

# Media Pluralism in Latvia

## A Test Implementation of the Media Pluralism Monitor 2015



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## 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.

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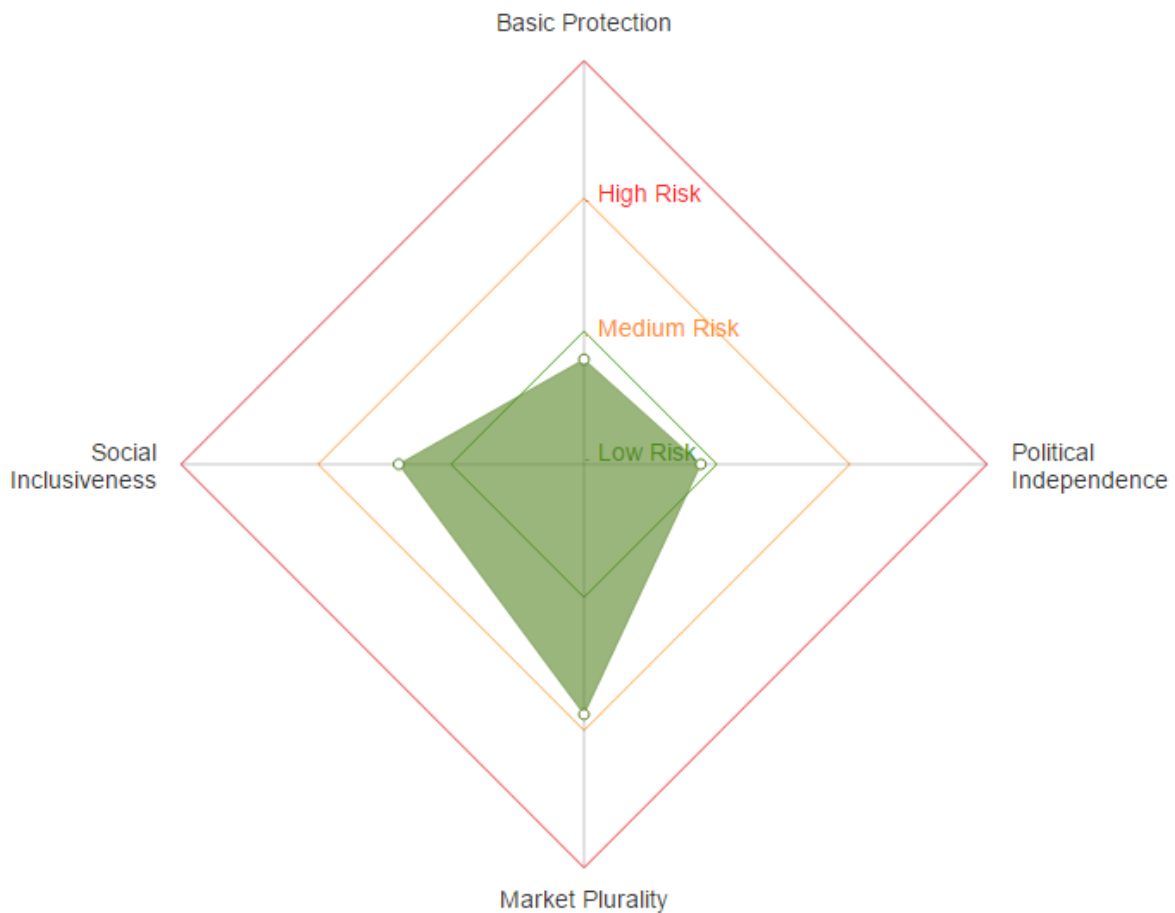
Disclaimer: The content of the report does not necessarily reflect the views of the CMPF or the EC, but represents the views of the national country team that carried out the data collection.

