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Will the Digital Revolution Be Televised? Concerns about the future of public service programming in Bosnia and Herzegovina

By Adla Isanović

1. Executive Summary

Besides the country's complex constitutional structure imposed by the Dayton Accords 1995[1], peace building efforts and slow economic recovery, other factors, transnational in scope, such as introducing new technology, and a multi-channel and multi-platform environment, have started affecting audience behaviours and are likely to change Bosnian-Herzegovinian (B&H) media landscape. Although these transnational changes are mostly ignored in B&H public discourse, seen as trivial issues compared to major ethno-national issues, it does not mean that they are far away from our reality, and that their effects will not hit public service broadcasters in Bosnia and Herzegovina (B&H) as well.

The lack of will and interest of the local political elites, the non-existent strategic approach to the future of media landscape in B&H in general with the development of the PSB in particular, the lack of sufficient understanding of digital age challenges, and information would not permit society to keep its status quo, but would more likely create a sense of illpreparedness regarding confronting such an environment and its empowered citizens.

As will be elaborated in the paper, in order to ensure sustainability and its development, public service broadcasters in B&H need support both from their audiences and from governmental structures. It is urgent that PSB change its attitude towards its audience, re-examining its changing behaviour (re-examine both its "public" and "services"). Together with governmental structures it needs to re-examine its role in multi-channel and multi-platform media environment, defining the remit of its activities, examining existing and possible state and regulatory policies, all in order to enable functioning and even the development of public service media in the future.

After all it is not technology that will save the public service media in B&H, but its "public" and the "services," since public service media can be justified only in terms of the programming it can develop, acquire or produce, and deliver to its audiences "anywhere, anyhow, anytime."

2. Introduction

It is often forgotten that the challenges of the digital age are not only related to technological changes (in content production, distribution and reception) and arriving market changes (internationalisation and

[1] The General Framework Agreement for Peace in B&H, reached in Dayton in November and signed in Paris in December 1995, put an end to the three-and-a-half-year-long war in Bosnia. The main participants of the negotiation from the region were three presidents: Slobodan Milošević (Serbian), Franjo Tuđman (Croatian) and the Bosnian President, Alija Izetbegović. The negotiator was Richard Holbrooke, and one of the key participants in the US delegation was General Wesley Clark. The agreement defined the country's constitutional framework, including its governance structure and the present political division. It defined two constituent entities that enjoy substantial autonomy: the Federation of BiH (FBiH) and the Republika Srpske (RS) covering 51 percent and 49 percent of the land area, respectively. Each entity has its own legislature, and its tripartite presidency is made up of Bosniak, Croat, Serb representatives. As a result of the war, the three dominant constituent peoples live in territorial units that are ethnically much more homogenized than before the war. Today it is evident that this Agreement poses many problems in the process of reintegration and development of the civil society of B&H. Also it has been often criticized for the complexity of the constitutional framework. It also renders the process of European integration more difficult, which has as a precondition more efficient, simple and transparent structures which B&H with such a constitutional framework and governance structure does not have.

concentration), but also to changes in audience / user's behaviour. These combined factors are reshaping the conditions for the public service media, challenging its role, remit, and questioning the whole idea of the public service media serving society and its citizens.

Audiences, who have too often been taken for granted, do not passively sit and wait for the full implementation of the reform or for PSBs to deliver them the content of their interest. On the contrary, they are increasingly taking power into their own hands from the broadcasters, by changing to other channels or platforms, deciding on what content, where and how it will used.

The chapter assumes that the central question is not whether we need public service broadcasters / media, or if their/its role in the cultural and political life of BH society would be dispensable. It is assumed that BH society would have a continuous need for such an instrument for social, political and cultural cohesion, for the protection and promotion of national and cultural diversities, serving “all” and “everybody,” minority groups and the individual citizen, as well as that the commercial media alone would not be capable of fulfilling these needs.

The question is rather if the public broadcasting system in B&H is ready to confront these new challenges and furthermore, how it could be successfully adapted regarding the inevitable changes arising with digital age and information society.

In trying to answer these key questions the study will start with the analysis of the media environment and television content sector in B&H, audience shares and changing audience / user's behaviour. After presenting the regulatory framework and state policies, re-examining the obligations of the public media and the remit governing their activities, the analysis will concentrate on the public service programming in the digital context, in order to be completed with conclusions and finally offer a set of recommendations.

3. The Multi-channel and Digital Media Landscape

3.1 Media Landscapes – Shape and trends

Almost each household in the country has at least one television receiver (94.9 percent in 2004).[2] According to The Communications Regulatory Agency (hereafter, CRA or The Agency), in 2005 there were approximately 1,100,000 television households (hereafter, hh) in B&H, all of which could receive terrestrial television. Same reports noted that 48 percent (532,800) had satellite television while 9 percent of television hh (101.244) subscribe to cable TV services. Terrestrial television is only kept by 43 percent (475,956)[3]. According to Astra, a satellite operator which has conducted a similar survey for the region during the same period, the number of hh with satellite antennas in B&H is a little bit lower as is the number of hh subscribed to cable television, although it is still remarkable compared to the total multichannel penetration in B&H (see *Table1*).

Cable and satellite penetration rates, as indicators of the multichannel penetration in B&H, would be very important for defining the strategy for introducing DTT and its promotion in the area. They introduce the benefits of multi-programming and thus, as praxis are showing, are contributing to the process of preparing the population to understand and accept the switch-over more easily during the transition period.

Nevertheless, terrestrial analogue television still remains a primary source of television programming in B&H, especially for domestic channels.

[2] Agency for Statistics of B&H, 2004, http://www.bhas.ba/ (accessed July, 2007)
[3] Source: Eutelsat survey 2004, quoted in *Economic and legal analysis of the communications sector in Bosnia and Herzegovina,* 2005, p. 97.

Table1. Multichannel Television Penetration in South-East Europe

	TV hh	DTH / CATV		Cable TV		Total multichannel TV	
Bosnia	1,180,000	470,000	39.8%	90,000	7.6 %	560,000	47.5%
Croatia	1,430,000	480,000	33.6%	22,000	1.5%	502,000	35.1%
Serbia	2,580,000	220,000	8.5%	760,000	29.5%	980,000	38.0%
Slovenia	670,000	90,000	13.4%	380,000	56.7%	470,000	70.1%

Source*: Astra survey – end 2004 (CRA)*[4]

If we make a comparison to other countries in the surrounding region, we can conclude that unlike in Slovenia and Serbia, in B&H (as well as in Croatia) the number of hh having satellite antennas is bigger than of those subscribing to cable services. It is important to mention that 60 percent of the population in B&H still lives in rural areas which are harder for cable systems to reach. Still, over the last few years the cable industry has been growing .Although official data is not available, it is presumed that the number of cable subscribers in 2007 is significantly higher than the one listed above.

When analyzing the television market in B&H it is impossible to avoid considering the regional market which is made up of a number of neighboring countries sharing similar languages and other cultural and historical circumstances. That is one of the facts that made the CRA recognize that satellite "remains an ideal platform for the distribution and reception of television programs originating from one of these countries and willing to reach a wider potential audience living outside the national borders"[5]. In general, these potentials are not fully used since only a few BH channels are still available on regional and international satellites, reaching the Bosnian community and other public viewers living outside the national borders.[6]

The terrestrial television market in B&H is very fragmented. The audio-visual sector has experienced a giant growth after the dissolution of ex-Yugoslavia and by the liberalization of the media sector (see *Table2*). There is a huge number of local media, especially if we keep in mind the relatively small population of around 3.8 million[7]. In 2007, besides the three TV operators of the public broadcasting system (*BHT 1*, *FTV* and *RTRS*) there are 40 TV stations among which 15 public and 25 private TV broadcasters operate on the basis of the licence granted by the CRA. According to CRA's data, in 2005 none of the TV broadcasters covered the whole territory, only a few of them were able to reach 70-80 percent of the population.[8] Audience research shows that none of them have domination over the market. At that time, the state wide public broadcaster *BHT1* had a minimal coverage in the country. Neither *RTVFBIH* nor *RTSR*, as entity public broadcasters, owned transmitters in the other entity[9]. In 2006 accessibility to *BHT1* reached 93 percent of the total BH territory[10], *RTRS*, 78 percent of RS population[11], while the last data for *FTV* noted 92.1 percent covering the population of the Federation B&H[12].

[4] *Ibid,* p. 93.
[5] *Ibid*, p. 93.
[6] When this report was written there was only one public service broadcaster, state-wide *BHT1* (entity-wide *FTV* and *RTRS* were planning to launch their program on satellite in the near future- autumn 2007) and private broadcasters such as *OBN*, *NTV Hayat*, *RTV BN TV*. *Pink BH* licensed certain programming to Pink Plus and Pink Extra satellite television channels.
[7] Data on population: The Agency for Statistics of B&H, http://www.bhas.ba/ (accessed July 27, 2007)
[8] "There are only two TV stations which are received by more than 2 millions viewers in approximately 100 municipalities (*OBN* and *Pink*); 7 "medium size" broadcasters cover between 16 and 50 municipalities reaching between 500.000 and 1.000.000 viewers; 30 TV stations are received by less than 500.000 viewers in less than 16 municipalities. It's worth noting that the remaining 11 TV stations have a very limited coverage, ranging between 1.500 and 80.000 viewers." in *Economic and legal analysis of the communications sector in Bosnia and Herzegovina*, 2005, p.73.
[9] *Ibid*.
[10] *Izvještaj o radu i poslovanju javnog radio televizijskog servisa Bosne i Hercegovine za 2006. godinu*, 2007, p.5.
[11] Source: RTRS website, http://www.rtrs.tv/kompanija/pokrivenost.php (accessed July 27, 2007)
[12] Source: Sector for communication and promotion of RTV and online programs of *RTVFBiH* (September 17, 2007)

Table2. Number of Radio and Television Channels in B&H (1991–2007)

Year	Television	Radio	Total
1991	5	54	59
1997	52	156	208
2000	71	210	281
2005	42	146	188
2007	43	146	189

Sources*: R. Udovicic et al., 2001; Media Task Force, 2003:10; RAK Public register of RTV broadcasters, http://www.rak.ba;*

Not a single BH television station broadcasts its programme through digital signal. In that sense this country is far behind neighbouring countries that have already started with the experimental broadcasting of digital TV.

In general, the television market in B&H is financially poor. Although public television broadcasters of the entities were dominating on the market until 2003, they have steadily lost their position. Three major commercial networks (*Open Broadcast Network-OBN*, *Mreža Plus* and *TV Pink*)[13] are becoming strong rivals, while smaller broadcasters still face difficulties, and the future for all of them, in such a limited market, is unclear. In addition to these, there are several municipal/ cantonal local radio stations that are still receiving governmental financial support[14].

In the report prepared by the CRA[15] it is noted that television stations' revenues in 2004 were: KM 101,651,969 (approximately € 51,973,816) and their breakdown was as follows: advertising 45 percent (quite low and its relative weight compared to other sources of revenues is declining); public service subscription license fee 30 percent (and the weigh is increasing since 2003); public financing 5 percent; donations 1 percent; other 20 percent (see *Table3*).

Table 3. Terrestrial TV Market in B&H

	2005 (estimations)		**2004**		**2003**	
	in KM	**in EUR**	**in KM**	**in EUR**	**In KM**	**in EUR**
TV broadcasters total revenues	**95,630,004**	**48,894,835**	**101,651,969**	**51,973,816**	**83,276,372**	**42,578,525**
Advertising, teleshoping and sponsorship	38,840,627	19,858,893	46,355,724	23,701,301	37,814,751	19,334,371
Public broadcasting service fee	33,121,101	16,934,547	32,520,817	16,627,626	22,675,148	11,593,617
Public financing	4,429,274	2,264,651	4,776,486	2,442,178	4,336,960	2,217,452
Donations	2,044,719	1,045,448	783,775	400,738	1,236,884	632,409
Other sources of revenues	17,127,004	8,756,896	17,179,168	8,783,567	17,212,630	8,800,676

Source*: the CRA* (in KM)[16]

In 2004[17] three public broadcasting operators represented 67 percent of the total market revenues, 16 percent was shared by three private operators (*NTV Hayat*, *Pink BiH*, *OBN*) and is gradually increasing, while the remaining 18 percent was split across the remaining local broadcasters. Advertising growth was slower than the overall market growth and 43 percent of total advertising revenues were shared among PSBs while the three most important private broadcasters controlled 32 percent of total advertising revenues.[18] In 2005 none of the subjects operating in the sector owned directly more than one TV station (except for the Government).[19]

[13] *Television Accross Europe: Regulation, Policy and Independence (Bosnia-Herzegovina),* 2005, p.269.
[14] Representing a pre-war inheritance, a continuation from those times when most of the broadcasters were controlled directly by the State. Privatization of local (municipal and cantonal) public broadcasters is far from complete, although all preconditions are in place.
[15] *Economic and legal analysis of the communications sector in Bosnia and Herzegovina*, pp. 69-70.
[16] *Ibid*, pp. 71-77.
[17] *Ibid,* p.72.
[18] *Ibid,* p.73.
[19] *Ibid,* p.75.

