

MEDIA OWNERSHIP AND FINANCES IN KOSOVO

LEGAL VACUUM AND LACK OF TRANSPARENCY

by ISUF BERISHA

INTRODUCTION

Media ownership and finances are two crucial aspects of media development in Kosovo that influence or even determine media freedom and independence. Various patterns of media ownership and financing have been used in Kosovo by the centres of political and financial power in order to influence the media and prevent them from serving the public interest and fulfilling their democratic role.

This report is a result of research on media ownership and finances in Kosovo that was carried out from mid-July until mid-October 2015 within the South East European Media Observatory project.

A lack of transparency in media ownership and in the forms of their financing seems to be one of the main problems affecting the media field in Kosovo. It is a result of the existing legal vacuum concerning these issues. Limited available data on media ownership and finances are mostly unreliable. To compensate for the scarcity and unreliability of information on these issues, a number of interviews with media representatives, media analysts and media market experts were carried out during the process of data collection. However, media representatives were reluctant to answer questions about the issues addressed by this research. At best, they answered only parts of the questions. There were cases where they either avoided responding or clearly declined to respond. Owing to this climate of sensitivity and tension, some media analysts and media market experts that we approached agreed to answer our questions only on condition of anonymity.

1 MEDIA OWNERSHIP

All existing broadcast media in Kosovo were launched after the war of 1999. Indeed, one could say that the Kosovo media scene experienced a developmental boom in the post-war context, thanks to generous support by many donors that operated in Kosovo after the war. A year after the end of the conflict, there

were some one hundred broadcasters.¹ In 2001 this number rose to 145, including KFOR and international broadcasters. At the time when the previous report on the media ownership situation in Kosovo was written (2003/2004), there were 112 Kosovo broadcasters (89 radio and 23 TV stations).² Today there are 103 broadcast media in Kosovo licensed by the Independent Media Commission (IMC); 83 of these are radio and 20 of them TV stations.³ In addition, there are 55 TV channels registered with IMC as programme service providers.⁴

The vast majority of the broadcast media launched since 1999 have been registered as private businesses. Yet, 12 years ago an OSCE database identified 22 radio and TV stations registered as NGOs out of 75 broadcasters.⁵ Today, the situation regarding the ownership structure of the broadcast media scene has changed. Only seven out of 103 broadcasters are still registered as NGOs. Apart from *Radio Television of Kosovo (RTK)*, with one TV and two radio stations, which has the status of a public service broadcaster, all other broadcasting media (93) operate as private businesses.

Table 1 KOSOVO BROADCASTERS BY TYPE OF OWNERSHIP

BROADCASTERS	PUBLIC	PRIVATE	NGO
103 (20 TV AND 83 RADIO)	3	93	7

Source: Independent Media Commission (IMC).⁶

In the case of print media, all dailies established after 1999 have been registered and operated as private businesses. Most of the minority print media that were launched after the war were registered as NGOs (*Alem, Yehkipe, Romano Alav*, etc.). Additionally, during the first few years after the war, several youth NGOs and other local NGOs launched various short-lived print media outlets.

VARIOUS PATTERNS OF MEDIA OWNERSHIP AND FINANCING HAVE BEEN USED IN KOSOVO BY THE CENTRES OF POLITICAL AND FINANCIAL POWER IN ORDER TO INFLUENCE THE MEDIA AND PREVENT THEM FROM SERVING THE PUBLIC INTEREST AND FULFILLING THEIR DEMOCRATIC ROLE.

1 Berisha, "Kosovo/a", in *Media Ownership and its Impact on Media Independence and Pluralism*, 2004, p. 220.

2 Ibid, p. 228.

3 Independent Media Commission, Adresari i subjekteve transmetuese të licencuara në Kosovë. Available at: <http://kpm-ks.org/?pamja=dokumentet&gjuha=1&kerko=Adresari%20i%20subjekteve%20transmetuese>. Accessed 17 July 2015.

4 Independent Media Commission, Adresari i Ofertuesve të Shërbimeve Programore të licencuar në Kosovë. Available at: <http://www.kpm-ks.org/materiale/dokument/1435753871.2781.xls>. Accessed 17 July 2015.

5 Berisha, "Kosovo/a", in *Media Ownership and its Impact on Media Independence and Pluralism*, 2004, p. 239.

6 Independent Media Commission, Adresari i subjekteve transmetuese të licencuara në Kosovë. Available at: <http://kpm-ks.org/?pamja=dokumentet&gjuha=1&kerko=Adresari%20i%20subjekteve%20transmetuese>. Accessed 17 July 2015.

1.1

REGULATION OF MEDIA OWNERSHIP

Current media legislation in Kosovo does not cover media ownership transparency and concentration. These issues did not gain the attention of the first provisional media regulations promulgated by UNMIK in 2000. Since Regulation 2000/36 (on licensing and regulation of broadcast media in Kosovo) did not contain any provisions on concentration of media ownership, this issue *de facto* was left to the authority of the Temporary Media Commissioner (TMC). Indeed, in 2000, with his first call for media licensing, the TMC published a one-page document titled “Qualifications” setting out six criteria that applicants for broadcasting media licenses were obliged to fulfil.⁷ The first three criteria on this list of qualifications were intended to prevent or limit media ownership concentration.⁸

In 2006, IMC initiated a public debate about a draft regulation on media concentration. Following the somewhat nervous reaction by some media owners and the subsequent ending of the mandate of the then head of IMC, this issue was set aside. Since then, when dealing with media ownership concentration issues, the IMC has relied on that TMC document released in 2000 in order to set out the qualification criteria.⁹ It illustrates how effective and adequate the IMC’s work has been in addressing these issues. Indeed, both the Kosovo and international media organisations have raised concerns regarding increased media ownership concentration in Kosovo.¹⁰ For example, *RTV 21* launched five additional TV channels that were registered with the IMC as program service providers. With rapid expansion of completely unregulated online media, this issue is becoming more and more problematic.

The IMC media database usually contains the names of owners. Sometimes, only the names of contact persons are given instead. Therefore, in some cases, media analysts have raised questions about who exactly lies behind the nominal owners.

1.2

MEDIA OWNERSHIP PATTERNS

Underlying the three legal, formal types of media ownership that are recognised by law, there are a few patterns of actual ownership that have been present in the Kosovo media. These patterns can help to better understand the structure of media ownership in Kosovo.

CURRENT MEDIA
LEGISLATION IN KOSOVO
DOES NOT COVER
MEDIA OWNERSHIP
TRANSPARENCY AND
CONCENTRATION.

7 Office of the Temporary Media Commissioner, *Qualifications*, 22 June 2000.

8 Ibid.

9 Interview with Naile Krasniqi, CEO, IMC, Pristina, 30 April 2015.

10 Institute for Development Policy, *The State of the Media in Kosovo 2015*. Available at: http://www.indep.info/documents/71012_INDEP%20-%20The%20State%20of%20the%20Media%20in%20Kosovo%202015.pdf. Accessed 18 July 2015.