## 1. Introduction

Latvia is a small country with relatively few inhabitants (~2 millions) and therefore represents a limited audience market for the media. A large number of media outlets create a crumbled media system in which there are many players in each segment of the media market. Despite the fact that Latvia's economic structure has created restrictions on media development, liberal legislation and entry barriers into the market that are generally low have encouraged the development of an extremely diverse media system in Latvia – one which includes many players, but few media business strategies. The small size of the market paves the way for a high level of competition. This makes the whole system ineffective, in that it limits the ability of each player to operate successfully and to earn a profit. The scarce sustainability of a media business has led to a media market that is essentially oligopolistic. This means that each type of media involves a few influential players that attract the greatest audience and the most advertising revenue. Overall, Latvia's media system can be described as demonstrating a set of “ideas of liberal corporatism” (Balcytiene, 2009: 41-42). This means that regulations concerning media ownership and operations are very liberal, while the government has limited opportunities to interfere in the operations of the media. The level of commercialisation and the market-oriented logic in the Baltic media (Balcytiene, 2009) has created an environment in which the professional orientation of journalists and content creation depend on commercial interests. Research into the content and practices of media content in the Baltic States has regularly identified problems in the area of media responsibility and accountability. Economic recession at the end of the first decade of the 21<sup>st</sup> century meant that the media in Latvia lost nearly half of their advertising revenues. The number and scope of media outlets declined, the market for journalism shrank, and the quality of journalism receded.

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

The implementation of the Media Pluralism Monitor 2015 (MPM 2015) for Latvia shows a low/medium risk for media pluralism in the country. The results collected by implementing the MPM 2015 in Latvia, show risks in the country that are as follows: ‘Basic Protection’ domain indicates a low risk - 26%, ‘Market Plurality’ scores a medium risk – 62%, ‘Political Independence’ shows a low risk – 29%, and ‘Social Inclusiveness’ scores a medium risk – 46%.



*Figure 1 Media Pluralism Monitor 2015 – Latvia, Results by Risk Domain*

## 2.1 Basic Protection (26% 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	6% risk (low)
Journalistic profession, standards and protection	46% risk (medium)
Independence of national authority(ies)	16% risk (low)

Overall, the regulatory safeguards for freedom of expression in the Latvian legal system pose a medium risk for media pluralism (indicator ‘Protection of freedom of expression’: 35% - medium risk). Freedom of expression is explicitly recognised in the Constitution, the State has signed and ratified the relevant international treaties. Citizens of Latvia have legal remedies in the case of infringement of their freedom of expression, and free speech is generally respected, including on the Internet. In addition, the restrictions upon freedom of expression are clear and are narrowly defined in the Constitution and in other laws. However, there are a few variables that refer to risks or potential risks to media pluralism. First of all, the State has not decriminalised defamation in the press. Part 2 of Article 157 of the Criminal Law provides punishment for defamation in the press, including imprisonment as a form of punishment. Secondly, analysis of several cases at the European Court on Human Rights (those related to Latvia) show that there are legal remedies against the violations of freedom of expression in Latvia, specifically, there are no limitations to accessing the legal remedies, but the system is still working with occasional delays. Still, there are several cases each year that identify the risk of infringements of freedom of expression in Latvia. However, there are no cases of violations of freedom of expression online (low risk).

There is no evidence of any regular violation of the right to information in Latvia (indicator ‘Protection of right to information’: 6% - low risk). The right to information is explicitly recognised in the Constitution and in the national laws of Latvia. There are appeal mechanisms in place for denials of access to information. However, these are slow, and the appeal procedures are occasionally misused due to the very long judicial process in Latvia (medium risk).

The indicator ‘Journalistic profession, standards and protection’ scores a medium risk (46%) because the professional association represents only a small number of journalists, and journalists’ NGOs are not able

to provide advocacy for editorial independence. There have also been cases of attacks and threats to the physical and digital safety of journalists. There are two professional NGOs for journalists in Latvia. Both organisations have developed the Codes of Professional Ethics that provide general self – regulatory principles for journalists, e.g., neutrality, objectivity and achieving the truth. The codes state that journalists should not accept money, or any other type of compensation, which may affect their credibility, objectivity, and independence. The Society of Latvian Journalists has a right to function as a trade union. However, both professional organisations represent only a small section of the media professionals in Latvia (medium risk). This is one reason why professional associations are partly ineffective in guaranteeing respect for professional standards and editorial independence (medium risk).