Surveys confirm that the terrestrial TV market in B&H is characterized by a remarkable degree of vertical integration (infrastructure, and especially content production). Although many stations are active in the radio sector, they do not have much to do with other players in the communication sector (very few indicate lines with marketing agencies, cable operators or telecom industry).[20]

At the moment, there are 49 registered cable operators in the country. The majority is serving less than a thousand households. The standard service offered by them includes the distribution of TV channels, whereas just few of them are providing additional services to their subscribers such as an Internet connection through ISPs that lease capacity on the network[21]. The packages offered by the cable operators are very similar. The number of channels carried in the line–up range between 15 and 40 and they are normally four different types:

1. terrestrial channels originated in BiH seeking distribution in regions where they are not carried over terrestrial networks;
2. terrestrial free-to-air channels from neighbouring countries, such as *HRT1* and *HRT2* from Croatia;
3. terrestrial free-to-air channels from other European countries, such as Germany, France, Spain and Italy;
4. thematic channel usually included in basic packages of pay TV offer (Discovery Channel, CNN international, Animal Planet, Cartoon Network, MTV Europe, Hallmark). [22]

The majority does not own their own channel or create content to distribute on their networks.[23]

In 2004, according to the CRA[24], the cable market was worth KM 11.4 million (approximately € 5.8 million). Its main source of revenues comes from subscription (63 percent). The market is relatively fragmented and only five operators have earned revenues totalling over KM 1 million (approximately € 0.51 million). There is no sign of considolation, nor concrete plans of foreign players entering. However, cable operators are very important players due to the growth of the sector as well as the longer term prospects of the digital transformation.

The other sector of rising importance is the telecommunication industry. Considered as a strategic target during the war, the telecom networks suffered extensive damage.[25] In recent years the telecommunication industry went through significant transformation, thanks to the strong investments in its reconstruction, expansion and preparations for the liberalisation process.[26]

There are three licenced fixed telecommunications operators that are granted a nation-wide licence for fixed telephoning: BH Telecom d.d. Sarajevo which mainly covers the Federation territory[27], Telekom Srpske a.d. Banja Luka which is concentrated in the territory of the Republika Srpska[28] and HT d.o.o. Mostar whose network covers the western area of Herzegovina, some areas of Central Bosnia and the municipality of Orašje[29]. However, their licence gives all of them the right to extend their operation over the whole country. Concerning their ownership, since June 2007 the new owner of 65 percent of the total capital in Telekom

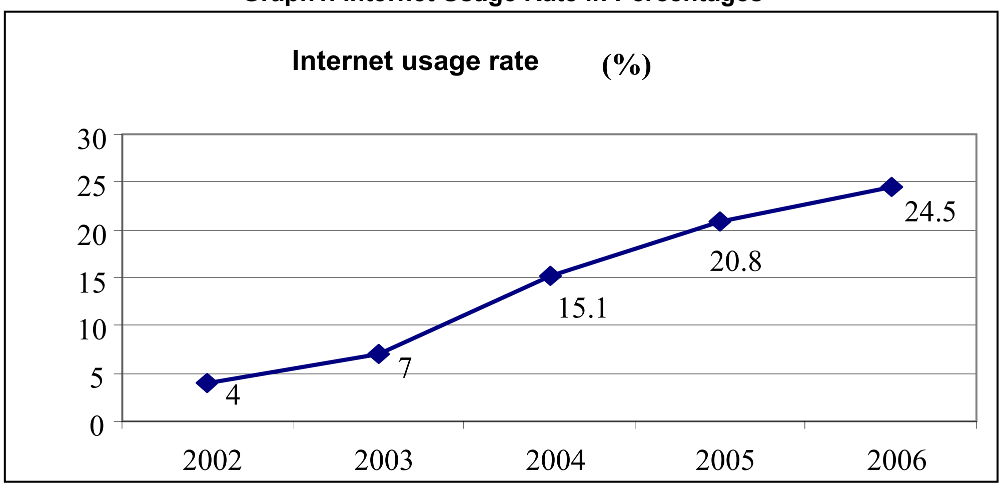
[20] *Ibid*, p.76.
[21] *Ibid,* p.91.
[22] *Ibid,* p.89.
[23] Except for a few of them that offer a channel for general information in their package or distribute advertising
[24] *Economic and legal analysis of the communications sector in Bosnia and Herzegovina*, p.91
[25] At the end of the war the subscriber lines had decreased by almost 45%; the exchange capacity had decreased by 25 %; 40 % of transmission routes and 65 % of the long distance network has been destroyed. Source: *Economic and legal analysis of the communications sector in Bosnia and Herzegovina*, p.110
[26] The cost to re-establish the infrastructures sector, including rehabilitating the long-distance transmission network and procuring auxiliary equipment was estimated by Swedtel Consulting at US $ 222 million. An additional US $132 million would be required for the expansion and the modernisation of the system.
[27] 51% of the BH population (2005)
[28] 34 % of the BH population (2005)
[29] 16 % of the BH population (2005)

Srpske is Telekom Srbija, while the other two operators remain by majority state-owned.[30] Three of them are also the sole licenced GSM operators. [31]

Overall telecommunication market revenues in 2004 were approximately KM 850 million (€ 434, 6 million or 8.3 percent of BH GDP) and its year growth of 7 percent was made mainly due to the remarkable grow of the mobile sector[32] (The total breakdown of revenues in the sector in 2004 was: fixed lines 55 percent, mobile 41 percent, data and leased lines 3 percent and Internet only 1 percent).[33]

The number of landline telephones in 2005 was 1,002,000 and the realistic penetration rate in BH households varied between 75-80 percent, while EU average was 97 percent.[34] The number of active mobile-phone subscribers in B&H in 2005 was somewhat less than 1.500.000 and the penetration rate of mobile connections, 39 percent[35]. Total penetration is still below the average of the EU and neighbouring countries. In EU countries this number is often over 100 percent, while for Slovenia and Croatia in the same period this number was significally higher than 70 percent. Therefore, we could conclude that there are more developing potentials in the field for BH telecommunication industry.[36]
All three fixed telecom operators also operated as Internet service providers (hereafter, ISPs). Although the Internet penetration rate in B&H is still low (estimated as 24.5 percent in 2006) it has undergone remarkable progress (*Graph1*), as well as the sector of ISPs that reaches the number of 58[37].

Graph1. Internet Usage Rate in Percentages



Source: *The CRA*[38]

[30] Ownership structure: BH Telecom d.d. Sarajevo (government 90 %, percent, private ownership 10 %) Telekom Srpske a.d. Banja Luka (Telecom Srbija – 65 %, privatization funds 10%, pension funds 10%, restitution fund 5%, other stake holders 10%); Hrvatske telekomunikacije d.o.o. Mostar (State (FBIH) 63 %, HT Zagreb 30 %, HP Zagreb 7 %).
[31] as with June 18, 2007 (Source: www.rak.ba)
[32] from 381,000 (2001) to 1,500,000 (2006). Source: *Analysis of BiH Society e-readiness*. *Report for 2005*, p. 22.
[33] *Economic and legal analysis of the communications sector in Bosnia and Herzegovina*, 2005, p. 111.
[34] *Analysis of BiH Society e-readiness*. Report for 2005, p. 21.
[35] Since the population under 16 was excluded from the research sample we can presume that the penetration level was probably higher than 39 percent.
[36] Also, as stated in the *World Information Society Report 2007* (p. 8), mobile telephoning holds the greatest potential to bridge the digital divide. The least developed countries (LDCs) are catching up with developing countries in terms of mobile phones, Internet usage. However the least developed countries are actually being left behind in fixed lines, where there is a widening gap between developing countries and LDCs. This may have a negative impact on the take-up of broadband in the LDCs.
[37] Number of ISPs per year: 42 (2004), 44 (2005), 52 (2006), 58 (June 12 2007). Source: CRA, *Annual Survey of Holders of CRA Licences for Provision of Internet Services in Bosnia and Herzegovina in 2006*, p.4.
[38] *Ibid,* pp. 2-3.

Table4. Number of Internet Users for 2004, 2005 and 2006.

	2004	2005	2006
Number of Internet users	585.000	805.185	950.000

Source: *The CRA*[39]

Table5. Breakdown of Internet Subscribers by Types for 2004, 2005 and 2006

Internet Access		**Number of subscribers (total)**					
		2004		**2005**		**2006**	
Dial-up	Dial-up						
	ISDN	**162,300**		**162,789**		**197,909**	
Broadband	Wireless	1,641	**6,637**	3,046	**13,702**	4,330	**39,751**
	Cable access	2,394		4,751		11,863	
	ADSL	1,497		4,845		22,170	
	Leased lines	1,101		1,054		1,241	
	Other	4		6		147	
Total number of subscribers		**168, 937**		**176,491**		**237,660**	

Source: *The CRA*[40]

The questionnaire results, based on the sample of 43 licensed ISPs, showed that in 2006 in B&H there were 237,660 Internet subscribers. However, the number of subscribers measures those who are paying for a subscription and not the number of users (the latter is of course larger). Appling the International Telecommunications Union's definition according to which any person between the ages 16–74 using Internet during the year represents an Internet user, the CRA estimated that in B&H there were 950.000 Internet users (24.5 percent) in 2006 (*Table4*) .

Representing 83.3 percent of Internet subscribers in 2006, the "dial-up" service was the dominant type of Internet access in B&H (see *Table5*). Broadband subscribers are still a minority, representing 16.7 percent out of all Internet subscribers. This is currently one of the major barriers for delivering audio-visual materials by Internet to the audience. Over the last few years cable access and especially ADSL service (offered to B&H users at the end of 2003) have faced remarkable growth (see *Table5*).

The World Information Society Report 2007[41] thus concludes that B&H is in the group of economies with medium Digital Opportunity Index scores (DOI)[42]. These countries have a high average of Opportunity[43], due to good mobile coverage and relatively low prices. It is also noted that this group is distinguished from the low DOI economies by reasonable infrastructure and the growing use of advanced technologies.

3.2 Audience Share and Changing Audience/ User Behaviour

Television content still remains the main source of information for the majority of the population,[44] both in urban and rural areas.[45] According to the MIB's data from 2005,[46] 95.6 percent watch television everyday. If

[39] *Ibid,* pp. 2-3.
[40] *Ibid,* p. 4.
[41] Source: *World Information Society Report 2007.*
[42] Together with China, Brazil, Egypt and Indonesia, as well as Albania, Belarus, Ukraine, etc. Precisely BH DOI=0.48, 35th in Europe and 64th in world). *World Information Society Report 2007*, pp. 42-45.
[43] Categories: Opportunity, Infrastructure and Utilisation.
[44] T. Jusić, "Mediji u demokratskom društvu" in *Procjena razvoja demokratije u Bosni i Herecgovini.* Fond otvoreno društvo BiH, 2006, p.276 – Total readership of dailies in B&H 40% (if the regular readers are those who read newspapers at least three times a week). 20% of adults do not read daily newspaper at all, and the rest (40%) read daily

we have in mind that the average time spent watching television (for adults) in Europe in 2003 was 219 min[47], then we can conclude that people in B&H are above this average value, and that time spent watching TV is constantly growing (see *Table6*).

Table 6. Time Spend Watching TV Programmes (in minutes)

	2002	2003	2004	2005	2006[48]
Bosnia and Herzegovina	279	289	284	296	320
Federation of BIH	289	297	297	294	315
Republika Srpska (including BD)	263	275	264	299	323

Source*: Mareco Index Bosnia (hereafter, MIB)* [49]

Some believe that one of the reasons for such high rates is significantly higher unemployment, which in B&H reaches 31.1 percent.[50] However, we must not forget that the offer of television content has been continuously growing. As a consequence, a multichannal environment and new technology did not decrease time spent watching television but they have decreased time spent watching PSBs, which is now being challenged by a range of content providers.

The last five years in B&H in general, have been defined by a huge increase of audience who watches the programs of foreign television stations received through satellite or cable (*HRT 1&2*, *NOVA TV*, *RTL* from Croatia and *PINK*, *RTS 1&2*, *BK*, *B92* from Serbia) while the same period for public service broadcasters have been marked by a significant audience decease[51] (See *Table7 and Table8)*.

Table 7. Television Audience Shares for B&H as a Whole (2002-2006)

	Audience share (percent)				
	2002	2003	2004	2005	2006
Public service (FTV; RTRS; *BHT1 from 2004)	37.9	33.5	31.8	24.8	23.7
Local / regional TV stations	42.6	45.0	48.9	40.6	40.3
Foreign TV stations	14.3	16.3	14.6	30.8	33.3
Other satellite TV channels	5.2	5.2	4.7	3.8	2.7

Source*: MIB* [52]

In this five-year period, audiences have decreased both by three public operators (from 37.4 to 23.7 percent) and the local public TV stations (from 7.6 to 1.8 percent). Private domestic TV stations are on the other hand taking a bigger slice of the audience share (from 19.4 to 32.6 percent). The rest of the numerous small domestic TV channels are losing their audience and it is unclear how they survive at all in such a fragmented market (from 15.6 to 5.9 percent). (See *Table8 and Table9*)

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newspapers less than two times a week and rarely. Weekly newspapers- 40.9% do not read, 13.7% read regularly, 22.4% reads 2-3 times a week, 23% monthly (Source: BHMedia Market Monitor, MIB, 2005)

[45] According to data gathered through the survey by the Agency for statistics of BiH in 2004 almost 60% of the population lives in rural areas (in RS almost two thirds, while in FBiH and BD more than 50%) http://www.bhas.ba/ (accessed July 2007)

[46] BHMedia Market Monitor, MIB, 2005

[47] Source: *Television Across Europe: Regulation, Policy and Independence / Overview*, 2005, p. 120.