1. Hidden ownership or nominal owners as a cover for real owners. The very fact that in this pattern of media ownership the real owners choose not to be known is suspicious and alarming.¹¹ Indeed, both political and business groups have used this pattern to infiltrate the ownership structure of existing media, or to launch new media in order to use them for their own interests.
2. Family ownership as a pattern of media ownership is present in those segments of the media that are registered as private businesses.
3. Big companies or corporations as media owners. There have been cases of media takeovers, or of the establishment of media outlets by large companies or corporations that operate outside the media sector. The editorial policy of these media show that, in most cases, they were acquired or established in order to be used by the large companies for their own business interests.

1.3

TELEVISION MARKET

Apart from the public service broadcaster (*RTK*), the main TV channels in Kosovo are *TV21*, *Kohavision TV (KTV)* and *Klan Kosova TV*. *TV21* and *KTV* are commercial broadcasters, both of which gained Kosovo-wide licences in 2000, while *Klan Kosova TV* is a newcomer that has lately entered the field with the major players as a program service provider available only on cable.

There are no reliable data on broadcast ratings. The IMC does not keep data on ratings, nor have they carried out any survey on this, owing to lack of funds.¹² However, when the ratings are measured, it is common for the highest broadcast rating to be held by the TV channel that commissioned the survey on viewership. Still, for years *RTK* has held first position in most broadcast ratings.

1.3.1

OWNERSHIP STRUCTURE OF THE MAIN TV CHANNELS

RTV 21 was started in 2000 as a family business by Aferdita Saraçini-Kelmendi, her husband Florin Kelmendi and her brother Eugen Saraçini. As a driving force behind the project, Aferdita Saraçini-Kelmendi kept 60 percent of shares for herself, 20 percent went to her brother Eugen, 10 percent to her

¹¹ The case of *Klan Kosova TV* is one significant example of this pattern of concealed ownership.

¹² Interview with Naile Krasniqi, CEO, IMC, Pristina, 21 October 2015. Exceptionally, in 2011 and 2013 the IMC commissioned two surveys on the readiness of Kosovo for digitisation. The first one “Valorization of the level of media viewership and penetration” (2011) addresses various aspects of viewership but not broadcast ratings. However, the second one, which deals with the readiness of Kosovars for digitisation, contained a question about which TV newscast was preferred by respondents; 32 percent of them preferred *RTK* news, 28 percent *KTV* news, 15 percent *TV21* and 10 percent preferred the news program of *Klan Kosova TV*. See Management Development Associates (MDA), *Vlerësimin e Gatishmërisë së Qytetarëve të Republikës së Kosovës për Kalimin në Transmetimin Digjital*, September 2013. Available at: <http://www.kpm-ks.org/materiale/dokument/1382459651.3871.pdf>. Accessed 6 September 2015.

THERE ARE A FEW PATTERNS OF ACTUAL OWNERSHIP THAT HAVE BEEN PRESENT IN THE KOSOVO MEDIA: HIDDEN OWNERSHIP OR NOMINAL OWNERS AS A COVER FOR REAL OWNERS, FAMILY OWNERSHIP AND BIG COMPANIES OR CORPORATIONS AS MEDIA OWNERS.

husband Forin Kelmendi and the remaining 10 percent to her friend and colleague Xheraldina Vula for her contribution to *RTV 21*.¹³ At the beginning, the main or even the sole source of funds for investment in the development of *RTV 21* was support from various donors. The main donors were USAID and the Open Society Institute (OSI) Media Program, which have been underwriting almost the whole *RTV21* budget for several years.

There have been no changes in this ownership structure since then. This ownership structure applies to all components of the *RTV21* Company, which beside *TV21* include also *Radio 21*, additional TV channels that are registered as program service providers (*21 Plus*, *21 Popullore*, *21 MIX*, *21 Junior* and *21 News Business*), *Sheshi 21* and the *TV21-Kosovo* web portal. The same ownership structure was also retained for the “daughter company” *RTV 21 Macedonia*, which was launched in September 2015. Again, the identical ownership structure applies to the web portal *TV 21 – Macedonia*, which was established at the same time.¹⁴

The representative of *RTV 21*, Xheraldina Vula, did not respond to the question of whether shareholders of this company have investments, shares or property in any business sector outside the media field.

Kohavision TV (KTV) was also launched in 2000, by Veton Surroi. *KTV* and other parts of the Koha Group were developed from scratch after the war, with generous support from donors. As in the case of *RTV 21*, the primary donors were USAID and the OSI Media Program, which again provided almost the entire *KTV* budget for several years after the war. Veton Surroi was the owner of Koha Group until 2004/5 when, after he had formed his political party Ora, he formally transferred the complete ownership of Koha Group to his sister Flaka Surroi. Ms Surroi refused to answer any question about the ownership structure and finances of Koha Group for this research. However, according to the data available from the IMC, she still remains director and nominal owner of Koha Group, which in addition to *KTV*, includes the daily *Koha Ditore*, the Koha Print printing plant, *Arta* TV channel, Koha Publishing House, and the *Koha.net* web portal. There are no reliable data about any eventual investment, property or shares pertaining to her or her close family members in business activities beyond the media sector.

13 Berisha, “Kosovo/a”, in *Media Ownership and its Impact on Media Independence and Pluralism*, 2004, p.233.

14 Interview with Xheraldina Vula, *RTV 21*, Pristina, 29 September 2015.

Klan Kosova TV entered the Kosovo media market in 2009. It was licensed by the IMC on 18 February 2009 as a programme service provider.¹⁵ *Klan Kosova* TV was launched by the Kosovo journalist Baton Haxhiu in cooperation with TV *Klan* from Albania. TV *Klan* gave its old equipment to *Klan Kosova* TV and on that ground gained 80 percent of the shares, while Baton Haxhiu for his contribution to the project, plus his managerial organisation and realisation, was given 20 percent of the shares.¹⁶ This ownership structure was in place until the end of 2014, when some media published the unconfirmed news that one of the largest Kosovo corporations, Devolli Group, had become the new owner of *Klan Kosova* TV.¹⁷ Haxhiu admits that, since January 2015, the ownership structure of *Klan Kosova* TV has changed. According to him, he retains 20 percent of the shares, but he was reluctant to reveal the identity of other shareholder/s. Later in the interview, he eventually admitted that TV *Klan* from Albania still has 40 percent of the shares but insisted that he could not reveal the identity of the third owner, who controls 40 percent of the shares. In addition, he stated that the story about the new ownership structure of *Klan Kosova* TV was not yet over. According to him, the ownership structure of *Klan Kosova* TV might change again during this year.¹⁸ On the other hand, the media analysts or media market experts who preferred to speak with us on condition of anonymity believe that Devolli Group is the main owner of *Klan Kosova* TV.