The other reason is the declarative character of the implementation of the principle of editorial independence in Latvia. The Law on the Press and other Mass Media provides that the editor in chief of a media outlet has the right to operate under the principle of editorial independence, but, in practice, there are no procedures that can be used to protect editorial independence (medium risk). Although the Law on the Press and Other Mass Media regulates the relationship between the media owner and the editorial board, commercial entities or the owners of media companies sometimes try to influence editorial content (medium risk). Journalistic sources are protected according to the law. In practice, there are some infringements of the protection of journalists’ sources, and journalists are occasionally obliged to disclose their sources by the Court (medium risk). There are a few cases of attacks or threats to the physical safety of journalists in Latvia (high risk). In addition, there have been some attacks on the digital safety of journalists (medium risk). The high risk for the variable on the working conditions of journalists comes from the situation in which many journalists face irregularities in payments for their job, high job insecurity, and a low level of social protection. The most important problem is that many media outlets in Latvia replace journalists’ job contracts with honorarium agreements. As honorarium payments are not subject to social taxes in Latvia, some journalists suffer from social insecurity.

The indicator ‘Independence of national authority(ies)’<sup>1</sup> scores 16% - low risk. There is a media authority in Latvia. The National Electronic Mass Media Council (NEMMC) regulates only the commercial broadcasting sector and the PSM, there is no regulatory authority for the other media sectors. There are legal guarantees of the independence of the media authority from political and commercial interference. The appointment procedures for the media authority are transparent, democratic and objective. The mentioned procedures are generally respected, but they are not always effective in safeguarding the independence of the media authority (medium risk), because political actors still try to influence the

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<sup>1</sup> 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).



election and appointment processes by using political interests rather than professional criteria.

The procedures for the allocation of budgetary resources for the media authority are transparent and objective, but, in practice, the budget is inadequate and does not safeguard its independence (medium risk). The media authority has the right to impose sanctions on media organisations. Generally, the media authority in Latvia uses its powers in the interest of the public effectively (low risk).

There have been a few cases in which the government has arbitrarily overruled decisions by the media authority, in terms of the budget for the media authority and/or the budget for public media organisations (medium risk).

The indicator on the competition authority scored a low risk, as the appointments to the competition authority are transparent, democratic and objective. The competition authority is involved in the regulation of the media sector by monitoring violations of Advertising Law and making decisions in terms of the mergers of media outlets. However, Competition Law does not provide strong principles on independence for the Competition Authority. The Competition Council of Latvia is established and approved by the Cabinet of Ministers, and it is managed by the Ministry of Economics of Latvia.

Members of the Competition Council are civil servants, and the structural dependence of this body from the politically constructed government is the main reason why the political independence of the authority could be questionable, and also depends on the political situation. The budget of the Competition Authority is somewhat inadequate, but it still allows it to perform its function (medium risk). The Competition Authority effectively uses its powers in the interest of consumers and the government never overrules its decisions (low risk). The same should be said about the Telecommunications Authority. The main risk for the Competition and Telecommunications Authorities lies in the occasionally delayed, and only partially effective, appeal mechanisms.