[48] Only from Jan-April 2006.

[49] Report MIB – BiH Gallup International "*Mjerenje gledanosti TV stanica 2002 - 2006*".

[50] *National Human Development Report 2007*, "Social Inclusion in Bosnia and Herzegovina", p. 74.

[51] Since *BHT1* started with broadcasting its content only in 2004, we can conclude that the decrease of *FTV* and *RTRS* audience in particular was even bigger (see *Table10*).

[52] Report MIB – BiH Gallup International "*Mjerenje gledanosti TV stanica 2002 - 2006*"

Table 8. Television Audience Shares in B&H (2002-2006)[53]

Audience share (percent)										
No.		**2002**		**2003**		**2004**		**2005**		**2006**
1	**FTV**	**30.1**	**FTV**	**26.9**	**FTV**	**23.8**	**FTV**	**13.7**	PINK BH	12.5
2	**RTRS**	**7.3**	OBN	6.9	PINK BH	10.4	PINK BH	11.6	**FTV**	**11.8**
3	OBN	5.8	**RTRS**	**6.5**	OBN	7.7	TV BN	6.1	**BHT**	**7**
4	NTVHAYAT	5.5	NTVHAYAT	6.2	NTVHAYAT	6.6	**BHT**	**6**	OBN	6.4
5	TVTK	3.9	TV BN	4.2	**RTRS**	**5.2**	OBN	5.3	TV BN	5.6
6	ATV	3.6	TV TK	4.2	ATV	4.4	NTVHAYAT	5.3	**RTRS**	**4.9**
7	TV BN	3.0	ATV	3.7	TV BN	4.4	**RTRS**	**5.1**	NTVHAYAT	4.7
8	RTV HIT	1.5	PINK BH	3.6	TV TK	3.5	ATV	3.7	ATV	3.4
9	TV TUZLA	1.5	TV SA	1.7	**BHT**	**2.8**	TV TK	2.5	TV TK	1.8
10	TVZENICA	1.3	TVTUZLA	1.1	TVTUZLA	1.6				
11	RTV USK	0.9	RTV HIT	0.9	TV SA	1.2				
12					TV ZENICA	1.2				
13	Other domestic TV channels	15.6	Other domestic TV channels	12.5	Other domestic TV channels	7.9	Other domestic TV channels	6.3	Other domestic TV channels	5.9
14	Other ino TV channels	14.3	Other ino TV channels	16.3	Other ino TV channels	14.6	Other ino TV channels	30.8	Other ino TV channels	33.3
15	Other satellite TV channels	5.2	Other satellite TV channels	5.2	Other satellite TV channels	4.7	Other satellite TV channels	3.8	Other satellite TV channels	2.7

Source: *MIB*[54]

Media and especially television broadcasting played a significant role in the dissolution of former Yugoslavia and the wars that followed on its territories. State broadcasting networks were used as action arenas by the political leaders, promoting ethnic nationalism, arousing fear of "the Other," eliminating political alternatives and playing a significant role in the conflict development. Therefore, state-controlled media was more a part of the problem than of the solution. The war in B&H resulted with the division of the media space along ethnic lines, reflecting the territorial divisions within the country itself and making the three new, ethnically-shaped media systems.[55]

In addition to fragmentation along territorial and ethnic lines, the media sector is confronted with the strong competition from neighbouring countries, which of course reflects the audience's behaviour and is extremely important for the present and future functioning of PSBs.

As seen from *Table 9,* the top category for the entity audiences in RS is TV stations from neighbouring countries. PSBs do not attract a lot of them and a great number is watching other domestic commercial TV channels.[56] As MIB's audience measurement shows each of the public service providers is losing its audience in RS (*Table10*). Public broadcasters *BHT1* and *FTV* have very low rates. Entity public broadcaster *RTRS* was in first place in 2002 and 2003, but in 2006 it dropped to third place, while first place is now reserved for the commercial channel *PINK BH*.

[53] *FTV*, RTRS, BHT1 –public broadcasting operators; *OBN*, *NTV HAYAT*, *PINK BIH*- big private operators available in large part of territory; *TVTK*, *TV TUZLA*, *TVZENICA*, *RTVUSK*, *TVSA*, -smaller local public broadcasters; *ATV*, *TV BN*, *RTV HIT* - smaller local private broadcasters.
[54] Report MIB – BiH Gallup International "*Mjerenje gledanosti TV stanica 2002 - 2006*"
[55] Find more on the issue in *Television Accross Europe: Regulation, Policy and Independence (Bosnia - Herzegovina)* EUMAP, 2005.
[56] Although the three largest private TV stations in B&H are commercial stations, *Pink BiH*, *OBN* and *NTV Hayat*, the top domestic TV channels in RS (excluding PSB) are *Pink BiH*, *TV BN*, *ATV*, *OBN*, while in FBiH those are : *Pink BiH*, *NTV Hayat* and *OBN*(last available data 2006).

Table9. Television Audience Shares by Entities (2002-2006)

	Audience share (per cent)									
	2002		2003		2004		2005		2006	
	FBIH	RS	FBIH	RS	FBIH	RS	FBIH	RS	FBIH	RS
Public service (FTV, RTRS, *BHT1 from 2004)	45.2	24.5	39.9	22.6	39.8	16.6	32.2	14.8	31.1	13.8
Local / regional TV stations	44.3	40.3	46.2	43.6	46.1	54.1	41.2	40.7	40.7	40.3
Foreign TV stations	4.4	30.7	7.4	30.8	8.4	26.4	21.0	42.8	24.5	44.4
Other satellite TV channels	6.1	3.6	6.5	3.0	5.7	2.9	5.6	1.7	3.7	1.5

Source: *MIB*[57] (data crossed)

The situation in FBIH is a bit different. Domestic channels (excluding PSBs) attract approximately the same percentage of the audience as in RS, although PSBs are still watched more in FB&H than in RS. However, public broadcasters in total are losing their audience in Federation as well, mostly because of the decrease of viewership of entity-wide broadcaster *FTV* and very low viewership of the other two public TV broadcasters (see *Table10*). Although, over the last three years, two out of three public broadcasters were among the top 5 channels in the Federation, TV stations from neighbouring countries record a significant increase in its audience (*Table9)*.

Table 10. Television Audience Shares for the Public Broadcasting Operators by Each Entity, 2002-2006 (in%, out of total 100%)

	Audience share (percent)									
	2002		2003		2004		2005		2006	
	FBIH	RS	FBIH	RS	FBIH	RS	FBIH	RS	FBIH	RS
BHT 1	-	-	-	-	3.9	N/A[58]	9.1	2.2	10.2	3.0
FTV	44.2	7.1	39.0	6.3	34.8	4.1	23.1	2.2	20.9	1.4
RTRS	1.0	18.2	0.8	16.3	1.1	12.5	N/A[59]	10.5	N/A	9.4

Source: Data gathered and crossed from: *MIB*[60]

The media landscape is divided by ethnic lines. As research data[61] shows, in areas with a Bosniac majority the most frequently watched channels were *FTV*, *BHT1* and *OBN*, while in areas with a Croat majority the most frequent channels were channels from neighbouring Croatia (*HRT 1&2*, *HR RTL* and *Nova TV*). In areas with a Serb majority the most frequently watched channels were *PINK BH*, *BN* and *RTRS*). However, all these channels attract audiences in all of the three regions.[62]

All these results indicate the problem of PSBs in fulfilling their remit, both state-wide and entity-wide. The fragmentation of the audiences along ethnic lines is actually in a conflict with the role of the public service media and indicates, in a way, a failure of their social and cultural remits.

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[57] Report MIB – BiH Gallup International "*Mjerenje gledanosti TV stanica 2002 - 2006*".
[58] N/A -under 1%, not on the list of top 12 ch
[59] under 1%, not on the list of top 12 ch
[60] Report MIB – BiH Gallup International "*Mjerenje gledanosti TV stanica 2002 - 2006*".
[61] GfK BH Market Research Centar, "Broadcasting Media in B&H" (Press Release), 16.02.2006 (Sample of 1000 respondents age 15 and over.)
[62] GfK BH results also suggest that the case of PINK BH Television is interesting when it comes to the age of respondents. According to them, the younger population (15-24 years), in these three areas assessed, watch PINK BH more frequently than other age groups, probably due to the fact that its main program is entertainment, very limited news and informative programmes. Source: GfK BH- "Broadcasting Media in B&H" (Press Release), 16.02.2006

Besides its own fragmentation, ‘inherited’ audience segregation along territorial and ethnic lines, the public broadcasting system in B&H is now challenged by the emerging competition from private and commercial media, mainly because those can offer a range of mainstream content and service as we will see in detail in the analysis of the public service TV programming in Section Six.

In finding a content of their interest, today audiences / users not only can choose among different channels, but also among different platforms. The introduction of new technology did not decrease the TV viewing time of the B&H population. However, the usage of other platforms, in particular the Internet and the Web has increased and is changing audience behaviour regarding the content and service provision.[63] As of July 2007, the top websites in B&H were[64]:

1. *Microsoft Network (MSN)* (msn.com) - Collection of Internet services provided by Microsoft - *global n° 2;*
2. *Yahoo!* (yahoo.com) - Provides whole range of products and services, including a web portal, a search engine, the Yahoo! Directory, Yahoo! Mail, news, and posting - *global n° 1;*
3. *Dernek.ba* (dernek.ba) - BH Social Networking Site;
4. *YouTube* (youtube.com) - Video sharing website - *global n° 4;*
5. *Google* (google.com) - Search engine - *global n° 3;*
6. *Windows Live* (live.com) - Search engine from Microsoft - *global n° 5;*
7. *Google.ba* (google.ba) - Search engine, BH version;
8. *Blogger.ba* (blogger.ba) - BH blog community;
9. *Rapidshare.com* (rapidshare.com) - One-click hosting site, for locating and sharing the files - *global n° 14;*
10. *Sarajevo-x.com* - BH web portal offering news, and several interactive features (forum, etc);
11. *Myspace* (myspace.com) - International Social networking website - *global n°6.*

Similar to global trends, apart from the leading companies for finding information (search engines) or establishing simple interpersonal communication (mail, chat, etc.), the most popular sites are those that offer a variety of contents, shared based, social networking sites and sites that are marked by a high level of user involvement and participation. As British OFCOM recognizes, it seems that “consumers are no longer merely “end users” of information and service provided by a smaller number of hosts / content generators, but instead are increasingly becoming both consumers and generators themselves.”[65]

Dernek.ba, a B&H social networking site is a good illustration of the popularity of these services. The website was launched February 17, 2007. By July 2007 there were 80.984 registered users, who have sent 7.5 millions of messages, 85.662 written blogs. In such a short period users uploaded almost 482.998 images and made 686,381 comments**.**

Although users using broadband in B&H are still minority, YouTube is still the top site for video content on the Web both locally and globally. Huge number of clips or shows, BH television programming, especially of public service broadcasters (both entertainment and news, documentaries and informative programme) are already on YouTube, uploaded by the users themselves. What is even more important is that many of them often mark a significant number of viewers.[66]

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[63] There is no official data about the number of sites in the languages of B&H available on the net and even if they would exist their analysis would be very complex.
[64] Source: The Web Information Company Alexa (www.alexa.com), best known for operating a website that provides information on the web. (accessed July 2007)
[65] “The Communications Market 2006”, Ofcom, 2006, p. 110
[66] The number of views of particular clips from news and informative programming of BH outlets was sometimes above 13.000 (until that day). It is hard to search these items since they have been indexed in different ways, however, the clip from BHT on Jusuf Barčić (being perceived as a one of the informal leaders of the Wahhabi Movement in B&H) on that day reached 13.127 views, one clip form the show „ 60 minuta“-„Jedan od dokaza o učešću Srbije u genocidu u Srebrenici“ (*One of the proofs on Serbia’s participation in the genocide in Srebrenica*), had 13.092 views, clips from central news shows were online and viewed, etc.

The usage of social networking websites and other areas of user-generated internet content indicate that new technology is transferring the power from broadcasters to audiences, or users. Also, as Papathanassopoulos noted, "Public broadcasters were established to cater to the mass public. On the other hand, the digital era has heralded the end of the mass audience and thus public broadcasters face the most severe challenge in their long and distinguished history."[67]

Although there are beliefs that the introduction of new technologies leads to isolation, if we keep in mind the popularity of Web 2.0, we might rather think of Henry Jenkins who claims that

> Convergence requires media companies to rethink old assumptions about what it means to consume media, assumptions that shape both programming and marketing decisions. If old consumers were assumed to be passive, the new consumers are active. If old consumers were predictable and stayed where you told them to stay, than new consumers are migratory, showing a declining loyalty to networks or media. If old consumers were isolated individuals, the new consumers are more socially connected. If the work of media consumers was once silent and invisible, the new consumers are now noisy and public. [68]

The problems that could likely mark the future of public service broadcasting in our country (with the arrival of a multiplatform, multi-channel environment) are not to be find or resolved in changing audience behaviour, but in the inflexibility, (the lack of) adequate public policies and regulations that would PSB to adapt to the changing environment, and ensure its development in a multi-channel and multi-platform environment.

