

LSE MEDIA POLICY PROJECT

Searching for a Pluralistic Public Service Media

Dr Viktorija Car

University of Zagreb (Zagreb, Croatia)

Since Croatia gained independence in 1990, the media market has undergone rapid social, political and economic transition. Changes include the transformation from one political (socialistic, communistic and totalitarian) and economic system (planned economy) into another one that is clearly defined as a liberal democracy with market economy. While the existing media infrastructure is technologically developed (Croatia has the highest free-to-air digital terrestrial coverage in Europe, exceeding 99% of national territory), responsible institutions have failed to develop a coherent media strategy and regulatory institutions have failed to neutralise the power of dominant media organisations that co-operate with political elites and major advertisers. Despite the fact that cross-media concentration is prohibited by law, there have been no sanctions for violations of the law.

Part of Pan-European Media Concentration

This situation of media concentration in Croatia is complicated by the fact that most of the mainstream media, apart from the public service HRT (public service radio-television) and HINA (Croatian Information News Agency) are owned by foreign companies such as Bertelsmann's RTL Group (owner of broadcaster RTL Hrvatska), CME – Central European Media Enterprises (owner of NovaTV), and Styria Media Group from Austria. The domination of foreign companies in the private television market is clear, especially in the limited space on the national digital terrestrial platform, which is still used by more than half the population¹.

The most extensive example of cross-media ownership concentration in Croatia also involves a foreign owned company and persists despite

the existence of sector-specific competition rules to prevent concentrations of cross-media ownership.

Ownership of Croatian National Free-to-Air Television Channels

| | |
|------------------------------|----------------------------|
| HRT 1, 2, 3 & 4 | Public service broadcaster |
| Nova TV | CME |
| Doma TV | CME |
| RTL | RTL Group / Bertelsmann |
| RTL2 | RTL Group / Bertelsmann |
| RTL Kockica | RTL Group / Bertelsmann |
| Sportska TV | Croatian Olympic Committee |
| Croatian Music Channel (CMC) | Croatian Records |

With the exception of *Novi List*, the daily newspaper market in Croatia is split between Styria and Europapress, a private Croatian media company owned by the Croatian lawyer Marijan Hanžeković.

National Level Diversity Subsidies Need Clear Criteria

A special Fund for the Promotion of Diversity and Pluralism of Electronic Media has been established to support financially the production and broadcasting of media content of public interest at a local level. Three per cent of the license fee for the public service broadcaster, HRT, goes to this fund. However, the criteria for awarding the stimulus funds are not clear and consequently it is difficult to challenge the evaluation system.

Styria Media Group AG Holdings in Croatia


| Print | | Online / Audiovisual Media | |
|--|--|---------------------------------|--------------------|
| Newspapers | Magazines | njuskalo.hr (<i>free ads</i>) | 24 sata television |
| Večernji list (<i>Daily</i>) | IQ | budi.in (<i>lifestyle</i>) | 24sata.biz |
| Večernji list CITY (<i>Daily</i>) | Moje zdravlje (<i>My Health</i>) | gastro.hr | 24sata.tv |
| 24 sata (<i>Daily</i>) | VP - Magazin za vojnu povijest (<i>Magazine on Military History</i>) | klokanica.hr | vecernji.hr |
| Poslovni dnevnik (<i>Business Daily</i>) | | mondo.hr | |
| MAX! (<i>Sports Weekly</i>) | | popustolovac.hr | |
| | | zdravakrava.hr | |

The Ministry of Culture attempted to support the development of non-profit and community media, mostly online, through the redistribution of public funds from the Croatian National Lottery to media. However, so far, the evidence shows that this process has been limited by decision-makers, members of commissions, who allocate the funds without clear criteria and with scant explanation. A review of the results from 2013 shows that elaboration of decisions on applications were very short, without argumentation or evaluation of the merits, while the final results from the call that ended in September 2014 have yet to be made public². Furthermore, this call is not open for all media outlets, but only to “non-profit media”, and a media outlet is understood as a non-profit only if it is run under an NGO, according to the Ministry of Culture.

Policy Recommendations

Basic competition policy within the common market for audiovisual media services is not sufficient for achieving media plurality and the EU has seen the growth of giant media companies with holdings in several countries. There may be a need for EU level sector specific rules that will help combat cross-media concentration. There should also be European level policy designed to support the development of sustainable quality media. The aim should be a pluralistic model of public service media that, beside large national media company like HRT, includes also community media, independent local media, independent online media and others that produce content in public interest.

The most recent EC communication on State Aid in Public Service Broadcasting allowed that commercial actors, other than the established PSBs, also might conduct public service activities and could be remunerated for such. While this might give countries the opportunity to think more creatively about support for a more diverse selection of media, it is hard to see how commercial media companies answering to shareholders outside the country interested in profit are going to play such a role, and, given the experience of Croatia and other countries in the region with how funds for supporting local media can be allocated, it might be useful to have EU level guidance on criteria for such support.

Of course, more media outlets do not mean automatically more quality and more diversity. Therefore, there should be developed mechanisms for evaluation of media quality and diversity in the public interest. Investigative journalism should be supported within public service media outlets, as it is the only model of public interest media with stable funding and EU programmes such as Creative Europe should be strengthened to boost the production of audio-visual content for television, television-like services, and other media. 

¹ Andrijašević, I. And Car, V. (2013) “How we survived digital switchover: The Case of Croatia” The International Journal of Digital Television 4:3

² Results for 2013: <http://www.min-kulture.hr/default.aspx?id=9271>