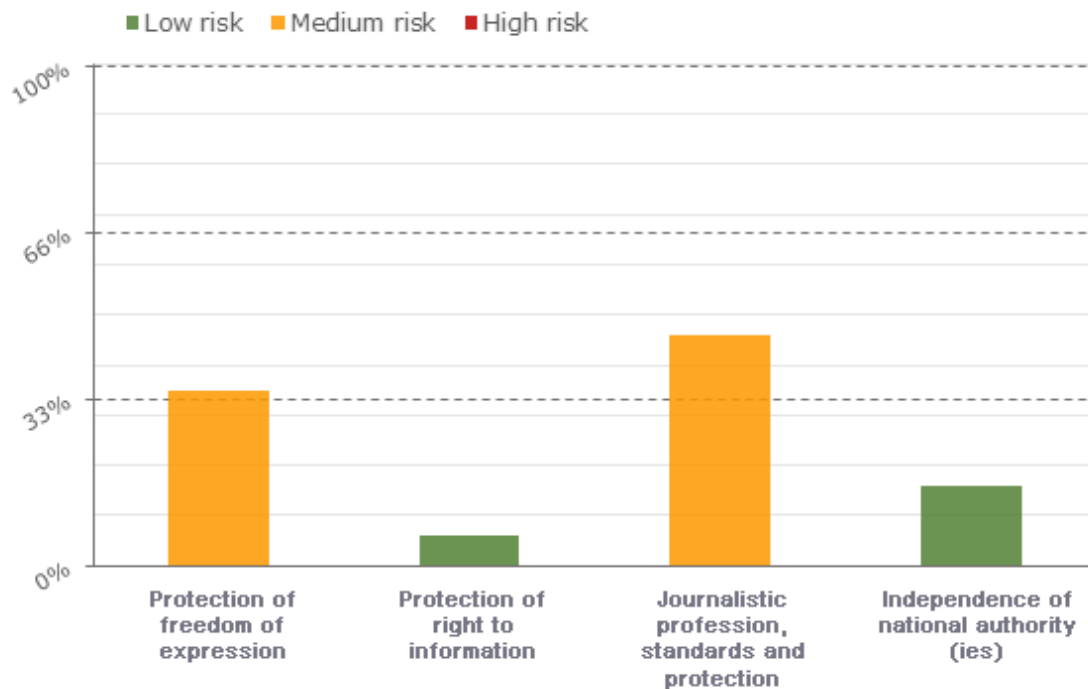


Figure 2 Media Pluralism Monitor 2015 - Latvia, Basic Protection Domain, Results by Indicators

## 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	63% risk (medium)
Concentration of media ownership	74% risk (high)
Concentration of cross-media ownership	50% risk (medium)

The law does not offer specific thresholds and limits so as to prevent the horizontal ‘Concentration and cross-media ownership’ (74% - high risk, in the indicator ‘Concentration of media ownership’; 50% medium risk, in the indicator ‘concentration of cross-media ownership’). There is no strict obligation to publish ownership structures or to report any changes in the media ownership structure, and therefore some media owners are still unknown in Latvia (indicator ‘transparency in media ownership’: 63% -

medium risk).

The abuse of the dominant position of an electronic mass medium is prohibited. When the market share of an electronic mass medium in Latvia in a particular market exceeds 35 per cent (or 40 percent for other media) this shall be considered to be a dominant position. One of the tasks of the Competition Council is to restrict market concentration, and to adopt decisions regarding mergers of market participants. The Competition Council has the right to block mergers or acquisitions of media companies.

NEMMC has the right to regulate the market share and plurality of media ownership via licensing procedures. However, there is no regulation in terms of giving up licenses/activities in other media sectors, nor the obligation to allocate windows for third party programming, or of divestiture (low risk).

When it comes to ownership transparency, media companies are asked to provide legal information about the owners to the Register of Enterprises. This is insufficient to ensure in all cases that the public knows which legal or natural person effectively owns or controls a media company.