4. Regulatory Framework and State Policies

4.1 Legal and Institutional Framework

As Karol Jakubowicz noted, in the Central and Eastern Europe broadcasting legislation which was written after 1989 primarily to answer the questions: "'who owns and who controls?' (Jakubowicz, 2007), i.e. to resolve political issues related to broadcasting, with almost total disregard in many cases for the technical market and financial aspects of the sector."[69] Due to the slow recovery of this post-war society and due to the complexity of the political, social and economic situation, the situation in B&H was even worse.

As in other similar post-conflict societies there was a significant engagement by the international community (international CSOs, donors, inter governmental organizations) in supporting media development, but as recognized in UNDP study on the PSB in Bosnia: "much of this support was uncoordinated and carried out in piecemeal fashion."[70]

As stated in the EUMAP report, from late 1995 to 1998 the media scene in B&H was characterized by non-compliance with the basic standards of impartial and professional journalism, discriminatory practices, nationalist parties preventing the development of impartial and professional media, and local authorities obstructing the creation of cross-entity media networks, undermining the whole concept of the rules and regulations regarding the media.[71] International attention at that time was not concerned so much with the media sector as with the military aspect of the Dayton Peace Agreement. They changed its approach and

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[67] S. Papathanassopoulos. *European Television in the Digital Age (Issues, Dynamics and Realities).* Polity Press, 2002, p. 83.

[68] H. Jenkins. *Convergence Culture.* 2006, p.19.

[69] K. Jakubowicz, "Digital Switchover in Central and Eastern Europe: Premature or Badly Needed?" The Public / Javnost, Vol.14 (2007), No.1, p. 22.

[70] Find more in "*Supporting Public Service Broadcasting: Learning from Bosnia and Herzegovina's experience*", UNDP-Bureau for Development Policy-Democratic Governance Group, 2004, pp 16-19. Also in M. Thompson, International Assistance to Media, A report to the OSCE Representative on Freedom of Media. Vienna 2000, Conclusions and Recommendations #176

[71] In the early 1990s and during the war it was relatively easy to establish a media outlet due to the specific situation in the country - "unregulated" sector, often with the support of the political power centers or international donors. That resulted in 156 radio and 52 TV stations in 1997.

policies around mid 1997 in order to develop an independent domestic media and the legal and institutional framework that was necessary for its functioning and sustainability.[72] The *Independent Media Commission (IMC)* was established by the Office of the Higher Representative (hereafter, OHR) and SFOR, as the respected and influential regulatory body in the field of broadcasting. OHR with its broad powers, including the right to impose legislation, articulated its 1998 media strategy covering: a) media restructuring and new media legislation, b) encouragement of independent and alternative sources of information and c) the establishment of a PSB system.[73]

Today, the sector of print media is self-regulated, while *The Communications Regulatory Agency (CRA)* represents an independent state institution with sole jurisdiction over telecommunications and broadcasting across the entire territory of B&H. The Agency was originally established in March 2001 by a decision of the High Representative (hereafter, HR), combining the competencies of the *IMC* (broadcasting) and the *Telecommunications Regulatory Agency* (telecommunications), which were, until that time, separately performing their respective functions. In October 2002, *Law on Communications of Bosnia and Herzegovina*[74] (hereafter, Law on Communications), which was put in force in order to regulate communications, finally defined the mandate and responsibilities of the CRA, which are: regulating, broadcasting, and public telecommunications networks and services, including licensing, tariffing, interconnection, and defining the basic conditions for the provision of common and international communications facilities; and planning, coordinating, allocating and assigning the use of the radio frequency spectrum. The Law on Communications also defined responsibilities of the *B&H Council of Ministers* which is in charge of policy-making.

Since its creation, the CRA has undergone a transition process from an international agency to a fully domestic agency (March 2005). Today, it has three operational divisions: Telecommunication division, Broadcasting division and the Division of General and Legal Affairs. Its alignment of the administrative autonomy with the institutional framework of EU countries is to be seen as an advantage.

The general legal framework for the communications sector in B&H was introduced by the Law on Communications but was integrated in May 2005 with the ratification of *the European Convention on Transfrontier Television*, which establishes basic rules concerning the content of television transmission, advertising, teleshopping, protection of minors, right of reply, etc. for the purpose of facilitating (re)transmission of TV programmes between the member states of the Council of Europe. The comprehensive framework has been defined also by several rules and codes of practices set by the CRA[75].

4.2 (The Missing) Digitalisation Policy and Strategy

Recently, OHR's efforts are focused on a single media reform issue – the unification of the country's dual entity public broadcasters with the state public broadcaster which should bring B&H public service broadcasting (introduced more than decade ago) in line with established European practice . This is also a

[72] The Dayton agreement provided the establishment of the Office of the High Representative (OHR) being appointed by the UN Security Council, with broad powers including the right to impose legislation. Media reform and development have been herded together by the High Representative (OHR), SFOR (stability forces), the IMC (regulatory and licensing competence), and the OSCE. Numerous international actors wished to support the creation of an independent media system and the supporting areas included infrastructure, equipment, institutional reform, regulatory mechanisms, trainings for journalists, media pluralism development (for more on the issue look :"Supporting Public Service Broadcasting: Learning from Bosnia and Herzegovina's experience", UNDP-Bureau for Development Policy-Democratic Governance Group, 2004; Also, Rhodes A., "Ten years of media support to the Balkans / An Assessment", Published under the auspices of Yasha Lange on behalf of the Media Task Force of the Stability Pact for South Eastern Europe, 2007.

[73] *Supporting Public Service Broadcasting: Learning from Bosnia and Herzegovina's experience*, UNDP, p.15

[74] Law on Communications of Bosnia and Herzegovina, *Official Gazette of BiH*, No. 33/03 of 12 November 2002, available in English at http://www.cra.ba/en/legal/?cid=2427 (accessed July 8, 2007).

[75] Also in 1999, the IMC issued the Rule 01 /1999 "Definitions and Obligations of Public Broadcasting" to define the sector of public broadcasters and to set out the basic principles for governing the sector of public broadcasting. The status of public broadcasters is defined by specific obligations regarding the type, quality of programming and governance system.

precondition for the signing of the Stabilization and Association Agreement with the European Union. Although digitalization of the broadcasting sector in B&H is also one of the preconditions in this area according to the European standards, digitalization policies, and especially those related to the PSB, do not appear to be the priority neither for the government, nor for the public service broadcasters**.** Similar to other countries in the region, as Beata Ociepka recognizes, there is no evidence that the governments and political parties in the region acknowledge this trend in media development – the tendency is opposite. The governments and parliaments were concentrating on regulating old media and amending media law and that is a form of media power they want to preserve.[76]

Although in other countries the public service broadcasters are in general recognized as key players in the roll-out of DTT, without a joint strategic approach, regulatory framework, and technical and financial pre-conditions , PSBs in B&H will not be able to (nor should) play that role alone. It is already clear that: "this situation is a consequence of two key characteristics of contemporary B&H: it has no regulatory framework for introducing DTT, and its public service broadcasting project has been in such turmoil for years that it has no capacity to engage in such a complex project and become a prime mover of the switchover process".[77]

For effective policy making, a degree of interest, and a proactive attitude of all stakeholders is needed. An important role is to be played by local authorities and the CRA and the Council of Ministers (as well as the B&H Ministry of Communication and Transport) responsible for developing and adopting policies and strategies.

Table 11. Key Policy Documents (Approved and Expected) Relevant to Digitalisation

Year	Institution	Document	Author	Status
2004	Council of Ministers of B&H	Policy for Development of the Information Society of B&H Strategy for Development of the Information Society of B&H Action Plan for Development of the Information Society of B&H	Council of Ministers of B&H and the UNDP (expert team & government team)	Policy adopted on June 22, 2004. Strategy and Action plan (covering period 2004-2010) adopted on Nov 16th 2004
2006	Council of Ministers of B&H	Broadcasting policy in B&H	Ministry of communication and transport of B&H	Policy adopted on Nov 28, 2006, effective from March 13, 2007.
Expected late 2008—early 2009	Council of Ministers of B&H	National Strategy for Introducing Digital Terrestrial Television in B&H	Expert group DTT Forum (CRA and the Council of Misniters)	In the process of creation. Expected to be adopted at the end of 2008 / beginning 2009

By 2015 (preferably 2012) broadcast media should be fully digitalized in Europe. As defined in a report of the Working Group on Digital Terrestrial Television of the European Platform of Regulatory Authorities (EPRA), B&H belongs to a group of so called "*followers*" - countries where a regulatory framework for the

[76] B. Ociepka, "The Use and Misuse of Public Media in Central Europe –Another Form of Internationalisation of Media and Political Communication" Political Communication Research Section, University of Wroclaw, Poland, p.14.
[77] In: *Television Across Europe: Regulation, Policy and Independence (Bosnia - Herzegovina),* 2005, p. 325.

launch of DTT has not yet been established and the transition to DTT is still in a very early stage[78] (*Table 11*). In B&H neither policy making occurred (governance and coordination of the analogue switch off; policy measures for development of DTT measures; supporting legislator; drafting of regulation) nor was it implemented (Licensing procedures; Regulation of access to platforms; Selection of Network operators; Influencing composition of multiplexes;).[79] Regulation for the start up of the DTT has not been drafted, capacity, not yet allocated to operators for the launch of DTT, start up date for DTT of PSB was not established, switch off of analogue frequency has not been set by the law, support policies for network operators and content providers, not yet defined, nor the support measures for the diffusion of receivers, nor have the standardization policies to induce harmonization or quick technological substitution.

The first steps in defining the state strategy were made through the establishment of the DTT Forum, tasked with developing a draft strategy for transferring from analogue to digital broadcasting and proposing a final date for analogue switch-off. The establishment of the Forum was initiated at the conference on "Introduction on Digital Television in Bosnia and Herzegovina"(Sarajevo, end of March 2006).[80] The Forum is supposed to work under the BH Council of Ministers, although its work on preparing the Strategy was starting just when this chapter was being written (early autumn 2007).[81]

It is evident that there is no alternative to the introduction of digital television in B&H, as well as that its regulation and legislation must be harmonized with the valid legislation in the EU. However, as international experts at the 2006 Conference explained, policy convergence would create the need to establish a suitable regulatory framework that would stimulate provision for the most varied contents and protection for the final users at the same time.

Everybody agrees that it is necessary to include a wider community into this process since the issue must be considered not only from a technical but also from an economic, social, cultural and political aspect. Taking into consideration the effects that digital diffusion will have on life of every individual, experts agree that the process of issuing decisions must not be monopolized by a narrow group of people, and instead it is necessary to include as large as possible number of interested people into discussions by establishing relevant official and unofficial bodies, public discussions and other suitable ways of communication.

Although the transition must be harmonized with European timelines, the CRA also believes that due to the complexity, fragmentation and underdevelopment of the media market in B&H, an early switch off would not be a foreseeable option.

The strategy must still be formulated and implemented. In the meantime, numerous questions remain without answers: How would this be possible with the existing disinterest and passive attitude of the governmental structures? What would be their role in the whole process? How will the universal access be ensured? How to ensure that public broadcasters fulfill its public service remit in such a competitive market? Will the citizens be able at all to purchase new products of technology and how will the support be ensured? Shouldn't this process be harmonized wit the Strategy for the Introduction of Information Society in B&H?[82]

[78] EPRA - Final Report, Working Group on Digital Terrestrial Television in EPRA Countries, Coordinated by AGCOM (Italy); Rome, 2004, p.7.
[79] Frequency allocation is being implemented by the CRA.
[80] The conference was held within the Twinning Project between Communications Regulatory Agency and Italian regulatory agency AGCOM. Both the Project and the Conference were sponsored by European Union.
[81] The DTT Forum should analyse the current broadcasting environment and elaborate on a comprehensive plan for the transition from analogue and consider: the amount of capacity that can be allocated at national or local level for the digital broadcasting in the initial phase; how to allocate the capacity and through which procedure; the identification of the different phases of the transition and switch-off strategy, if advisable; the identification of different players in the value chain of digital broadcasting: network operators, content providers, service providers etc. and the role played by each of them; the identification of different licenses (and therefore different requirements and obligations) for the different players in the value chain.
[82] The Strategy for the development of the BH information society includes: eLegislation, eEducation, eGovernment, ICT infrastructure, ICT Industry, is a document that the Council of Ministers accepted on November 16, 2004. It includes period of 2004-2010.

And finally is this going to be enough to ensure the continuity of published service programming or should there be additional steps made by the public service broadcasters themselves to ensure the fulfillment of their remit? What are the steps that could and should be made by the public service broadcaster itself?