In both possible versions of this story, if Devolli Group is that third silent owner with a 40 percent share, or even more if this corporation is actually the main owner, with an 80 percent share, this would represent not only a major change in the ownership structure of *Klan Kosova* TV, but also a significant development with potentially far-reaching consequences for the television market in Kosovo. If Devolli Group has entered the media sector as a partial or perhaps the main owner of *Klan Kosova* TV, this means that we have new momentum that could bring a new dynamism to the Kosovo television market. *Klan Kosova* TV already has the highest broadcast rating in Kosovo among TV channels that broadcast through the cable network. *RTK* has a broadcast rating

IF DEVOLLI GROUP IS THAT THIRD SILENT OWNER OF KLAN KOSOVA TV WITH A 40 PERCENT SHARE, OR EVEN MORE IF THIS CORPORATION IS ACTUALLY THE MAIN OWNER, WITH AN 80 PERCENT SHARE, THIS WOULD REPRESENT NOT ONLY A MAJOR CHANGE IN THE OWNERSHIP STRUCTURE OF KLAN KOSOVA TV, BUT ALSO A SIGNIFICANT DEVELOPMENT WITH POTENTIALLY FAR-REACHING CONSEQUENCES FOR THE TELEVISION MARKET IN KOSOVO.

15 In fact, its director Baton Haxhiu has been complaining for years about the IMC's licensing policy. He and some other media owners have repeatedly raised the issue of available terrestrial frequency for Pristina, which the IMC never opened to public tender. According to him and others, this was due to pressure on the IMC by the two main commercial TV stations, *TV21* and *KTV*, through their association *AMPEK*. Yet IMC's CEO claims that this was due to the preparations for digitisation. She stressed that, since 2009, IMC has not issued new licences according to the analog frequency plan not only for Pristina but also for the entire territory of Kosovo, because this would be in contradiction with the frequency plan based on a strategy of digitisation. (Interview with Naile Krasniqi, CEO, IMC, Pristina, 21 October 2015.)

16 Interview with Baton Haxhiu, director, *Klan Kosova* TV, Pristina, 28 September 2015.

17 See Lapsi Lajme, "Kush po e godet me miell Baton Haxhiun," 11 October 2014. Available at: <http://www.lapsi.al/lajme/2014/10/11/kush-po-e-godet-me-miell-baton-haxhiun>. Accessed 3 September 2015.

18 Interview with Baton Haxhiu, director, *Klan Kosova* TV, Pristina, 28 September 2015.

that is a few percentage points higher, only because it has much wider coverage of Kosovo territory through its terrestrial network. In Pristina, where cable networks have the best coverage, the broadcast rating of *Klan Kosova* TV is significantly better than that of any other TV channel with a national licence.¹⁹ Therefore, if it turns out to be true that Devolli Group has become the owner of *Klan Kosova* TV, this means that we will see the fastest growing TV channel taken under the umbrella of one of the largest corporations in Kosovo. Haxhiu showed some awareness of the problem when he claimed that, by contract with two other shareholders, he has a hundred percent control of management and editorial policy, while two other owners have the right only to monitor monthly profit and operational costs.²⁰ However, bearing in mind that Devolli Group is known as one of the main business supporters of the Democratic Party of Kosovo (PDK), the ruling party,²¹ it is not surprising that *Klan Kosova* TV is already seen as a pro-government TV channel.²²

It seems that the IMC has not yet been brought up to date on the ownership changes in *Klan Kosova* TV. According to current official data from the IMC, the owner of this broadcaster is still Aleksander Frangaj,²³ the owner of TV *Klan* from Albania.

Table 2 OWNERSHIP OF MAIN PRIVATE TV CHANNELS

TV STATION	OWNERSHIP SHARES
TV 21	AFERDITA SARAÇINI-KELMENDI 60 % FLORIN KELMENDI 10 % EUGEN SARAÇINI 20 % XHERALDINA VULA 10 %
KTV	FLAKA SURROI 100 %
KLAN KOSOVA TV (CABLE)	KLAN TELEVISION 40 % BATON HAXHIU 20 % UNKNOWN OWNER(S) 40 %

* There are unconfirmed information in the media reports claiming that the Devolli Group became the third owner of Klan Kosova TV in 2014.

Sources: IMC database, interviews and articles.²⁴

19 Interview with a media advertising expert who spoke on condition of anonymity, Pristina, 25 September 2015.

20 Interview with Baton Haxhiu, director, *Klan Kosova* TV, Pristina, 28 September 2015.

21 See *Kosova Sot*, "PDK kriminalizoi privatizimin, favorizoi 'Devollin,'" 7 October 2015, pp. 6-7.

22 Interview with a media analyst who spoke on condition of anonymity, Pristina, 22 September 2015.

23 Interview with Naile Krasniqi, CEO, IMC, Pristina, 21 October 2015.

24 IMC, Adresari i subjekteve transmetuese të licencuara në Kosovë 2015. (Available at: <http://kpm-ks.org/?pamja=dokumentet&gjuha=1&kerko=Adresari%20i%20subjekteve%20transmetuese>. Accessed on 17 July 2015.) Lapsi Lajme, "Kush po e godet me miell Baton Haxhiun?" 11 October 2014. (Available at: <http://www.lapsi.al/lajme/2014/10/11/kush-po-e-godet-me-miell-baton-haxhiun>. Accessed 3 September 2015.) Interview with Baton Haxhiu, director, *Klan Kosova* TV, Pristina, 28 September 2015. Interview with Xheraldina Vula, *RTV 21*, Pristina, 29 September 2015.

1.4

PRINT MEDIA MARKET

The print media market has also been very dynamic in the years since 1999. Soon after the war there were 12 dailies in Kosovo.²⁵ Most of these did not last long. Nevertheless, new publishers continued to launch dailies, which in most cases were discontinued after a while, because there were too many for such a small market as Kosovo. To make things worse, the small market for print media has been shrinking over the years in response to the development of new media. At its best, total circulation of all daily newspapers was around 30-35 thousand copies. Today, according to some estimates, the total circulation of the remaining dailies is around 15 thousand copies.²⁶ It is not surprising that from the dozens of dailies that were launched during this post-war period, only five have survived all these years: *Kosova Sot*, *Koha Ditore*, *Zëri*, *Bota Sot* and *Epoka e Re*. The first three are supported by larger mother companies, while *Bota Sot* and *Epoka e Re* are struggling, with sales of just a few hundred copies each.

Kosova Sot was launched in 1998 by a businessman Ruzhdi Kadriu with support from the Open Society Institute. It was discontinued by the Serbian police in March 1999, only to be re-launched the same year, after the war, with generous support by donors, mainly by USAID. Its ownership has not changed since then. Ruzhdi Kadriu is also the owner of Interpress Company which apart of *Kosova Sot* includes a printing plant, publishing house and *Top Kosova Radio*.²⁷ He has made extensive use of his newspaper for promotion of and support for his business interests. *Kosova Sot* launched aggressive campaigns against anybody that was seen as an obstacle or threat to the business interests of its owner.²⁸ In 2014, the director of *Kosova Sot*, Margarita Kadriu, was elected as a member of the Kosovo Assembly for the PDK party.