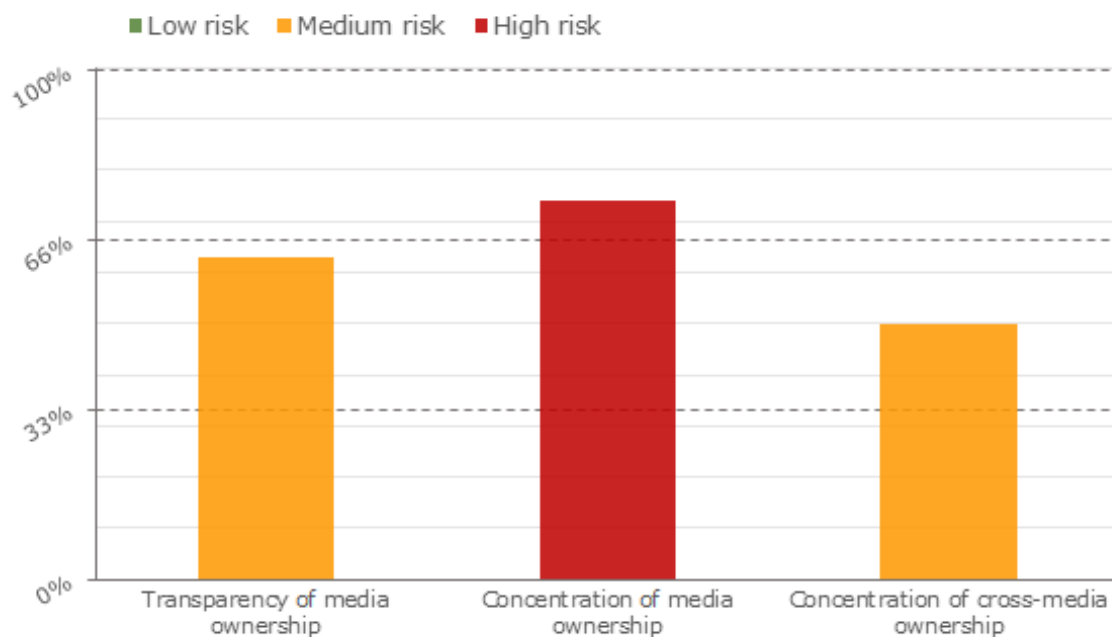


Figure 3 Media Pluralism Monitor 2015 - Latvia, Market Plurality Domain, Results by Indicators

### 2.3 Political Independence (29% risk - low 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	2% risk (low)
Politicisation of control over media outlets	33% risk (low)
Politicisation of control over media distribution networks	Negligible
State advertising	33% risk (low)
Independence of PSM governance and funding	56% risk (medium)
Independence of news agencies	50% risk (medium)

‘Political Independence’ indicators score low and medium risks.

Media law in Latvia imposes rules that aim at the fair, balanced and impartial representation of political viewpoints in news and informative programmes on PSM channels and services. The regulatory safeguards are implemented, in practice, because PSM respects both the requirements of the regulation and the high standards of reporting/organising discussions in terms that provide different viewpoints in political news/documentaries/discussion programmes. The content of political news/discussion programmes of PSM is mostly oriented to the representation of political views by the following of the activities/decisions/personalities of the party of the actual prime minister and therefore the prime minister’s party enjoys wider representation in news programmes. This means that the real representation sometimes does not reflect the principles of the self-regulation documents. Political news and discussion programmes that are provided by commercial TV and radio channels are fair, balanced and impartial. The regulatory safeguards for access to airtime on the PSM channels and services for political actors during election campaigns are fully implemented in practice. Different groups of political actors are represented in a proportional and non-biased way in PSM coverage during electoral campaigns. National laws and regulatory safeguards provide equal conditions and rates of payment for paid political adverts for the political actors before an election, and regulatory safeguards are fully implemented. The above mentioned legal safeguards and their implementation are reflected in the low risk assessment of the indicator ‘Political bias in the media’ (2%).

The indicator assessing the ‘Independence of PSM management and funding’ scores a medium risk (56%), mostly due to the state’s ability to interfere via funding. Media law provides fair, objective and transparent appointment procedures for management and board functions in PSM. The government does not decide the wages of PSM managers.

In Latvia, media law does not prescribe transparent and objective procedures for determining the budget of PSM. The government decides on the level of financing for PSM without public discussion. Whilst the financing is not long-term based (an allocation is given annually from the state budget) the system creates

the possibility of politically manipulating PSM in Latvia. Latvia is still among the countries with the lowest funding for PSM in the European Union.

With regard to the indicator 'politicisation of control of media outlets', it should be noted that there are no TV or radio channels which are owned by politically affiliated entities in Latvia. However, approximately 60% of the national and regional newspapers in Latvia are owned by politically affiliated entities. Journalists have disclosed data on the political affiliation of media ownership in Latvia. Although the commercial media have codes of ethics (or codes of conduct) and monitoring mechanisms for the codes, these self-regulatory mechanisms for commercial media outlets fail to impose effective and proportionate remedies in cases of non-compliance with the rules. Given this, the indicator 'politicisation of control of media outlets' reaches the upper limit of the low risk area (33%).