5. Regulation and Management of the Public Service Television Broadcasters

5.1. Establishment and Development of the Public Service Broadcasting System

The establishment of the state-wide public service broadcasting system has been a very long process in B&H and numerous European donors, the European Commission as well as OHR have invested a lot of effort in supporting the development of public service broadcasting, and in particular in creating a state-wide public service broadcaster that should play an important integrative role in the country.

In 1999, the HR made decisions of establishing a state and entity public service broadcaster for the Federation B&H, and requested the National Assembly of Republika Srpska to establish a public broadcaster for that entity as well. A year later HR published the *Second Decision on Restructuring the Public Broadcasting System in Bosnia & Herzegovina*,[83] (which has formally establish two new public corporations: the Public Broadcasting Service of B&H, and the Radio-Television of the Federation of B&H). However, local authorities failed to adopt necessary laws that would put them into practice. Therefore, in 2002, HR established statewide *BHRT* by decree and imposed several related laws[84] in order to create the Public Service Broadcasting System of Bosnia-Herzegovina. This system consists of three parts: the Public Broadcasting Service of Bosnia and Herzegovina (PBS BiH), *Radio Television of the Federation of Bosnia and Herzegovina* (*RTV FBIH*) and *Radio Television of the Republika Srpska* (*RTRS*).

Nevertheless, although they were part of the same law, some important provisions were not implemented, such as the creating a joint Transmission Corporation, thus the organizational structure did not accomplish its goal. Hence, in 2005, with strong pressures by OHR and the international community, two new laws have been adopted, replacing the laws imposed by HR in 2002, in order to create preconditions for a functional and sustainable PSB system. These were: *The Law on the Public Service Broadcasting System in BiH*[85] (hereafter, System Law) and the *Law on the Public Service Broadcaster of BiH.*[86]

The System Law regulates the complete Public Broadcasting System and relationships between its broadcasters: *BHRT*, *RTVFBIH* and *RTRS*. It also calls for the establishment of a fourth legal entity within the system –*The Corporation* (a jointly run structure among the three public broadcasting services with equal rights and obligations to all three public RTV services) with its organizational units in Sarajevo, Banja Luka and Mostar.[87] One of the requests of the European Commission is to adopt adjusted laws at the level of the entities, thus regulating *RTVFBIH* and *RTRS* as well. In mid 2006, the National Assembly of the Republic of Srpska adopted the *Law on Radio Television of Republika Srpska*. However, up to now, the Parliament of the Federation of B&H has not adopted *the Law on Radio Television of the Federation of Bosnia and Herzegovina*, since representatives of the Croat parties in Federal Parliament are unwilling to support such a project and are demanding an additional, Croat national channel.

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[83] High Representative Decisions amending the Law on Radio-Television of the RS (1 September, 1999). High Representative Second Decision on restructuring the Public Broadcasting System in BIH (23 October 2000);

[84] the Law on the Basis of the Public Broadcasting System and on Public Service Broadcasting in Bosnia and Herzegovina, Decision Imposing the Law on Radio-Television of Republika Srpska, Decision Imposing the Law on Radio-Television of the Federation of Bosnia & Herzegovina, Decision on the Liquidation Procedure to be Applied in Winding-up the Public Enterprise Radio and Television of Bosnia and Herzegovina

[85] Official Gazette of B&H, 78/05

[86] Official Gazette of B&H, 92/05

[87] System Law (Article 12) defines Corporation as a joint managerial structure among public RTV services. Corporation will have same rights and obligations to all three public services. Corporation also has obligation to introducing new technologies in the agreement with all three public RTV services. Corporation has organizational units in Sarajevo, Banja Luka and Mostar. Official Gazette 78/05

5.2. Managing PBS and Preparing it for the Digital Age- Capacities and Obstacles

Apart from the unfinished reform, the lack of financial resources is most often listed as the main reason for PSBs' unreadiness for new challenges (especially heard within PSBs). Public service system operates through three general-oriented broadcasters (*BHT1*, *RTRS* and *FTV*) in a fragmented and underdeveloped market and with relatively small revenues that are mostly invested in "daily" and programming costs and not strategically in infrastructure, new technology, etc.

As defined by the System Law, the primary source of funding for the public broadcasters should be the license fee (apart from advertising and sponsorship). One of the major problems of financing is the extremely low level of collection of license fees in recent years. The introduction of the license fee system in a postwar "divided" society appears to be hard. In 2004, a new system for collecting license fees through telecom operators was introduced in both entities (collecting the licence fee as part of a household's telephone bill).[88] Now in the Federation some 80.6 percent of fixed telephone owners in BH Telecom and only 28.3 percent of of fixed telephone owners in HT Mostar pay the fee. In Republika Srpska 61.6 percent of fixed telephone owners inTelekom Srpske pay the fee[89].

The difference in compliance is explained as a consequence of the "politically motivated boycott of the license fee collection among the majority of the Croat population in the Federation BiH."[90] Political representatives of Croats claim that Croats in B&H do not perceive existing public service broadcasters as channels fulfilling their needs and rights as citizens, which is why the boycott of paying compulsory RTV tax has occurred. Although it is not the sole issue being discussed in relation to the equal representation of all three constituent people, this is clearly one of the most frequent ones (besides the ethnic representation of staff, and the position and equal treatment of B&H langages on PSBs), especially among the Croat political representatives who request an introduction of a separate fourth channel in the Croatian language. Although there might be no mechanism that guarantees the full implementation of legal obligations, the existing law defines the equal use of language and alphabet as well as the respect for ethnic, religius, cultural and other characteristiscs of all constituent peoples, which was also confirmed by the Constituonal Court of B&H.[91] Therefore, the reason for introducing the fourth channel, out of these circles is often perceived as of political nature, and as the issue leading ethnic segregation, further disintegration of the society, additional fragmentation of the audiences, and bringing the System and its broadcasters into an even worse financial situation. Having the same programming available on three or even four channels, on an already over-saturated market, sharing the same part of the market cake, increasing its costs, would most likely put the System in an even worse situation.

The sum revenues from advertisements and sponsorships of all three broadcasters together in 2006 were KM 24,986,493 (approximately €12,775,391).[92] Out of that: *RTV FBIH* made 59.78 percent, *BHRT* made 26.99 and *RTRS* 13.23 percent. However, as defined by the System Law, and with the establishment of the Joint Corporation, the total sum should be distributed as: 25 percent *RTV FBIH*, 25 percent *RTRS*, 50 percent *BHRT*. Since the Corporation is still not established, this system is still not in effect. However, it is already obvious that this principle will not be adequate. Especially, if we have in mind the efforts and results of the

[88] Besides collecting license fees through telecom operators, entity television collects its license fee though its own services (from those households that do not own fixed telephone line subscription).

[89] Ured za reviziju institucija u FBiH "Izvještaj o reviziji finansijskih izvještaja / *RTVFBiH*", (Audit report for *RTVFBIH*), Ured za reviziju institucija u FBiH, 2007, p.13.

[90] *Television Accross Europe: Regulation, Policy and Independence (Bosnia-Herzegovina),* 2005, p. 302. Also in Udovičić R., "Media Situation in Bosnia-Herzegovina in 2004: Battling Political Frustration", Media Online 2005. "Most Croats are dissatisfied with the RTV system because they believe the two entity televisions are essentially a Serb and a Bosniak channel, while the joint *RTV BiH* is Serb-Bosniak. Therefore, the vast majority of Croats do not pay the compulsory RTV tax." p.5.

[91] Decision of the Council for the Protection of Vital National Interests of the Constitutional Court of the Federation of Bosnia and Herzegovina, deciding on a request of the Croat Caucus in the Federation Parliament, Decision no: U-11/06, dated 19 July 2006.

[92] Source: *RTVFBIH* "Izvještaj o radu i poslovanju za 2005. godinu", (Annual report of *RTV FBiH*), 2006.

people who worked on its collection in individual broadcasters and how distimulating and discouraging this principle would be for all of them.[93]

Broadcasters' revenues are relatively low[94] and there are differences in their structure.[95] All public service broadcasters have significant debts from previous years which do not allow for investing in the research and development in new technology and digitalization, apart from cases that the additional sources are to be provided by foreign and international donors. Introducing digital TV means more costs in the short and medium run since PBS (because of their public service remit) must purchase new equipment and continue to operate on old equipment until analogue switch-off (which commercial outlets do not have to do). There are growing costs of programs and they need to allocate considerable amounts of money to convert to digital (infrastructure).[96] Although *BHRT* and *FTV* had support from the European Commission for the broadcasting and transmitting networks (in the period from 2000-2006), there is still a lot to be done both though the additional investments and the establishment of the joint media centre. Regarding finances, none of the public service broadcasters is ready for the digital challenges.

The situation is even more complex due to the hybridity or compilations of two different technologies that are in use (analogue and digital), which is an expensive, complicated system that takes both time and significant financial resources. Also transmission network, as well as all other technical specification must be harmonized within the system (between public service broadcasters) in addition to being part of the state strategic planning.

Besides these existing problems, PBS is to confront the rise of a multi-channel environment that might further reduce their audience share and decrease public broadcaster revenue. As some analysts believe, public broadcasters may witness a further decrease in their audiences which would certainly also pose questions about the legitimacy of their licence fee.[97]

Additional complications to efficient functioning are posed by the problems in the internal organization of the System which is mostly the result of the complexity of the system. Unfinished Reform[98] and the blockade of the work of the Joint Corporation, the lack of system coordination, lack of the coordination of policies and procedures between three broadcasters strongly impact their management and the work.

Although technical expertise within these outlets exists to a certain level and the human resources are not the primal problem, there is a need for continually upgrading knowledge related to all kinds of new challenges of the digital age.

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[93] If the principle would be applied, the final distribution of the total advertisement revenues would not depend on the revenues that each broadcaster actually earned, but on the formula 25:25:50 (*RTV FBIH*: *RTRS*: *BHRT*).

[94] Total revenues (in KM):

BHRT	44,486,167 (2006);	36,742,590 (2005);	31,530,949 (2004);	25,596,363 (2003);
RTVFBIH	29,122,366 (2006);	30,617,271 (2005);	31,452,092 (2004);	28,206,414 (2003);
RTRS	14,325,191 (2006);	11,932,758 (2005);	11,806,188 (2004);	N/A (2003);

Costs (in KM):

BHRT	44,439,190 (2006);	37,862,818 (2005);	33,919,566 (2004);	31,381,288 (2003);
RTVFBIH	28,667,811 (2006);	31,383,330 (2005);	31,440,386 (2004);	28,634,260 (2003);
RTRS	13,289,033 (2006);	11,504,137 (2005);	11,220,886 (2004);	N/A (2003);

Source: annual financial reports of all three broadcasters for the last three years.

[95] Revenues from licensee fee in 2006 were approximately: in *BHRT* 45%, *RTVFBIH* 43%, *RTRS* 68.84% out of their individual total revenues. On the other hand, revenues from marketing were in *BHRT* 10%, *RTVFBIH* 40% and in *RTRS* 19.71% out of their total individual revenues.

[96] Norman Molsky (1999:19, 20) in S. Papathanassopoulos. *European Television in the Digital Age,* pp.79-80.

[97] S. Papathanassopoulos. *European Television in the Digital Age.* p. 79.

[98] On the Federal level there was still no harmonization with the state law, therefore the Law on RTV of the Federation of B&H from 2002 is still inforce-- the law that was accepted by the Parliament of the FB&H, which was previously imposed by the HR. The Board of Governors was appointed by the decision of the agent of the HR, august 2003. Source: Audit report for *RTVFBIH*, 2007

Joint Corporation, which would be obliged to introduce new technologies in the agreement with all three public service broadcasters,[99] is still not established, which is certainly the big problem. However, each broadcaster should have a proactive role in the whole process. At the moment, there is no written document that would describe their plan for introducing digital broadcasting and programming that would include all aspects: content, legal matters, policy visions, audience expectations, technical issues, nor the organizational structure, funding or deadlines.

6. Public Service Television Programming in the Digital Context

After all, as Michael Tracey noted, "Public broadcasting is not about technology. It is about an idea, which happens to employ technology, or how one created and feeds a society and its culture."[100]

6.1 Role, Remit and Tasks of the PSB

PSB has a specific role in modern societies which is "to support the values underlying the political, legal and social structures of democratic societies"[101] and a mandate to educate, impartially inform and entertain the public. Although today there are pressures in general from international institutions such as the World Trade Organization, to treat television and culture as just another commodity,[102] public service broadcasting is to be seen as an essential factor for the cohesion of democratic societies, sustaining citizenship and civil society, promoting and contributing to education and learning, stimulating creativity and contributing to the creation, appreciation and protecting of cultural commons, thus fulfilling its political, social and cultural role. Having in mind the specificity of BH society, the very turbulent political and social circumstances, as well as the cultural specificities, we can conclude that this "idea" and the public value the public service media could deliver would be of critical importance both for BH society and for the region.

In addition to the traditional tasks of public service broadcasters, international media experts already recognize new tasks that could be added to the new public service broadcasters, or *public service media*, in relation to political citizenship, democracy, culture, education and in terms of social cohesion (See *Table12-Table 15*). Not only are the new potential tasks of public service broadcasters/ media in B&H not identified but that issue is not even being discussed.