None of the Kosovo newspapers are ready to reveal their circulation figures. However, according to the media marketing expert who prefers to speak on condition of anonymity, *Kosova Sot* currently has the largest circulation, with around 4,000 copies sold.²⁹

25 Berisha, "Kosovo/a", in *Media Ownership and its Impact on Media Independence and Pluralism*, 2004, p. 228.

26 Interview with a media marketing expert who spoke on condition of anonymity, Pristina, 27 September 2015.

27 Constitutional Court of the Republic of Kosovo, Resolution on Inadmissibility in Case No. KI 182/14, Pristina, 6 March 2015. Available at: http://www.gjk-ks.org/repository/docs/gjk_ki_182_14_ang.pdf. Accessed 5 September 2015.

28 See Index online, "Zhvatësja Margarita Kadriu," 28 October 2014. Available at: <http://indexonline.net/?FaqeID=2&LajmID=123001>. Accessed 25 July 2015. The article reports on the three-year campaign by *Kosova Sot* against Judge Makifete Saliuka after she ruled in favour of a worker, Lulzim Rexha, who in 2004 lost his right hand in a printing plant owned by the Interpress Company.

29 Interview with a media marketing expert who spoke on condition of anonymity, Pristina, 27 September 2015.

ACCORDING TO SOME ESTIMATES, THE TOTAL CIRCULATION OF THE REMAINING DAILIES IS AROUND 15 THOUSAND COPIES. NONE OF THE KOSOVO NEWSPAPERS ARE READY TO REVEAL THEIR CIRCULATION FIGURES.

Koha Ditore is published by the Koha Group. It was established in 1997 by Veton Surroi. Investment was supported by donors, mainly by the Open Society Institute. *Koha Ditore* was shut down by the Serbian police in March 1999. It was re-launched soon after the 1999 war, again owing to support by the international donors operating in Kosovo at that time. As mentioned earlier, Veton Surroi formally transferred ownership of the newspaper, and of the complete Koha Group, to his sister Flaka Surroi when he formed the political party ORA in 2004.

Koha Ditore is recognised as the most influential major daily in Kosovo. It has been praised for its decent professional standards. Indeed, for a long time it was equally critical of all political parties. Surprisingly, it has recently been openly supportive of Vetëvendosje and other opposition political parties, even when their actions in the Kosovo Parliament and outside it were violent. Circulation of *Koha Ditore* is estimated to be 3,500–4,000 copies.³⁰

Zëri was launched in 1999 by Zëri Publishing Enterprise, also with donor support. The first owners were the journalists Blerim Shala, Halil Matoshi and Bardh Hamzaj. In 2009, it was sold to Remzi Ejupi and Lazim Destani. The current ownership structure is as follows: Remzi Ejupi, 50 percent of shares and Lazim Destani, also 50 percent of shares.³¹ Ejupi is the owner of the Eurokoha agency, FC Pristina and businesses in Germany. Destani is the owner of the Kosovatex Company in Kosovo and of various businesses all over the world, with an estimated value between 1–5 billion dollars.³²

The current circulation of *Zëri* is estimated to be 3,000–3,500 copies.³³ *Zëri*'s reporting appears to be mostly balanced and professional. However, *Zëri* took a special, intense interest in the case of privatisation of the Pristina Airport, when Eurokoha was one of the companies submitting bids for this privatisation. *Zëri* was critical of the Privatisation Agency of Kosovo and other rival companies, citing concerns about corruption.

30 Interview with a media marketing expert who spoke on condition of anonymity, Pristina, 27 September 2015.

31 Interview with Shpend Dobraja, Marketing director, Zëri, Pristina, 28 September 2015.

32 See Telegrafi.com, "Sa miliardë dollarë 'peshon' Lazim Destani nga Tetova?" 25 November 2014. Available at: <http://www.telegrafi.com/lajme/sa-miliarde-dollarë-peshon-destani-nga-tetova-79-6523.html>. Accessed 28 July 2015.

33 Interview with a media marketing expert who spoke on condition of anonymity, Pristina, 27 September 2015.

Table 3 MAJOR DAILY NEWSPAPERS OWNERSHIP

DAILY NEWSPAPER	OWNERSHIP	ESTIMATED SOLD COPIES
KOSOVA SOT	RUZHDI KADRIU 100 %	4,000
KOHA DITORE	FLAKA SURROI 100 %	3,500-4,000
ZËRI	REMZI EJUPI 50 % LAZIM DESTANI 50 %	3,000-3,500

Source: Resolution No. KI 182/14 of the Constitutional Court, interviews and other sources.³⁴

1.5

CHALLENGE OF RAPID ONLINE MEDIA EXPANSION

Online media represent the fastest growing sector in the Kosovo media market. In November 2014, 85 percent of households in Kosovo had internet access.³⁵ Rapid development of online media has been challenging for everyone, above all for ‘traditional’ media.³⁶ The print media were among those that suffered the most from this development. Indeed, the explosive expansion of online media has been going on in parallel with the rapid shrinkage of print media. This is why most of the Kosovo dailies that disappeared in recent years have continued as online news media. This is the case with *Gazeta Express*, *Tribuna*, *Lajm* and *Bota Press*.

Today, all segments of Kosovo society that have access to the internet are facing the serious challenge that the new media represent. Together with unprecedented media democratisation, the new (online) media have led to a drastic deterioration in the quality of public dialogue in Kosovo. Unregulated internet media outlets gave a platform to various frustrated individuals, who vented a torrent of appalling abuse under cover of anonymity. Even those former daily newspapers who abandoned print and continued online have relaxed their attitude towards respect for professional standards. This is why the media community and various segments of the public are engaged in a debate about how to protect society without damaging the development and freedom of the new internet media.

Gazeta Express (GE) was launched in 2005 as a daily. After eight years of struggling as a newspaper, in March 2013 its management decided to abandon print and keep going exclusively online. Today, GE is the largest news web

³⁴ Resolution on Inadmissibility in Case No. KI 182/14 by the Constitutional Court of the Republic of Kosovo (Available at: http://www.gjk-ks.org/repository/docs/gjk_ki_182_14_ang.pdf. Accessed 5 September 2015.) Koha Ditore, 2 August 2015, p.3. Interview with Shpend Dobraja, Marketing Director, Zëri, Pristina, 28 September 2015.

³⁵ IREX, “Kosovo”, in *Media Sustainability Index*, 2015. Available at: <https://www.irex.org/sites/default/files/2015-msi-kosovo.pdf>. Accessed 18 July 2015.

³⁶ Taylor, Kosovo: *Setting Media Standards: Public awareness and effectiveness of the Independent Media Commission and the Press Council of Kosovo*, 2015. Available at: http://www.thomsonfoundation.org/assets/News_Features/2015/Kosovo%20report/Kosovo_Report_new1602_setting_media_standards.pdf. Accessed 19 July 2015.