Given that the leading distribution networks for print media, radio, and TV are not politically affiliated, the indicator 'Politicisation of control of media distribution networks' shows a negligible risk. Furthermore, the indicator 'political independence of news agencies' scores a medium risk (50%) because of the highly concentrated market (the leading news agency holds 70% of the market). However, none of the largest news agencies are dependent on political groupings in terms of ownership, the affiliation of key personnel, or editorial policy.

A risk related to state advertising is evaluated as being at the top end of low risk (indicator 'State advertising': 33%), because state advertising is distributed to media outlets through a set of rules, but it is unclear whether they are transparent. The problems with state advertising are related to the practise of local governments setting up media outlets that are subsidised by taxpayers' money and that illegally participate in the local media markets. However, overall state advertising does not seem to play an important role in the media market.

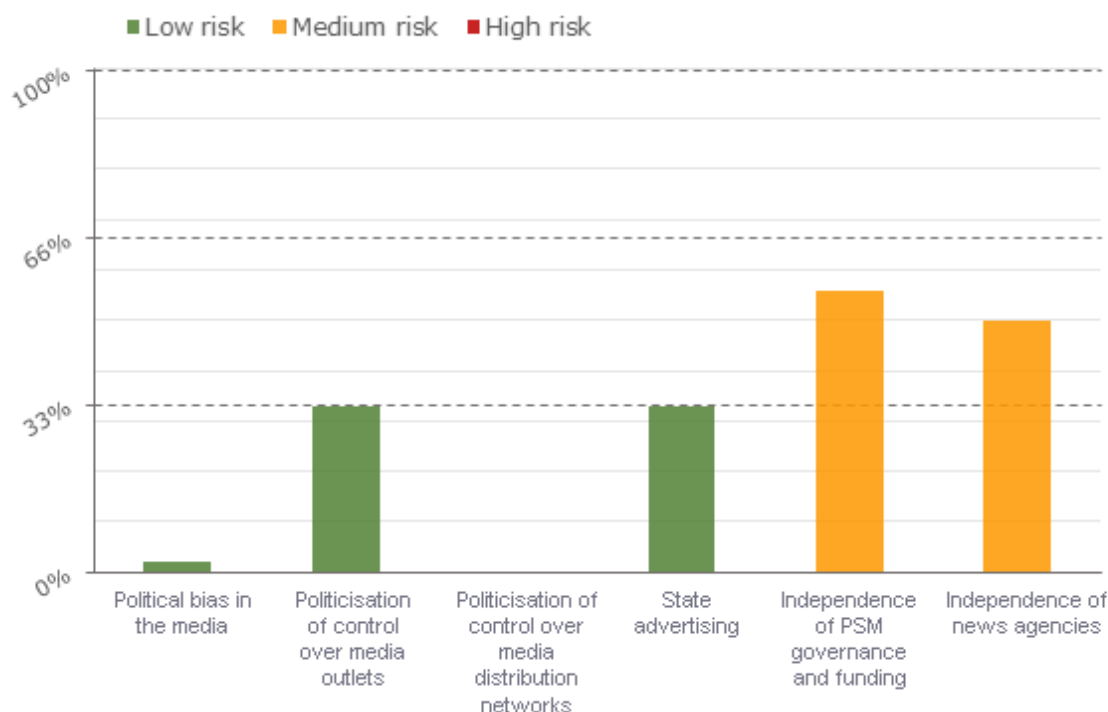


Figure 4 Media Pluralism Monitor 2015 - Latvia, Political Independence Domain, Results by Indicators

## 2.4 Social Inclusiveness (46% 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	67% risk (high)
Access to media for the physically challenged people	50% risk (medium)
Centralisation of the media system	63% risk (medium)
Universal coverage of the PSM and the Internet	31% risk (low)
Media literacy	50% risk (medium)

In Latvia, the media legislation does not recognise local or regional media as being specific categories of media that have a special mission and obligations. The indicator ‘Centralisation of the media system’ scores a medium risk (63%) because the legislation is not fully effective in safeguarding regional/local media, and also the state supports independent regional/local media by a limited number of policy measures or subsidies. The law does not define community media as being a distinct group alongside commercial and public media (indicator ‘availability of media platforms for community media’: 67% - high risk). The Broadcast Media Authority supports community media only through limited subsidies (medium risk), e.g., regional and local broadcasters can apply to receive part of the public order money to provide coverage of specific content/topics/events. However, many regional/local media are related to local level politicians in Latvia, and small local media outlets depend on advertising money from local governments. This situation creates many problems in the process of providing independently created information and pluralistic discussions in the content of local media.