Table 12. New PSB / PSM Tasks in Relation to Political Citizenship and Democracy

Traditional task of PSB	Additional Task of PSM
• Serve democracy at local, regional, national level; • Represent civil society vis-à-vis the authorities; • Provide a forum of public debate; • Serve as a watchdog of the government.	• Inform citizens of the work of international organizations; • Contribute to creating a public sphere and elements of a civil society at the regional, continental and global levels; • Serve as a watchdog of international and global organizations; • Develop social capital and a sense of community and co-responsibility for the nation-state at a time when cyberspace allows individuals to participate in virtual communities and become detached from their own societies and nations.

[99] System Law, Article 12, Official Gazette 78/05
[100] M. Tracey "The Rise and Fall of Public Service Broadcasting" (1998:16) quoted in S. Papathanassopoulos. *European Television in the Digital Age.* p. 82.
[101] Council of Europe Recommendation Rec (2003)9 on the remit of public service media in the information society adopted by the Committee of the Ministers- Deputies, 31 January 2007.
[102] *Television Across Europe: Regulation, Policy and Independence (Bosnia-Herzegovina),* 2005, pp. 38-39.

Table 13. New PSB / PSM Tasks in Relation to Culture

Traditional task of PSB	Additional Task of PSM
• Developing and protection of national culture and identity (as well as those of minorities) including: providing universal access to culture, raising the cultural competence of the audience, creating new audiovisual works, supporting and promoting creative talent, investment into domestic audiovisual production, facilitating cultural events, promoting national culture(s) abroad.	• Serving minorities and immigrant communities in a way which satisfies their cultural and linguistic needs, but does not prevent their integration with the rest of the population; • Creating a sense of affinity and understanding with the people of other countries in the region, especially if the country in question is involved in some international integrational scheme; • Promoting intercultural and inter-religious dialogue at home and internationally; • Promoting acceptance of, and respect for, cultural diversity, while at the same time introducing the audience to the cultures of other people around the world; • Striving to prevent, or reduce, the digital divide, so that no-one is preventing from access to culture via the new technologies.

Table 14. New PSB / PSM Tasks in Relation to Education

Traditional task of PSB	Additional Task of PSM
• Broadcast school and educational programming; • Launch projects like the Open University.	• Contribute to life-long learning systems • Contribute to *e-learning* • Adjust educational content to the requirements of the 21st century (see e.g. Varis, n.d.)

Table 15. New PSB / PSM Tasks in Relation to Social Cohesion

Traditional task of PSB	Additional Task of PSM
• Create a reference point in programming for society as a whole as a way of promoting social cohesion and integrating all members of the audience; • Reject any discrimination in programming (or employment)	Public service media should contribute to removing the digital divide and exclusion by: - Developing a strong and recognizable programme and institutional brands, serving as a beacon for people among the multitude of new content providers; - Being available on all digital platforms, and thus attracting people to gain access to them; - Supporting traditional broadcasting content with Internet and interactive resources; - Providing multimedia interactive services, independent and complimentary web services; - Serving as a trusted third party, a reliable and trustworthy guide to content in the online world; - Actively promoting digital media literacy and awareness of the tools of the information society, in particular of the use of the Internet; - Providing content in local and minority languages in order to encourage minorities to use the tools of the information society, as well as for group neglected by commercial content providers; - Promoting open standards in API, CA/CI, etc.

Source: (Table 12-Table 15)*: Jakubowicz, 2006*[103]

In the digital age, where the content distribution has already gone beyond traditional broadcasting,[104] the state should ensure that the public service remit is extended to enable the provision of appropriate content

[103] Sources / Tables: K. Jakubowicz “PSB: The Beginning of the End, or a New Beginning in the 21st Century”, 2006, pp. 14-15.
[104] Broadcasting is only one of the activities of the public service media.

through new communication platforms while at the same time maintaining the key elements of the traditional public service remit.[105] The principle of universality is to be addressed in regard to technical, social and content aspects.

6.2 Platforms and Services

Although the System Law permits public service broadcasters to offer its services through terrestrial, satellite, cable, Internet networks, as well as through all kinds of new platforms, using all available technical means,[106] the public service TV content in B&H, at the moment of writing this chapter, was delivered to the audience mainly through the analogue terrestrial signal. In 2006 none of the three TV public broadcasters had 100% coverage and the improvement of this mode of delivery remains the priority for the broadcasters.[107] At the moment of preparing this chapter only *BHT1*, a state-wide public broadcaster, had an uplink on the international satellite, in order to be received in continental Europe. Both *RTRS* and *FTV* are planning to launch its channels on international satellites in the near future (autumn 2007). One of the reasons for all three operators is the wish to extend the reach to the viewership in neighbouring countries and expatriates living outsides B&H, and to raise the coverage within the country. That step could possibly increase their revenues through advertisements too.

A wider reach could be achieved through other platforms and services, which are still undeveloped in B&H. At the moment public service television is just partly extended with new media, mostly with a limited range of services offered online (all three broadcasters have websites). However, news services do not include any alert services on mobile phones, nor do they provide extra information on demand. Regarding participation: Web and SMS services are not an integral part of all TV programmes (e.g. voting and commenting) although few programms and some services on teletext have this possibility. Forums exist on websites of *RTVFBiH* and *BHRT* but are not active and do not gather a huge community. Any type of "community" gathering through websites is not evident. Archival material is not provided to be used on-demand (for exp. through the Internet), only some archives of current shows (inhouse production) exist on the *RTVFBIH* website. Streaming already exists although of a low quality (small resolution); news, sports and other content is still not accessible on handheld devices. At the moment this chapter was written, interactions with entertainment show existed in terms of voting, etc. but nothing else that could be marked as innovative. In terms of potentials for education, the achievements are very poor. There are also no archived materials of educational value or interactive applications with individual applications.

Therefore, interactivity is basic and undeveloped as is the usage of pull-technology, more precisely non-linear, on-demand communication, and access to content. Offered services and contents have very tight connections with the programming offered through "traditional" channels of distribution, and besides generalist services, there is no thematic or personalized/individualized content or services.

6.3 Content

In order to fulfill its traditional tasks in relation to political citizenship and democracy, culture, education and social cohesion, the content of the public service broadcasters must serve public interests, reflect the highest professional, ethical and quality standards, promote democratic rights and freedoms, social justice and international understanding and peace. In its programming, it includes: information, culture, education, entertainment and sports; PSB need to respect artistic and other author's freedoms. Its program must also respect national, regional, traditional, religious, cultural, language and other characteristics of all constitutive people and all citizens of B&H. Programs should also affirmate cultural and other needs of national minorities in B&H and respect the constitutive right that the programs will be edited equally in three official languages (Bosnian /Croat /Serbian) and two alphabets. In its own production and in co-production RTV services should ensure equal representation of the content that are related to traditional heritages of all three

[105] Council of Europe Recommendation Rec (2003)9 on the remit of public service media in the information society adopted by the Committee of the Ministers- Deputies, 31 January 2007.
[106] System Law, Article 11, Official Gazette 78/05.
[107] The network was strongly damaged during the war, and significant difficulties are posed also by specific spatial geographical conditions of the country.

"constituent peoples" and adequate representation of "others."

The status of public broadcasters is defined by specific obligations regarding the type, quality of programming and governance system. The Rule *Definitions and Obligations of Public Broadcasting*[108] additionally regulates their obligations during the election periods, guarantee equitable access to the media for all candidates. Eternal program sources should be visible and advertising shall be separated from the rest of the programming. Concerning the scheduling of advertising, public broadcasters have the same regulation as other broadcasters, while in terms of amount of advertising per hour of programming, public broadcasters have more limitation. Public broadcasters must dedicate at least 40 percent of the weekly program to news or other informative or educational programming. The requirements for program content include:

- One hour per week specifically reserved for programming devoted to the issues regarding the return of displaced persons to B&H, and issues of local minorities and other sensitive groups that should be presented in the light of General Peace Agreement;
- Ten hours per week for children programming;
- Public announcements and other materials prepared by the international community;
- Contact programs regarding issues of political, economic, educational, cultural and social importance, having direct contact with viewers and listeners and with the participation of a public figure who answers the questions and offers comments;
- Each program could be repeated only once during the week. [109]

The System Law also defines how public broadcasters should treat European audiovisual creation. It requires them to broadcast at least 40 percent of BH programs of all genres, excluding news and sports programming. At least ten percent, excluding informative shows, sport program and advertisements should be purchased from the independent productions or commercial stations. Thus, the rules are in line with the European recommendation for an "active contribution to audiovisual creation and production and greater appreciation and dissemination of the diversity of national and European cultural heritage."[110]

Public service media needs to act as a "trusted guide of society, bringing concretely useful knowledge into the life of individuals and of different communities in society,"[111] which is already prescribed in the existing Law and should be maintained in the new digital environment.

In practice, as the latest UNDP study results show, after the police, public service TV broadcasters[112] emerge as the most trusted institution in B&H.[113] The same report notes that however: "Trust in public service TV is greater among FBIH residents and Muslims."[114] The influence of foreign media on the BiH news market is significant too, since 11.5 percent (combined score) of the sample foreign channels are the most trusted source of news. Around one in ten turns to Croatian channels for news: 8.8 percent identifies *HRT* as the most trusted source, 1.2 percent *NOVA TV* and 0.6 percent *RTL-Croatia* (0.9 percent choose *RTS* from Serbia as the most trusted).[115]

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[108] In 1999, the IMC issued the Rule 01 /1999 "Definitions and Obligations of Public Broadcasting RAK number: 01-02-3202-1/04, 14th June 2004 http://www.rak.ba/en/legal/rules-codes/broadcast/rules/default.aspx?cid=4148 (accessed July 2007)

[109] All three broadcasters are obliged to fulfill the obligations set by the Law and to prepare annually both a financial report and a report on the realization of their programs and submit them to the Parliamentary Assembly (Parliamentary Assembly of BiH, Parliament of the Federation of BiH, The National Assembly of Republic of Srpska)

[110] See: Council of Europe Recommendation CM/Rec (2007)3 on the remit of public service media in the information society.

[111] Council of Europe Recommendation CM/Rec(2007)3

[112] *FTV* and *RTRS* only; *BHT* was excluded from the research

[113] A UNDP survey shows that in international comparison, social trust in B&H is in the last positions. Reports noted that in perception of social fairness, most responders say that they do not expect much fairness from others, and this lack of trust in others and in society at large, according to the report, appears as highly problematic, "indicating that a core component of social capital (Putnam) is under-developed". UNDP, 2007, p. 2.

[114] UNDP, 2007, p. 7.

[115] *Ibid*, p. 53.

Public service broadcasters in B&H are confronted with emerging competition from private and commercial media mainly because those can offer a range of commercial mainstream content and services too.

All BH TV channels carry informative programmes and they are primarily oriented towards territories covered by the station, followed by news from B&H and news from abroad. [116] While local issues are mostly covered by local production, news on the events from B&H and abroad rely more on the programmes taken from other sources. Most of the stations have a main news programme. Also, information programmes are compensated by broadcasts of the information programmes of *RTV FBIH* and *RTRS* as well as of the international stations such as Voice of America. Some private stations broadcast only short news.[117]
All three public broadcasters include content for children in their daily programming, as well as the majority of private televisions. Public stations broadcast both locally produced (mostly studio shows) and imported programmes for children (cartoons, short films and series). While they are leading in locally produced programmes, private are leading in imported. [118]

Private stations are leading with educational programming in B&H and these programmes are mostly imported.[119] Some locally produced educational programmes are scheduled by public and some private stations in larger municipalities.[120] This is, however, not in line with expectations, since it is widely believed (and the practice in other countries confirms), that PSB should have a leading role in this kind of programming.

Sports programming decreased for entity PSBs (see *Table16* and *Table17*) since the state wide public broadcaster, *BHT1* got priority (entity-wide) for major state, foreign, international sport events which affect the increase of its viewership. For example, World Championship in football in Germany, for which *BHT* had exclusive rights (2006), Winter Olympic Games [121] were the "shows" that attracted the most attention of the BH audience on *BHT1*, apart from general country elections.

Table 16. Program profile of the FTV (2004-2006)

FTV in %	2004	2005	2006
Entertainment & Fiction[122]- total	**53.29**	**58.45**	**58.47**
Serials	16.66	18.28	19.12
Films (fiction)	14.48	15.39	10.12
Film and foreign program-rest	0.10	0.03	0.02
Drama	0.11	0.21	0.41
Serial (animation)	-	0.02	0.18
Entertainment	7.47	6.69	9.94
Music	3.34	3.03	2.95
Music shows	0.18	0.74	0.28
Talk shows	-	1.93	2.37
Cultural-entertainment programs	-	0.52	-
Children and Youth programmes	10.95	11.61	13.08

[116] *Economic and legal analysis of the communications sector in Bosnia and Herzegovina*, pp. 77-78.
[117] Central evening news program of a public broadcaster *FTV* "Dnevnik 2" in June/ July 2007 was the top news programme according to the number of viewers registered by the methods of people meters (MIB research) Also, the political magazine, "60 minuta," was ranked as the top political magazine in the country. Informative programs are an important segment of the public service media and very important for the implementation of PSB's remit. Therefore, its viewership and audience trust towards this service of public service broadcaster is a very positive result. Data for other broadcasters as well as for other programming were not available at the moment this chapter was written.
[118] According to the CRA, *Economic and legal analysis of the communications sector in Bosnia and Herzegovina*, p. 78
[119] *Ibid*, p. 78.
[120] In this report Educational programming includes themes such as: culture, language, reportages, history, geography, biology, ecology, music, etc.
[121] However, rights for some sport events from abroad are also bought by commercial stations.
[122] *Entertainment & Fiction*: Fiction (Series, Films, Feature Films, TV films, Animation), Entertainment, Light Entertainment, Infotainment, Soaps & Sitcom, Music, Children and Youth programmes.