TOGETHER WITH UNPRECEDENTED MEDIA DEMOCRATISATION, THE NEW (ONLINE) MEDIA HAVE LED TO A DRASTIC DETERIORATION IN THE QUALITY OF PUBLIC DIALOGUE IN KOSOVO.

portal not only in Kosovo, but also in Albania and Macedonia, with 600,000 visits per day.³⁷

There are no transparent, reliable data about the ownership structure of *GE*. Its editor in chief Leonard Kerquki declined to answer questions for this research. However, Berat Buzhala and Ilir Mirena have been mentioned by some media as the owners. Buzhala once worked as journalist, but he was more visible as a very active member of the main ruling party PDK, and as a former member of the Kosovo Assembly. Mirena, too, was a PDK MP and deputy minister.

As a print newspaper, *GE* did not observe high standards of professional journalism. Since it switched to an online edition only, the quality of its journalism has even further declined. Most of its articles are produced by copying news from other media, without respecting copyrights. For its inaccurate and sensational coverage, *GE*'s conduct has regularly been reported and condemned by the Press Council of Kosovo (PCK).³⁸

Telegrafi.com is the second ranking news portal in Kosovo and Albania.³⁹ It was launched in 2006. The owner is Gent Lluka. His father is Ekrem Lluka, who according to some Kosovo media, is the second richest man in Kosovo.⁴⁰ He is the owner of the Dukagjini Group, which includes TV *Dukagjini*, *Radio Dukagjini*, Insurance Company, Slovenian-Kosovo Pension Fund, the mobile telephony business 3D Mobile, two hydro power plants in Albania, hotels, a hospital, a printing plant, a publishing house, the Tobacco import and distribution network, Birra Peja, etc.⁴¹ *Telegrafi* has also been accused by other media of taking news without permission and of violation of copyrights.

1.6 NON-TRANSPARENT AND UNREGULATED ADVERTISING MARKET

The Kosovo advertising market is rather small, in terms of both the number of consumers and the financial potential for and/or readiness of companies or businesses to invest in advertising. However, the main problem of this sector seems to be that it is not regulated or self-regulated by the advertising industry (advertising and media buying agencies) and therefore is not transparent. This undermines efforts by many talented young professionals to improve the situation in the advertising sector and consequently has a negative effect on media income from advertising and on economic development in general. When an advertising or media buying agency approaches a TV channel, for example, it is

37 Ibid.

38 Ibid.

39 See <http://www.alexa.com/siteinfo/telegrafi.com>. Accessed 5 September 2015.

40 See Forumi shqiptar, "10 milioneret e Kosoves," 21 December 2009. Available at: <http://www.albeu.com/kosove/10-milioneret-e-kosoves/83787/>. Accessed 27 July 2015.

41 See http://www.winne.com/country/europe/kosovo/2009/cr/cp/dukagjini_group/. Accessed 27 October 2015.

THE MAIN PROBLEM OF THE ADVERTISING SECTOR IN KOSOVO SEEMS TO BE THAT IT IS NOT REGULATED OR SELF-REGULATED BY THE ADVERTISING INDUSTRY (ADVERTISING AND MEDIA BUYING AGENCIES) AND THEREFORE IS NOT TRANSPARENT. THERE ARE AROUND 65 REGISTERED ADVERTISING AND MEDIA BUYING AGENCIES IN KOSOVO.

quoted a fixed price for advertising time, but when an advertiser contacts the same broadcaster directly, it can achieve a much lower price. This unprofessional behaviour on the part of some broadcasters ruins not only the contracts and hard work of advertising and media buying agencies, but in the long term the advertising market itself. Ultimately, those who suffer the most from the knock-on effect of their behaviour are the broadcast media. Moreover, according to advertising experts, this is why large foreign companies are not interested in entering the Kosovo market. This also seems to be among the primary reasons for a lack of interest by foreign media companies in any investment in Kosovo media.

There are around 65 registered advertising and media buying agencies in Kosovo. The largest and most successful are Zero Pozitive Publicis, Paper, Karrota, Tatamata, Koperativa, etc.

Zero Pozitive Publicis is recognised as the largest advertising and marketing agency in Kosovo, with an estimated annual income of about 4.5 – 5 million euro. It forms part of one of the largest communications groups worldwide, Publicis Group. The owner of this agency is Genc Meraku. He was a candidate on behalf of the AAK for the position of mayor of Pristina.

Paper Communications with an income of 3.5 million euro and 22 employees is the second largest advertising and communications agency in Kosovo.⁴² It was established in 2009 by Ilir Grapci. The owner of Paper Communications is still Ilir Grapci. He also owns 24 percent of the shares in the Peshku i artë web portal.

1.7

DISTRIBUTION/TRANSMISSION NETWORKS

Kosovo Terrestrial Telecommunication Network (KTTN) – the broadcast transmission system of Kosovo – was badly damaged during the NATO bombing in 1999. USAID took a leading role in coordinating support for rebuilding the broadcast transmission system in 2000, with a major contribution from the government of Japan. Through its Media program implemented by IREX, USAID established the Kosovo Terrestrial Telecommunication Network as a new entity. KTTN has been used since then by three TV channels with national licences (*RTK*, *TV21* and *KTV*) and by four radio stations (*Radio Kosova 1*, *Radio Kosova 2*, *Radio 21* and *Radio Dukagjini*). KTTN was registered at UNMIK as an NGO.

The importance of KTTN in the Kosovo market changed as cable operators developed and expanded at its expense. Today, there are 35 cable operators licensed by IMC.⁴³ The main ones are IPKO and Kujtesa.

42 Interview with Ilir Grapci, owner and director, Paper Communications, Pristina, 25 September 2015.

43 Independent Media Commission, Adresari i Operatorëve Kabllor të licencuar në Kosovë. Available at: <http://www.kpm-ks.org/materiale/dokument/1435753949.1727.xls>. Accessed 17 July 2015

IPKO HAS BEEN CRITICIZED FOR USING ITS DOMINANT POSITION IN THE MARKET TO EXERT PRESSURE ON TV CHANNELS.

IPKO Telecommunications is the largest mobile telephony and cable operator in Kosovo, and has in its menu around 200 Kosovo, Albanian and international TV channels. It was established in 1999. The owner of IPKO is Slovenian Telecom.

IPKO has been criticized for using its dominant position in the market to exert pressure on TV channels. In fact, after Koha Group media (*KTV* and *Koha Ditore*) had repeatedly criticised IPKO and Slovenian Telecom for corruption in the process of gaining a mobile telephony licence, in April 2013 IPKO demoted *KTV* from third position as a TV channel with national license, in favour of *Channel 83*. Dozens of local and international media organisations, broadcasters and other media, together with civil society organisations, protested against this reaction by IPKO and demanded that *KTV* be reinstated at its third position, as deserves a national TV station.⁴⁴ IMC also criticised IPKO and requested that *KTV* restores to its former position. IPKO ignored all these protests and demands.⁴⁵

Kujtesa Net is the second largest cable operator in Kosovo, with more than 90 Kosovo, Albanian and foreign channels on its menu. It was established in 1995. The owners of Kujtesa are Arber Arifi, Vijon Peja, Blerim Selimi, Florent Perjuci and Fiton Peja. The ownership structure is not transparent. The owners of Kujtesa declined to answer questions for this research.