Different social and cultural groups are able to access airtime on PSM (low risk). Minority media is mostly relevant for the largest minority groups in Latvia, which are the Russian speaking minorities that make up about 30% of the population in Latvia (Russian ethnic group (26%) and Belorussian (4%)). Russian-language media have a big share of the Latvian market, that is proportionate to the size of the Russian minority. There are two influential newspapers in Russian in Latvia - one daily *Vesti Segodnja* (9%), and one weekly *MK-Latvia* (23% of the audience), and a few regional or local newspapers that are issued in towns with a significant Russian population (Daugavpils, Liepāja, Rēzekne, Krāslava). The largest news sites ([delfi.lv](http://delfi.lv), [tvnet.lv](http://tvnet.lv), [ism.lv](http://ism.lv), [mixnews.lv](http://mixnews.lv)) elaborate on Russian content. However, the risk of the accessibility to pluralistic content for Russian speaking people in Latvia comes from the ownership structure of the most popular Russian speaking media. Specifically, the most viewed TV channel PBK (*Pervij Baltijskij Kanal* (First Baltic Channel)), is owned by the Baltic Media Alliance, and it is registered in Latvia and formally has the so called “pass of the EU”, but, in fact, it mostly provides the content of the Russian channel *Pervij* (First), which is controlled by the Russian government. Secondly, the weekly newspaper *MK-Latvia* is registered in Latvia and belongs to the mentioned media concern, the Baltic Media Alliance, but, at the same time, this particular newspaper is part of the Russian publishing house “Moskovskij Komsomolec”, which issues this newspaper in 64 regions of Russia, as well as, in the Ukraine, Belarus and Latvia.

Only a few linguistic minorities (Latgians, Livi) receive subsidies to run their radio broadcasts on national public radio. The largest part of minority media is independent in Latvia, but there are a growing group of politically affiliated media that have been established by local government (medium risk). In addition, the number of radio channels and newspapers dedicated to minorities is less than proportional with the size of the minority population (medium risk). The independence of minority media is, in practice, partially safeguarded in Latvia. The most important problem for minority media is the media-like newspapers and the Internet sites that are sponsored by local governments. This means that newspapers sponsored by local governments are provided for free and are delivered to all the inhabitants of the particular county. Their content does not encourage plurality in terms of the expressed views,

journalistic genres and authors. In fact, free sheets issued by local government are a specific form of public relations and political communication by the local politicians, who use tax payers' money for regular advertisement-like communication with voters. This practice creates local media market distortion, limits the ability of independent local minority media to develop their products, and leads to more dependence on the influence of local politicians' decisions.

The Russian language public radio channel LR4 has the highest audience reach between the Russian speaking radio channels, because it attracts about 150 000 listeners per week (4.4% of the all radio audience of Latvia). In addition, since 2014 six news, current affairs, discussion programs have been added to the content of public television channel LTV7, for instance from the 2014 to 2015 the number of programs for the Russian speaking viewers increased from 205 to 575, which means that Russian language broadcasting has grown up from 196.5 hours in 2014 to 486.4 hours in 2015.

Latvia has underdeveloped policy regarding access to media for physically challenged people (50% risk). The policy on media and information literacy is also underdeveloped (50% risk). However, in 2015 the government started to develop its first media literacy policy and a pilot programme on digital literacy in selected schools was launched in September 2015.