News & Factual- total [123]	**23.45**	**24.17**	**26.9**
Informative program	15.40	14.84	15.63
Documentaries	5.77	7.75	9.70
Education	0.22	0.35	0.40
Shows on culture	2.06	1.23	1.17
Sport	**7.19**	**3.17**	**4.50**
Other - total	**16.07**	**14.2**	**10.13**
Religion	0.67	0.79	0.55
Program on agriculture	0.53	0.42	0.42
Special programs	-	0.08	0.42
Block shows	5.32	4.76	-
Program promotion	0.21	0.05	-
Commercial program	3.88	4.48	4.74
Other	5.46	3.62	4.00
TOTAL (entertainment & fiction, news & factual, sport, other)	**100%**	**100%**	**100%**

Source: Data were taken from annual reports on programming[124] of the RTVFBIH for 2004, 2005, 2006[125]

Table 17. Program profile of the RTRS (2004-2006)

RTRS	**2004**	**2005**	**2006**
Entertainment & Fiction – total	**53.8**	**56.4**	**56.9**
Films, serial drama	31.5	27.5	27.2
Entertainment	6.9	15.5	14.1
Music	8.2	7.1	8.2
Youth programmes	3.6	0.7	7.4
Children programmes	3.6	5.6	
News & Factual - total	**33.9**	**31.7**	**31.3**
Informative program	27.8	23.9	23.0
Documentaries	3.7	4.7	5.2
Culture and education	2.4	3.1	3.1
Sport	**7.8**	**5.1**	**5.2**
Other-total	**6.7**	**6.8**	**6.6**
Religion	1.2	0.8	1.0
Commercial program	2.3	2.1	2.0
Other	3.2	3.9	3.6
TOTAL (entertainment & fiction, news & factual, sport, other)	**100%**	**100%**	**100%**

Source: Data were taken from annual reports of the RTRS[126] for 2005, 2006[127]

If we observe data on programming presented in Tables 15 & 16,[128] it is clear that culture and education programs, which are generally of low interest to commercial broadcasters, are not the priority of public

[123] *News & Factual:* News, Information, Documentaries, Education, Arts/ Humanities /Sciences.

[124] *RTVFBIH* "Izvještaj o emitiranom programu FTV januar-decembar 2006." January 2007; *RTVFBIH* "Izvještaj o emitiranom programu FTV januar-decembar 2005." January 2006; *RTVFBIH* "Izvještaj o emitiranom programu FTV januar-decembar 2004." January 2005.

[125]However, categorization "*Entertainment & Fiction*"," *News & Factual*"," *Sport*" and „*Other*" was created for the purposes of this text (The categorisation was taken from C. S. Nissen „No public service without both *Public* and *Service*", p.78. with one change. Although Nissen includes Religion in "*Entertainment & Fiction*", for our purposes we have included it in the category „*Other*") This categorisation is a result of a compromise since there are overlapings and its sole purpose however is to illustrate programe profiles.

[126] *RTRS* "Godišnji izvještaj 2006. / Godišnji planovi 2007"., *RTRS* "Godišnji izvještaj 2005".

[127].As in the case of *FTV*, categorization and sums were given by the author.

[128] There were no similar program statistics for the state-wide public broadcaster *BHT 1* available.

broadcasters either (see *Table16* and *Table17*).[129] It is known that there are differences between PSBs in various countries concerning the air time they devote to culture, but the scores are however too low, especially if we have in mind that there are no BH thematic cultural TV channels that would fulfil that need on the market (*RTRS* in 2006 devoted only 3.1 percent of its programming to culture and educational programming, while *FTV* has continually decreased its time for shows on culture and in 2006 it reached 1.17 percent).[130]

The most popular programs in B&H are: 1. film programs, 2. sports programs, 3. informative programs and serials (similar interest), 4. documentary programs and 5. news.[131] When analyzing program profiles we recognize that there is a growing presence in entertainment, while some other genres remain underrepresented and marginalized if compared to commercial programming. As stated in the previous chapter, PSBs are obliged (by valid legislation in B&H) to dedicate at least 40 percent of its weekly program to news and other informative or educational programming. Program profiles as well as programming schedules could be used as indicators for the trend of the commercialization of t public service programming.

An additional problem is to be found in the competitiveness among operators of the public service system. They are all generally-oriented broadcasters (although oriented towards their respective entities or state). However, all of them cover a large part of the state, or are reachable in other entity. This means that often the same viewer can enjoy the main news and informative programmes on all three channels, as well as all other genres and programmes, since the System Law, in relation to production and programming recognizes the editorial independence and the institutional autonomy of all three operators. Not only is the audience fragmented on an already small territorial area, but it costs a lot. Absurdly, it does not lead to the development of a programme of high quality and of a recognizable "brand" of PSB, but to the competitiveness of the operators within the System. Not only does all of this bring them into confrontation with the commercial sector but also with the erosion of the System itself. This will be confirmed with the introduction of the digital TV in B&H since in that case, the new technology would enable complete coverage that these days broadcasters are trying to achieve by investing in developing networks for analogue broadcasting and satellite transmission, although it is known that the switch-off is inevitable and coming very soon.

It is clear that their strategy would neither be appropriate nor sustainable if it were based only on the race for their piece of the cake of the media market.[132] At the end, it is the PSB who should treat its audiences as citizens and not consumers. As Jakubowicz says: "PSB should always make its audience feel at home in its own society and culture, confident in its own national and cultural identity, very much a part of the nation-state," [133]but in the age of globalization and cultural diversity, "the challenge is to become a multicultural and multilingual public broadcaster; to serve minorities and immigrant communities; create a sense of affinity and understanding with the people of other countries in the region; promote intercultural and inter-religious dialogue at home and internationally." [134]

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[129] Independent Television Commission in UK also noted: "It is certainly the case that despite the range of services on multichannel television, including services such as *Discovery*, *The History Channel* and *National Geographic* designed to cater for particular interests; some genres are under-supplied. These include arts, education, multi-cultural programmes and investigative current affaires which are generally commercially unattractive to produce. These genres have been hallmarks of PSB" (Taken from: K. Jakubowicz,"If not us, then who? Public service broadcasting and culture in the 21st century", 2006, p. 36.

[130] Just as an illustration in France: France 2 devotes 14.6 percent to arts and culture, France 3 - 28.9 percent (in 2004), *RAI* in Italy (20.7; 12.1; 7.4 percent with its three channels), *BBC* rather low (*BBC1*- 0.6, *BBC 2* 2.5 percent). EBU statistics (2005). Data taken from chapter by K. Jakubowicz "If not us, then who? Public service broadcasting and culture in the 21st century", 2006, p. 36.

[131] Source: BHMedia Market Monitor, MIB, 2005. The same reports show that only 49 percent of the whole population listen to the radio on a daily basis (mostly music, entertaining program and news), while 59 percent of the population read print media, mostly dailies, then weekly newspapers (BHmedia Market Monitor, MIB, 2005).

[132] The PSB has lost its monopoly on certain programme types and genres such as documentaries, children programming.

[133] K. Jakubowicz "If not us, then who? Public service broadcasting and culture in the 21st century", 2006, p. 35.

[134] *Ibid*, p.35.

As recognized by Jakubowicz[135]: "Programming that is not made specifically for the audience in a particular country cannot, of course-whatever its other qualities may be, reflect or reinforce its culture" which is always a central objective of public service broadcasting. And as he suggests: "One important form of discharging the PSB broadcaster's cultural obligations is to form partnerships with cultural bodies and institutions, to enhance the impact of its programming, encourage greater participation, underpin audience appreciation, maximize the public value of cultural activity and assist those bodies and institutions (also financially, e.g. by commissioning their work), so as to reinforce the public cultural sector in general."[136]

Currently, PSBs in B&H are involved in raising B&H cinematography through coproductions. In the future, due to the very limited market, low investments in cinematography and art and culture in general,[137] PSB would be very important for the independent audio-visual productions, artists, local directors, and for the whole creative industry in the country / region.

Although we witness a great profusion of programming in a multi-channel, multi-platform environment , as some experts recognize "paradoxically, public service media may in the future face less, rather than more, competition in the provision of cultural and other typically public-service programming. After all, audience fragmentation and ferocious competition among broadcasters will force the commercial sector to watch the bottom line more than ever."[138]

Besides fulfilling its cultural role, the public service broadcaster needs to fulfil other obligations towards its citizens to promote broader the democratic participation of individuals. In that process public service broadcasters need to intensify its dialogue with the general public, which could be especially effective with the help of new interactive features and services.

The Council of Europe Recommendation (Recommendation (2007)3 of the Committee of Ministers) to member states on the remit of public service media in the information society stress that: "In view of changing user habits, public service media should be able to offer both generalist and specialised contents and services, as well as personalised interactive and on-demand services. They should address all generations, but especially involve the younger generation in active forms of communication, encouraging the provision of user-generated content and establishing other participatory schemes".[139]

After all, it is important to note that the final word will be given by the public and we have to remind ourselves that it is the content and not the technology that encourages the adoption of digital programming by the public.

Many industry leaders argue that the main reason that television cannot continue to operate in the same old ways is the fact that the broadcasters are losing younger viewers, who expect greater influence over the media they consume.[140] That is why, as studies show, children channels have heavily invested online since, as Papathanassopoulos say, they believe the market will be huge. He adds: "Children will play a key role introducing interactivity to the home. According to the research company Jupiter Communications, children and teenagers are the largest growth sector of the online population (…) Thus one can easily understand that, for the children's channels as well as for the producers, establishing a web presence is all about extending the brand."[141] This should be taken into consideration when PSB plans its approach to this audience. Public broadcasters in B&H offer limited content and services to children and youth, even through its traditional

[135] *Ibid*, p.36.
[136] *Ibid*, p.46.
[137] After all, this country does not yet have a cultural strategy or cultural public policy (as with July 2007).
[138] *Ibid*, p.37.
[139] Adopted by the Committee of Ministers on 31 January 2007 at the 985th meeting of the Ministers' Deputies
[140] H. Jenkins. *Convergence Culture.* 2006, p. 244.
[141] S. Papathanassopoulos*. European Television in the Digital Age*. p. 243.

broadcasting, although it is the widely accepted opinion that PSB have a special remit and responsibility towards young audiences, "responsibility for bringing the young audience into society and its culture."[142]

Here we need to mention that *RTVFBiH* has already put some few test games on its website.[143] This service and its visibility could be improved. The other two providers of public service content do not have similar services nor do any of them have any subdomain or website presentation, which is reflected in the planning of the website; preferences of these groups were not taken in consideration.

The first wave of web sites of TV broadcasters worldwide was represented by sites that were mostly designed as tools for promoting television channels. For the second wave, the content appears to be the most important. Not only is the website a promotional tool, but the new content is being produced. It is possible to watch news and archive material, both up to date and always available. There is a huge potential for the transmission of channels out of the state borders or away from the locality.[144] Besides that, numerous services and platforms are able to develop.[145]
However, as we saw previously, public service programming in B&H has just partly developed with new media, mostly with a limited range of services offered online, although public service broadcasters do not have the same practice on their websites. In general, video sharing practices on the web sites of the Bosnian TV stations are still underdeveloped. Still, most of those websites are closer to the first wave.

According to the EBU report from 2002, in that year, many PSBs in Europe had web sites that were among the most visited sites[146] in their countries. As we said in B&H the hype about these sites is not as wide. On July 29, 2007 (alexa.com) none of the web sites of B&H public service broadcasters was among the top 100 in the country. The same day in Croatia in the top 100, their PSB (*HRT*) was on 43rd place, *RTVSlovenia* in Slovenia was on 16th place, etc. The contra argument to the explanation that users in B&H want more "fun" online and not "public service" content is the fact that on the same list in B&H among the top 100 web sites Bosnian PBSs were not present, but there were websites of some public service media from other European countries such as *Croatian Radio Television* in 83rd place and *BBC* in 88th place.

Apart from websites, a number of experiments have been made with enhanced programming (for exp. multimedia complements to news and sports programmes have proved to be successful). EBU Digital Strategy Group[147] also recognizes that although public service broadcasters have less experience with video on demand (VOD) / broadband, if it proves to be significant for public access to the media, it will be a road that public service broadcasters must take. "VOD/broadband could make use of public service broadcaster's programmes and archives, if rights are available, and of public service channels. Fast access Internet, available via broadband networks, would enable more sophisticated multimedia applications to be delivered."

By 2005 the *BBC* was digitalizing a large segment of its archive and making it available on the Web, opening up TV content (to take, reformat, save, copy, share, comment) while experimenting and researching new ways of how to index those materials.[148] The digitalisation of archives started in all public service broadcasters in B&H, but archives are not exploited for new services.