Print media distribution networks face a situation similar to that of the print media. The former Rilindja distribution network – which once had several hundred kiosks/sales points all over Kosovo, and also in Macedonia, Serbia and Montenegro in places with the Albanian population – collapsed during the 1990s when it was placed under imposed administration by the Serbian authorities and during the war in 1999. After the war some attempts were made by former Rilindja managers and workers to re-establish the distribution network.

Today, there are three print media distribution networks operating in Kosovo: Rilindja, Kiosku and AGE. Rilindja sales distribution network has its print media sales points across Kosovo in kiosks and supermarkets. Some 50 former Rilindja workers and managers are its shareholders. Kiosku also has its distribution network in major locations in Kosovo. Its owner is Mentor Mazreku.

1.8

MAIN MEDIA OWNERS

It is difficult to compose a ranked list of the main media owners in Kosovo, since there are no reliable data on the ownership structure of Kosovo media. Owing to the lack of transparency and the fact that real owners often prefer to hide behind nominal owners, in some cases it is better to name families as owners instead of individual nominal owners.

44 IREX, “Kosovo”, in *Media Sustainability Index*, 2014. Available at: https://www.irex.org/sites/default/files/u105/EE_MSI_2014_Kosovo.pdf. Accessed 18 July 2015.

45 See Hoxha, “KPM: IPKO shkelje me KTV-në,” *Gazeta Jeta në Kosovë*, 12 April 2013. Available at: <http://gazetajnk.com/?cid=1,1018,5284>. Accessed 24 July 2015.

1. Saraçini-Kelmendi family – Aferdita Saraçini-Kelmendi is the owner of a 60 percent share in Company 21. Together with her husband Florin Kelmendi and her brother Eugen Saraçini, they hold a 90 percent share in Company 21, which includes *TV21*, *Radio 21*, additional TV channels that are registered as programme service providers (*21 Plus*, *21 Popullore*, *21 MIX*, *21 Junior* and *21 News Business*), *Sheshi 21* and the *TV21-Kosovo* web portal. The Saraçini- Kelmendi family is also owner of a 90 percent share in Company 21 Macedonia (*TV 21* and a web portal *TV21 Macedonia*), which was recently established with an investment of over 5 million euro.⁴⁶
2. Surroi family – Veton Surroi was the owner of the Koha Group, which he established and continued to develop until 2004, when he formally transferred complete ownership of this media company to his sister Flaka Surroi. Koha Group includes *KTV*, *Arta TV*, the daily *Koha Ditore*, the Koha Print printing plant, Koha Publishing House and the Koha Net internet provider.
3. Devolli family – The ownership structure of *Klan Kosova TV* is not transparent. Its director Baton Haxhiu claims that he owns 20 percent of the shares, *TV Klan* from Albania 40 percent, while a third owner, also with a 40 percent share, does not want to be known. However, there have been unconfirmed media reports that Devolli Group is the new owner of *Klan Kosova TV*. Moreover, the media people whom we consulted for this report refer to *Klan Kosova TV* as “Devolli TV.” Furthermore, there are some facts that appear to support this information about Devolli Group as the new owner of *Klan Kosova TV*. Recently, *Klan Kosova TV* moved to a new building that is the property of the Devolli Group and located within the Customs Warehouse zone of the Devolli Group. Whether holding 40 or 80 percent of the shares, Devolli Group would come third in any ranked list of media owners. The brothers Blerim and Shkelqim Devolli are the owners of Devolli Group, one of the largest corporations in Kosovo, which has factories and other activities in several business sectors in Kosovo, such as coffee processing and distribution, milk and dairy products, Z-Mobile telephony, drink manufacturing, furniture production, customs warehousing, etc.⁴⁷

1.9

FOREIGN MEDIA OWNERS

Foreign media owners have so far shown no interest in entering the Kosovo market. One reason that has been mentioned by some advertising experts is the lack of transparency in the Kosovo media market. We can mention only two exceptions. One is the investment by *TV Klan* from Albania six years ago when it established *Klan Kosova TV*, and the other is Lazim Destani from Macedonia, who has a 50 percent share in the daily *Zëri*.

OWING TO THE LACK OF TRANSPARENCY AND THE FACT THAT REAL OWNERS OFTEN PREFER TO HIDE BEHIND NOMINAL OWNERS, IN SOME CASES IT IS BETTER TO NAME FAMILIES AS OWNERS INSTEAD OF INDIVIDUAL NOMINAL OWNERS.

⁴⁶ Interview with Xheraldina Vula, *RTV 21*, Pristina, 29 September 2015.

⁴⁷ Interview with Alban Zogaj, market researcher, Riinvest, Pristina, 24 September 2015.

The vast majority of the existing media in Kosovo were launched or at least supported by donors that operated in Kosovo after the war of 1999. Since this honeymoon of donor support soon came to an end, these media were left to fight on their own for survival. Most of them were not sustainable at that point. With only a few foreign donors remaining in Kosovo, within the embassies of some Western countries, which had little or no interest in giving further support to the media, these struggling media were left with no option but to approach those who could eventually help them: governmental institutions or centres of economic power (public companies or the private business sector). In both cases, they usually had to pay for any eventual support by offering favourable coverage. It seems that the print media were particularly vulnerable in this situation. Most of them disappeared when support from donors dried up. This was especially true for the minority language print media, such as the weekly *Alem* in Bosnian, or the monthly magazine *Yehkipe* in Roma language.

Much better situated were major broadcast media like *KTV*, *RTV21* and *RTK*. They were sustained by donor support until becoming more or less viable. Today, both *RTV 21* and *KTV* are sustainable, while it is currently unclear how the public broadcaster *RTK* will be financed in the future. However, *RTV 21* and *KTV* are located in premises that are not their property – *KTV* in some 250 square meters in a building of the former *Radio Pristina*, and *RTV 21* in a much larger space in Rilindja (Media) House in Pristina. These premises were given to them for use as a temporary measure by UNMIK/OSCE. Now, both *KTV* and *RTV 21* are anxious about the outcome if, or rather when, these buildings are privatised.

RTK is also located in premises that are not its property, although its situation is somewhat different. When it was launched after the war of 1999 as a new entity, OSCE as the arm of the UNMIK's operations responsible for media policy clearly did not want to retain the structure and legacy of the former state broadcaster *Radio Television of Pristina (RTP)* as a burden in the process of establishing Kosovo's public broadcaster. However, UNMIK/OSCE did not hesitate to house *RTK* in the premises of *RTP*. All protests and efforts by the management and journalists of Kosovo's pre-war broadcaster to get back these premises have so far been ignored by UNMIK and the Kosovo government. In 2001, *RTP* eventually managed to get re-registered with UNMIK and subsequently started legal procedures against OSCE and *RTK*.⁴⁸ Nevertheless, *RTP* has not yet been successful in changing this situation through the Kosovo justice system.

