whether and how it has actually influenced the skills of young people. The implementation of media literacy measures remains fragmented (medium risk). Moreover, the media literacy of adult population remains relatively low, e.g. the level of digital skills is lower than in other Western EU countries.

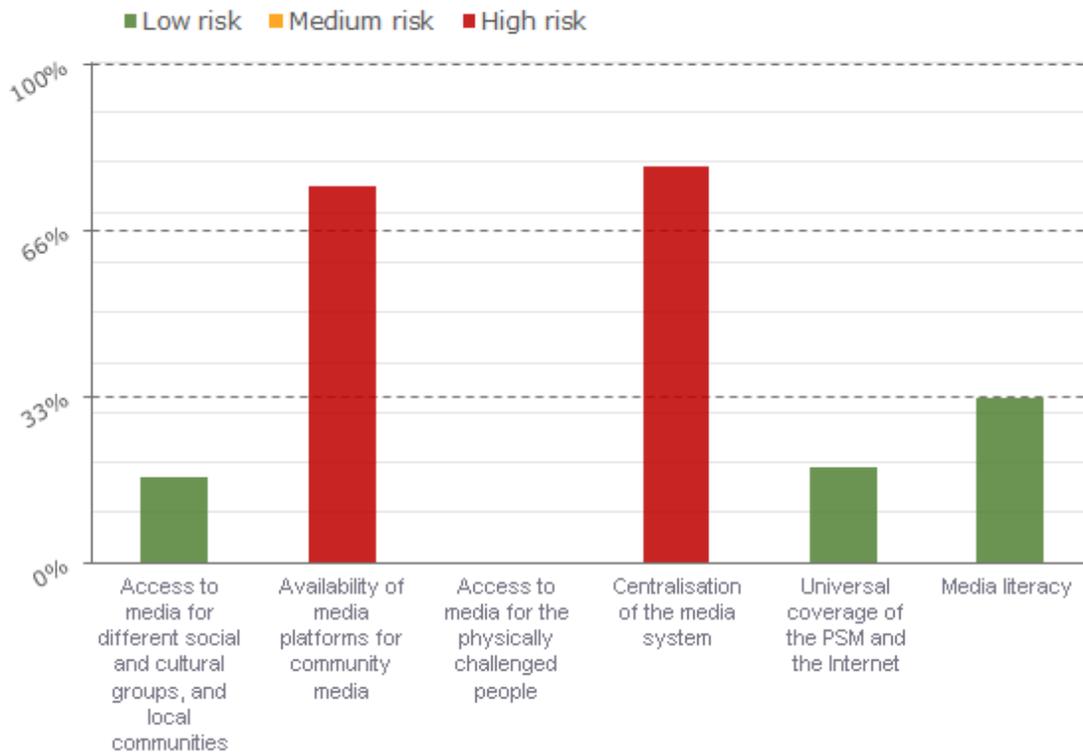


Figure 5 Media Pluralism Monitor 2015 – Czech Republic, Social Inclusiveness Domain, results by indicators

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 results of the MPM point to several areas where specific policy measures should be adopted in order to foster and better safeguard media pluralism. In the domain of media ownership, there is a clear need for laws that set limits on cross-media ownership concentration, as the current absence of any such regulations benefits the largest players and stimulates the intensification of the process of ‘conglomeratisation’. This need is indeed perceived, not just by experts and civil society, but also by the policy makers; and, at the moment, the Ministry of Culture is preparing a revision of the Broadcasting Act, and the regulation of cross-media concentration is among the new measures which the Act should introduce.

In light of the recent ownership changes which have brought actors with explicit political interests into the media business, there seems to be an urgency to establish rules for, or limits on, political ownership of the media, in order to prevent excessive politicisation of the news media scene which could jeopardise journalistic autonomy.

The reform of the system for the appointment of the members of broadcasting councils represents another palpable issue which should be targeted by media policy. Even though many attempts at the depoliticisation of the councils (that is, removing them from being effectively controlled by the Chamber of Deputies) have failed in the past, the need to safeguard the greater political independence of public service broadcasters is still highly topical, or is perhaps even greater today, given the increasing concerns about the ability of commercial media to fulfil their democratic roles following the latest wave of ownership swaps.

The distribution of state advertising (both via the Ministries’ PR budgets and through state-controlled companies) should be made more transparent, as currently it is nearly impossible for the public to know which media benefit from this form of indirect state support.

Community media should be recognised by law in order to help establish the community media sector as a ‘third pillar’ of the Czech media system, particularly given the fact that the Czech Republic remains one of the few EU countries where such a sector does not legally exist. The notion of ‘minority media’ should also be significantly broadened, as, currently, the only type of minority media that is eligible for state support is the one related to ethnic minorities.

Annexe I. List of national experts who were consulted

Tomáš Tkačík

President of the Czech Publishers' Association

Milan Šmíd

Emeritus Professor, Charles University

Martina Vojtěchovská

Metropolitan University Prague, Department of Media Studies

Jan Bednář

Czech Television Council

Helena Chaloupková

College of International and Public Relations Prague

Adam Černý

Czech Syndicate of Journalists