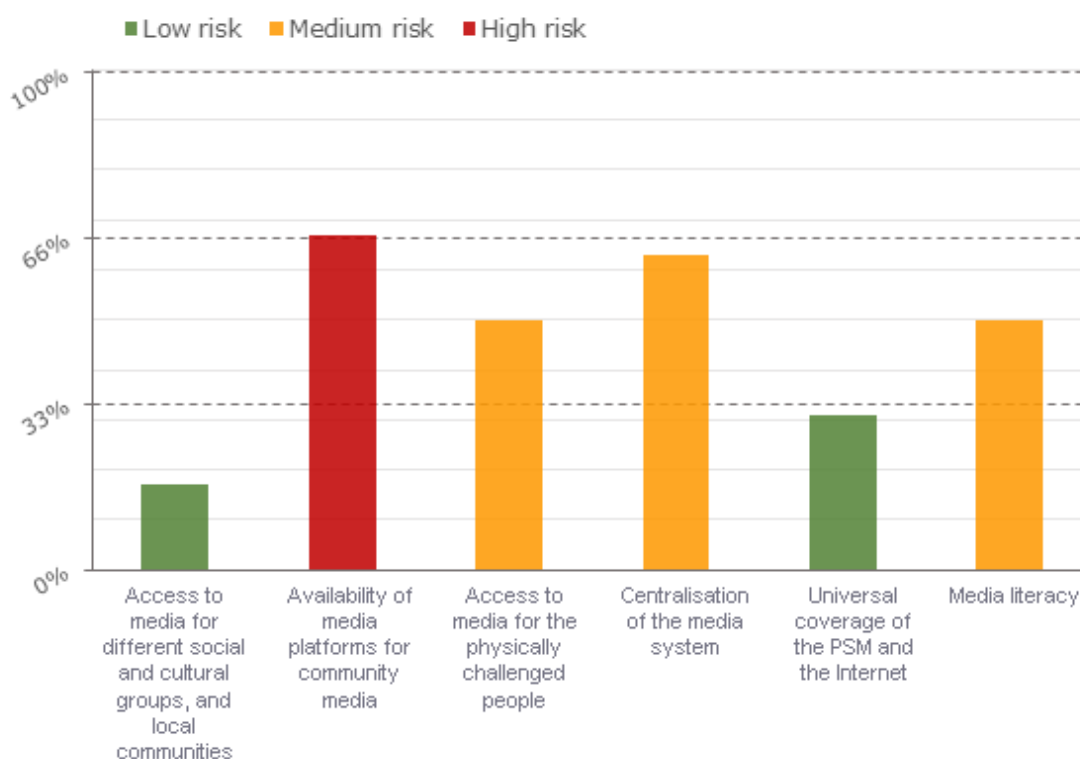


Figure 5 Media Pluralism Monitor 2015 - Latvia, Social Inclusiveness Domain, Results by Indicators



### 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.*

By analysing the different risks to media pluralism in Latvia, the following policy recommendations have been developed. In order to overcome the fragmentation of the media and communication industries regulation, the establishment of a Media Ombudsman should be discussed, and a separate authority for PSM regulation should be founded in Latvia. The regulation of media ownership transparency should be improved by requiring the obligation for media companies to publish their ownership structures on their websites or in records that are accessible to the public without payment. Furthermore, the inadequate and short-term based funding creates serious risks for the possibility to politically manipulate PSM, and therefore the funding system of PSM should be changed by the improvement of the media fee or by other more effective instruments.

In order to improve the performance and independence of the media and other authorities that deal with the media and communication sector in Latvia, the budgets of particular authorities should be increased. The low level of funding does not allow these authorities to provide for all their necessary functions, such as media monitoring, the development of media legislation, and media research. Moreover, the salaries of members of the National Electronic Media council are too low (about €1,000 per month) to attract high level professionals.

In order to improve media pluralism, specific policies of support for regional/local/community/minority media should be developed in Latvia, and there should also be amendment of the media law that creates barriers to establishing media outlets for local governments.

In addition, tax laws should be amended and authorship payments should be subject to social taxes in Latvia, with the aims of improving the social security situation and of overcoming the instability of the job conditions of journalists.

The clear and well established media and information literacy policy for different groups in society should be elaborated in Latvia. Finally, the procedures and mechanisms for media and communication authorities' appeal mechanisms should be made clearer and more specific by introducing more stringent performance deadlines, since they are occasionally delayed and ineffective.

## Annexe I. List of national experts who were consulted

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National Electronic Mass Media Council

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