48 Berisha, "Kosovo/a", in *Media Ownership and its Impact on Media Independence and Pluralism*, 2004, p. 239.

CURRENT MEDIA INVESTMENTS AND COLLAPSES

The main recent media investment in Kosovo is the new building of *Klan Kosova* TV. This building was given to *Klan Kosova* TV by Devolli Group. It was renovated for the needs of *Klan Kosova* TV with an investment of 2.4 million euro. As a result, *Klan Kosova* TV has today what are probably the best working conditions among all Kosovo broadcasters, with some 13 thousand square meters of working space in its new building.⁴⁹ However, the largest investment by Kosovo media is the one made by RTV 21 in establishing its “daughter company” TV 21 in Macedonia. The value of this investment, according to a representative of Company 21, was over 5 million euro.⁵⁰

Almost all media that have collapsed in recent years are print media. Here we can mention the dailies Infopress, which was closed down at the end of 2011; *Tribuna*, end of 2014; *Gazeta Express*, March 2013; *Gazeta Lajm*, November 2012; *Prishtina Post*, September 2010, while *Bota Press* and *Sport Plus* were closed down in 2015.

2

MEDIA FINANCES

Almost all media that were launched after the 1999 war enjoyed full or partial support from the many donors that came to Kosovo at that time. Some of the largest media, like KTV and RTV 21, were fully supported for several years until they became more or less financially sustainable. Most other media were not that lucky. Since most donors soon left Kosovo, the media that had been receiving support were left to make it on their own. Given that most of these media were not sustainable at that point, they became vulnerable to political and economic pressure. Indeed, some of these media began to provide favourable coverage for groups or entities of political or economic power in exchange for financial support. For example, a few pro-ruling PDK party dailies managed to survive for several years thanks to generous government advertising, even though they had very low circulation.⁵¹ When some three years ago state advertising was stopped or reduced by a new law on procurement, these newspapers soon disappeared.

Another media integrity risk concerns the phenomenon of media ownership or takeover by large commercial corporations. In some cases these corporations are not interested in media development but instead are acquiring media in order to use them to promote their own business interests. The daily

49 Interview with Baton Haxhiu, director, *Klan Kosova* TV, Pristina, 28 September 2015.

50 Interview with Xheraldina Vula, RTV 21, Pristina, 29 September 2015.

51 OSCE Mission in Kosovo, *Circulation and Politicization of the Print Media in Kosovo*, 2010. Available at: <http://www.osce.org/kosovo/67790?download=true>. Accessed 4 September 2015.

SINCE MOST DONORS LEFT KOSOVO, THE MEDIA THAT HAD BEEN RECEIVING SUPPORT WERE LEFT TO MAKE IT ON THEIR OWN. GIVEN THAT MOST OF THESE MEDIA WERE NOT SUSTAINABLE AT THAT POINT, THEY BECAME VULNERABLE TO POLITICAL AND ECONOMIC PRESSURE.

Kosova Sot and *Top Kosova Radio*, which are owned by the Interpress Company, are a typical example of this phenomenon. The alleged recent takeover of *Klan Kosova* TV by Devolli Group should be watched closely in the future to see how this will influence the editorial policy of this broadcaster.

2.1

TRANSPARENCY OF MEDIA FINANCING

Lack of transparency is one of the main problems affecting the media market in Kosovo. There are no reliable data on media finances and the media market. This issue has not been properly addressed in the legislation. Broadcast media are obliged by the terms of their licences to submit annual financial reports to the IMC, but these data are not publicly available. There are no reliable data on broadcast ratings. Usually, the broadcaster that commissions a survey gains the best viewership ratings. Print media, on the other hand, do not reveal the data concerning their circulation and number of copies sold. If their representatives give occasional statements on this issue, they usually exaggerate the data in order to attract more advertising and higher prices. Somewhat better is the situation with online media, since it is possible to get reliable data on the number of site visits by referring to international web pages that specialise in monitoring portal visits. However, some of these web pages do not have Kosovo on the list of countries they monitor, so one cannot get data specific to Kosovo alone.

Lack of transparency is also influencing the advertising sector. The prices for advertising as announced by broadcasters are not real prices. Usually they offer one price to advertising and media buying agencies and another, much lower price, to business companies (advertisers) in direct negotiations.⁵²

When we asked the IMC for data on the annual income and operation costs for the main TV channels in Kosovo, the response was negative.⁵³ The process of selection and appointment of the IMC board members has also been criticised. Allegations of conflict of interest have been raised for some members of IMC, owing to their links with political parties. The IMC CEO claims that this issue was solved by replacing two board members from the previous board.⁵⁴ This rather optimistic statement contradicts observations made by media analysts that, in recent years, the IMC Board members have been appointed only if they were affiliated with the main political parties.⁵⁵

52 Interview with Ilir Grapci, owner and director, Paper Communications, Pristina, 25 September 2015.

53 Interview with Naile Krasniqi, CEO, IMC, Pristina, 21 October 2015.

54 Ibid.

55 Taylor, Kosovo: *Setting Media Standards: Public awareness and effectiveness of the Independent Media Commission and the Press Council of Kosovo*, 2015. Available at: http://www.thomsonfoundation.org/assets/News_Features/2015/Kosovo%20report/Kosovo_Report_new1602_setting_media_standards.pdf. Accessed 27 October 2015.

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2.2

STATE FINANCING IN THE MEDIA

There is no direct media financing from the state institutions in Kosovo, with the exception of the public broadcaster *RTK* during the last few years. After the collapse of *RTK* financing through the license fee (paid by households), in 2012, the Law on Radio Television of Kosovo introduced a financing of the public broadcaster from the Kosovo budget as a provisional three-year solution. Both *RTK* and the Kosovo Assembly were supposed to use these three years to find a better solution for financing the public broadcaster, one that would guarantee its editorial independence. However, this three-year period expired in March 2015, and there is still no solution to this issue. It seems that both the government and the current management of *RTK* are comfortable with this form of financing, even though it is evident that it has been used to influence the editorial policy of the public broadcaster.

On the other hand, some other media have been supported for many years by the government through advertising. Since this form of media financing was heavily used to support pro-government media and to discriminate against those who were not friendly towards the government, it was discontinued about three years ago with the passing of a new law on procurement. However, another door has been left open for influencing media on the part of government. Public companies remain the main media advertisers. During the last several years, the main ruling party has managed to install its people in all public companies.

2.3

ADVERTISING MARKET

There is no reliable, regular research being conducted into the Kosovo advertising market. The sporadic market research analyses that are ordered by media serve only for their internal use. Owing to a lack of funds, the IMC cannot afford to conduct or commission regular market research. As an exception, during the recent process of preparation for digitisation, it commissioned two market studies, which were carried out by Management Development Associates (MDA) in 2011 and 2013. According to the results from this last study, the annual value of the advertising market in Kosovo is 29,632,000 euro. National television stations get 20 percent of that, or nearly 6 million euro, local TV stations, 22 percent or 6.5 million, national radio stations, 14 percent or 4 million, local radio stations, 17 percent or 5 million, internet, 3 percent or 912,631 euro, newspapers, 12 percent or 3,422,368 euro, cable TV, 7 percent or over 2 million, and others – 6 percent or 1,711,184 euro.⁵⁶

⁵⁶ MDA, *Advertising Market Research and Analysis in Kosovo*, September 2013. Available at: <http://www.kpm-ks.org/materiale/dokument/1389360328.1626.pdf>. Accessed 19 July 2015.

THERE IS NO RELIABLE, REGULAR RESEARCH BEING CONDUCTED INTO THE KOSOVO ADVERTISING MARKET. THE SPORADIC MARKET RESEARCH ANALYSES THAT ARE ORDERED BY MEDIA SERVE ONLY FOR THEIR INTERNAL USE. OWING TO A LACK OF FUNDS, THE IMC CANNOT AFFORD TO CONDUCT OR COMMISSION REGULAR MARKET RESEARCH.

Table 4 SHARE OF THE ESTIMATED ADVERTISING REVENUE IN 2013

SECTORS	SHARE OF THE AMOUNT OF 29,632,000 EURO*
LOCAL TV	22 %
TV WITH NATIONAL COVERAGE	20 %
LOCAL RADIO	17 %
RADIO WITH NATIONAL COVERAGE	14 %
NEWSPAPERS	12 %
CABLE TV	7 %
INTERNET	3 %
OTHER	6 %

* DUE TO ROUNDING THE SHARES DO NOT ADD UP TO 100 %.

Source: MDA, Advertising Market Research and Analysis in Kosovo. Commissioned by IMC. 2013.

The total income of Company 21 for 2014 was 3,630,500 euro, mainly from advertising, and this figure includes *TV21 Macedonia* as well.⁵⁷ The annual income of *Klan Kosova TV* over the last few years was between 2.2 and 2.8 million euro.⁵⁸ It is estimated that *KTV*'s income from advertising is similar to that of *Klan Kosova TV*.⁵⁹ If we add to this the 2.072 million euro that *RTK* gained from advertising during 2014,⁶⁰ this means that the advertising market for national TV channels is larger than 6 million euro, as resulted from the MDA research.

With this income from advertising, all these three commercial TV stations are sustainable and are making a profit. Annual operation costs of Company 21 for 2014 were 3,350,500 euro.⁶¹ *Klan Kosova TV* had operational costs of 2,050,000 euro for 2014.⁶² Despite this, *KTV* seems to be in a more difficult situation, since some parts of *Koha Group* have become a burden for it.

3 CONCLUSIONS

Media ownership and media financing, although both crucially influence the ability of the media in Kosovo to play democratic role and demonstrate integrity of their journalism and business operations, have not been properly addressed through the media legislation in Kosovo. Lack of transparency made it possible for various individuals and groups with political or financial power to influence the media in order to promote or protect their own interests. In order to achieve their goals, these groups not only exerted political and/or

57 Interview with Xheraldina Vula, *RTV 21*, Pristina, 29 September 2015.

58 Interview with Baton Haxhiu, director, *Klan Kosova TV*, Pristina, 28 September 2015.

59 Ibid.

60 *RTK, 2014 Annual Report*.

61 Interview with Xheraldina Vula, *RTV 21*, Pristina, 29 September 2015.

62 Interview with Baton Haxhiu, director, *Klan Kosova TV*, Pristina, 28 September 2015.

LACK OF TRANSPARENCY MADE IT POSSIBLE FOR VARIOUS INDIVIDUALS AND GROUPS WITH POLITICAL OR FINANCIAL POWER TO INFLUENCE THE MEDIA IN ORDER TO PROMOTE OR PROTECT THEIR OWN INTERESTS. IN ORDER TO ACHIEVE THEIR GOALS, THESE GROUPS NOT ONLY EXERTED POLITICAL AND/OR FINANCIAL PRESSURE, BUT ALSO INFILTRATED IN THE OWNERSHIP OF SOME MEDIA.

financial pressure, but also infiltrated in the ownership of some media. Indeed, there are cases where representatives or influential members of the main parties have launched media outlets. For example, the pro-PDK daily Infopress was established by former PDK MP and current deputy minister Rexhep Hoti, the *Tribuna* news portal by his daughter Besa Hoti, the *Lajmi* news portal by current PDK minister Memli Krasniqi, the daily *Prishtina Post* by Bardhyl Sejdiu, son of the former president Fatmir Sejdiu, with Mentor Tahiri as the nominal owner,⁶³ etc.

On the other side and related to this, there are problematic forms of media financing. For example, for years the pro-ruling party dailies enjoyed generous financial support through state advertising.

Big companies have also established media outlets in order to promote and protect their business interests. For example, *Radio* and *tv Dukagjini* and the *Telegrafi* news web portal by Dukagjini Group, *Kosova Sot* and *Top Kosova Radio* by Interpress Company. There are also cases of media takeover by large business groups. The case of *Klan Kosova* TV with Devolli Group as the new owner is apparently the latest example.

Lack of transparency also constitutes a serious problem for media advertising and the media market in general. This limits the media income through advertising as the main form of their financing and of their general development. This seems to be one of the main reasons for foreign media owners to show no interest in investment in the Kosovo media market.

4 RECOMMENDATIONS

1. Kosovo legislators and the IMC should pay much more attention to transparency of media ownership and media concentration. The IMC should take a leading role and initiate public debate on these issues, in order to engage both the media community and legislators.
2. The IMC should re-launch its initiative to adopt new regulations on media ownership and concentration.
3. The IMC, together with associations of journalists, should take a leading role and organise structured and informed debate among the media community, legislators and the public on the challenges posed by the new online media both for media development and for society in general.
4. The EU Commission should raise issues concerning the transparency of media ownership and media concentration in its dialogue with the Kosovo government on the criteria for the progress in the EU integration.

63 Interview with a former journalist of *Prishtina Post* who spoke on condition of anonymity, Pristina, 21 September 2015.

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LIST OF INTERVIEWS

- Interview with Shpend Dobraja, marketing director, *Zëri*, 28 September 2015.
- Interview with Ilir Grapci, owner and director, Paper Communications, 25 September 2015.
- Interview with Baton Haxhiu, director, *Klan Kosova* TV, 28 September 2015.
- Interview with Naile Krasniqi, CEO, IMC, 30 April 2015 and 21 October 2015.
- Interview with Xheraldina Vula, *RTV 21*, 29 September 2015.
- Interview with Alban Zogaj, market researcher, Riinvest, 24 September 2015.
- Interview with a former journalist of *Prishtina Post* daily who spoke on condition of anonymity, 21 September 2015.
- Interview with a media advertising expert who spoke on condition of anonymity, 25 September 2015.
- Interview with a media analyst who spoke on condition of anonymity, 22 September 2015.
- Interview with a media marketing expert who spoke on condition of anonymity, 27 September 2015.

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