As stated in a recently published OFCOM discussion paper, *A new approach to public service content in the digital media age,* "Users of interactive services behave differently from television viewers, they want

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[142] K. Jakubowicz, "If not us, then who? Public service broadcasting and culture in the 21st century", 2006, p. 36.
[143] As an extension of their Hugo show for children.
[144] S. Papathanassopoulos. *European Television in the Digital Age.* p.245.
[145] Likely to be created for hybrid TV/PC platforms, interactive news, enabling users to control the type of news that they want access to, etc. Already most of the web versions of the leading news channels use the web as an additional distribution platform, being unable to reach a broather audience.
[146] "Media with a purpose (Public Service Broadcasting in the Digital Era)" The Report of the Digital Strategy Group of the European Broadcasting Union, 2002, p. 15.
[147] *Ibid*, p.16.
[148] „BBC opens TV listings for 'remix'", 23 July, 2005 , http://news.bbc.co.uk/1/hi/technology/4707187.stm (accessed July 29, 2007)

different things. The distinction between 'lean forward' and 'lean back' media captures an essential quality-user's approach to a website with an active purpose in mind – be it to find content and information or to participate or contribute"[149] which is already evident from the list of the top websites in B&H and the changing user behaviour that was presented above in Section 3. That is why, as OFCOM believes, any new version of public service content has to be underpinned by the idea of user participation, and the citizen treated as "users" rather than "viewers" of content. Therefore citizens are active participants who produce, modify, comment on, judge and repurpose content rather than act as the passive recipients. [150]

If we have in mind the content and services they offer we can conclude that public service media in B&H still treats it citizens as passive "viewers" rather than active "users," therefore continuing old habits of mass production and consumption. Watching television is culturally-determined habit and although specialists confirm that "cultural habits do not change overnight but in course of generations,"[151] experience gained from early adopters as well as the knowledge of the changing habits of new, young generations "give us reason to believe that fundamental changes will take place in our use of media in coming years."[152]

As being recognized by Jakubowicz: "Public service broadcasting has come a long way since its paternalistic beginnings. One thing, however, has remained basically unchanged, and that is the asymmetrical relationship between PSB organizations and their audience. In this new era, it will be vital to develop a new partnership between the public and PSB."[153]

7. Conclusions

Although the creation of a multi-channel and multi-platform environment is almost ignored in B&H public discourse and policy making, treated as trivial in relation to ethno-national issues, the analysis shows that the technological and market changes of the digital age that affect their creation, as well as the changes in audience / user behaviour are inevitably arriving to the underdeveloped, oversaturated, dauntingly complex and financially poor B&H television sector. Furthermore, they are reshaping the conditions for the public service providers, are challenging their role, remit and questioning the whole idea of the public service broadcasting serving its society and its citizens.

Even though television remains the main source of information for the majority of the B&H population and analogue terrestrial broadcasts, a primarily source of television programming, especially for locally originated programs, media monitorings show that the audiences are however increasingly using other programs and platforms, making benefits out of arriving multichannel and multiplatform environment. Thus, besides local television broadcasters who have been the major players on the market of the audiovisual content provision for quite a long time now, new media players are arising. Due to the changing market environment and changing audience/user behaviour, new operators still have a lot of developing potential in the industry in terms of content production, distribution and reception, even if their importance is still not recognized within the terrestrial TV market. More precisely, the television market in B&H is characterized mostly by a remarkable degree of vertical integration .Attempting to assert greater control over the distibution process, broadcasting equipment and infrastructure are owned by most operators. Regarding horizontal integration, many stations are active in the radio sector. However, they do not have many relations with other players in the communication sector, such as marketing agencies, cable operators or the telecom industry.

[149] Ofcom, "A new approach to public service content in the digital media age /The potential role of the Public Service Publisher", discussion paper, 2007, p. 27.
[150] For exp. MyBBCRadio would use peer-to-peer technology to provide to individual radio services created by audience themselves.
[151] C. S. Nissen "Public service media in the information society", p. 13.
[152] *Ibid*, p.13.
[153] K. Jakubowicz, "Public Service broadcasting: a new beginning, or the beginning of the end"", 2006, pp. 18-19.

Due to some of the recent developments, B&H is situated in the group of economies with medium Digital Opportunity Index scores, indicating a high average of "opportunity," (in all these economies mostly due to good mobile coverage and relatively low prices), reasonable "infrastructure" and the growing "utilisation" of advanced technologies (mobile phones, internet usage and broadband).

On the other hand, the capacities of the B&H TV market and the level of its readiness for the digital age are not promising. Total revenues of the whole terrestrial television content market in B&H are low and as data from 2004 show, the advertising growth is slower than the overall market growth. In terms of revenues, the public broadcasting operators were major operators whose turnover represented the biggest part of total market revenues. However, three major private operators are quickly increasing their revenues and market share, eroding market shares from PBS operators and other small local outlets (both public and private), whose future in such poor and fragmented market is completely unclear.

None of the B&H TV broadcasters (public nor private) have domination over the relatively poor and very fragmented market, which indicates that hardly any of them (alone) would be ready to confront the arriving market changes (internationalization and concentration), or the "digital tsunami"[154] that is getting under way. Results show that there is a huge increase in audience members who watche foreign television stations, especially those from neighbouring countries and a consistent decrease of those who watch television content provided by the PSBs and the programming provided by small local stations.

The situation is further complicated by the fragmentation along ethnic and territorial lines which influence audiences' behaviour and is to define the present and future functioning of PSBs. Also, the current programming / content of the three PSBs are often concurrent. Any overlaps in programming of the individual public service broadcasters are strongly increasing their competition and thus damage the system. With the introduction of digital television, if this practice continues, the situation might be even worse since new technology would enable all of them to have state-wide coverage.

Existing disintegrative elements and the arriving ones coming with the multichannel and multiplatform environment, urge for a functional PSB system that would act as an instrument for creating and maintaining social, political and cultural cohesion. Having in mind the specificity of B&H society, very turbulent political and social circumstances, as well as cultural specificities, it is obvious that the value public service media could deliver is of critical importance both for B&H society and the region.

All available data show that new technologies are transferring the power from broadcasters to the audience, or users. It is clear that such conditions could bring huge democratic potentials, lead to a decentralised media environment and a liberated public sphere. Those conditions could create a form of media power that B&H political elites are obviously not ready to acknowledge.

The unfinished reform of a single, statewide public broadcasting system, and unachieved political compromises which should enable cooperation among broadcasters that were, until recently, competitors, are all indicators of the lack of will and interest of the local political elites, the lack of a strategic approach of the local governmental structures towards the future of media landscape in B&H in general and the development of the PSB in particular. Complex constitutional structure as well as the ethno-nationalistic preoccupations (rather than the citizen's interest) of the majority of the political elites are constantly projected on the public sector together with the lack of sufficient understanding of the issues involved in the digital switch-over, broadcasting, programming and market development. All of these issues do not keep the status quo, but more likely lead to the absolute unreadiness for the digital and multi-channel environment.

Besides the unification of the country's dual (entity-wide and state-wide) public broadcasters, digitalization of the broadcasting sector, and especially those policies which are related to PSB, are also needed for bringing the Bosnian system in line with European standards and practices. However, they do not appear to be the priority for the government or for the public service broadcasters, who continue to treat them as trivial in relation to ethno-national issues.

[154] K Jakubowicz, *Digital Switchover in Central and Eastern Europe*, 2007, p. 24.

It was only in 2005 that B&H legislators managed to pass the legislation on public broadcasting, although described as too complex and not likely to be sustainable in the long run. As Boro Kontić recognizes:

> (…) if a political settlement is ever reached, i.e. if the law on public radio and television in B&H is ever passed, only then will it become clear that the system has, in the meantime, become cumbersome, dysfunctional and at odds with media trends. We live in an environment where decisions are made every millisecond, where the technological changes are as rapid as the weather; so the local habit of taking years to resolve any issue followed possibly by three-fold signings on parchment can no longer be taken seriously, not even as a bizarre custom. [155]

Therefore, we can conclude that it is not ensured that the public service remit is extended to enable the provision of appropriate content on new communication platforms. New potential tasks of public service media were not identified (in relation to political citizenship, democracy, culture, education and social cohesion) in order to permit PSB to preserve its special social, political and cultural remit in digital context.

B&H thus belongs to a group of so called "*followers*" - countries where a regulatory framework for the launch of DTT has not yet been established and the transition to DTT is still in a very early stage. Not only is the legislation in the field of broadcasting and digitalization not harmonized with the valid legislation in the EU, but neither policy making occurred nor was it implemented. Regulation for the start up of the DTT has not been drafted, capacity, not yet allocated to operators for the launch of DTT, the start up date for DTT of PSB was not established, switch off of analogue frequency was not set by the law, support policies for network operators and content providers not yet defined, neither were the support measures for the diffusion of receivers, nor the standardization policies to induce harmonization or quick technological substitution.

Even though in other European countries the public service broadcasters are often recognized as key players in the roll-out of DTT, with all the current problems of the system, without a common strategic approach, regulatory framework, technical and financial pre-condition , PSBs in B&H will not be able to (nor should) play that role alone.

Apart from the unfinished media reform, the lack of financial resources is usually listed as the main reason for PSBs unreadiness for new challenges. In B&H, the public service system operates through three generally oriented channels with relatively small revenues. Regarding finances, none of the public service broadcasters is ready for the digital challenges. Besides the low level of the licence fee collection, all broadcasters have significant debts from previous years which do not allow for investments in research and development in the field of new technologies and digitalization, only if the additional funding are provided by foreign and international donors. Introducing digital television means more costs in the short and medium run since PSBs must purchase new equipment and continue to operate on old equipment until analogue switch-off. There are growing costs of program production and the need to allocate considerable amounts of money to convert to digital (infrastructure). The multichannel environment might further reduce their audience share and decrease public broadcaster revenue, not to mention that the audiences might certainly pose questions about the legitimacy of their licence fee.

Additional problems for efficient functioning are imposed by the delay of the establishment of the Corporation, the lack of systems coordination, not coordinating policies and procedures among three public RTV services, which strongly impact the management and work of each broadcaster.

Though the technical expertise within these outlets exists to a certain level and the human resources are not the major problem, it is necessary to upgrade the knowledge related to all kinds of new challenges of digital age continuously.

It is however alarming that still there are no written documents to describe plans of the three public service broadcasters for introducing digital broadcasting and programming that would include all aspects: content,

[155] B. Kontić, "Taking a Screwdriver to The System, or Why a Public Broadcasting Service will never function in BiH", *Pulsdemokratije* (Nov 2006).

legal matters, policy visions, audience expectations, technical issues, nor the organizational structure, funding or deadlines.

DTT is just a part of the digital context where public service media needs to find its place. After all, it is not technology that will save public service media, but its "public" and "services". Public service media can be justified only in terms of the programming it can develop, acquire or produce and deliver it to its audiences "anywhere, anyhow, anytime."

It is evident that the public service broadcasters in B&H, with their existing capacities are not capable of responding to new trends and demands with an appropriate speed. They still do not manage to provide appropriate content through all new communication platforms with a recognizable institutional "brand(s)," "serving as a beacon for people among the multitude of new content providers."[156] At the moment public service television in B&H remains just partly involved with new media, mostly with a limited range of services offered online. Interactivity is basic and undeveloped as well as the usage of pull-technology, more precisely non-linear, on-demand communication and access to content. Offered services and content are in very tight connection with the programming offered through the "traditional" channels of distribution, and besides generalist services, there is no thematic or personalized/individualized content or services.

PBSs activities are oriented mainly to analogue terrestrial channels, as well as to other terrestrial commercial channels. Actually, at this point, the remit of the public broadcasting system in B&H is generally challenged by the emerging competition from private, commercial media (as well as from the public television broadcasters from neighbouring countries), mainly because those can offer a range of mainstream content too. When analysing data on the programming of PSBs it is evident that there is a growing presence of entertainment and fiction, hallmarks of the commercial sector. However, cultural, education and youth programs that are usually underrepresented by commercial sector (and should be a very important segment of the public service), do not occupy a lot of time of the B&H public service broadcasting. The continuation of this trend would be absurd, since the PSBs may face less, rather than more competition for providing cultural and other typically public-service programming in a multi-channel and multiplatform environment.

Due to the very limited market, low investments in art and culture, public service media would be very important for the independent audio-visual productions, artists and the whole creative industry (both in the country and the region). Also, an advantage of the public service media is to offer an opportunity to form partnerships with cultural bodies and reinforce public cultural sector in general. They have several advantages when moving to the digital era since they could join forces with other public institutions, such as schools, libraries or museums to develop new forms of digital content, "digital commons."

It is clear that the strategy for the public service media in the digital age would not be appropriate or sustainable if it would be based only on the race for the market share, high reach and by giving priority to commercial programming. At the end, it is the PSB who should treat its audiences as citizens and not consumers.

In that sense public service media must serve public interests, reflect professional standards, integrating all communities, social groups and generations, including minority groups, while respecting their different identities and needs.

This might be even an advantage for the public service media. Distribution costs decrease in the entertainment industry as companies keep more and more backlist titles in circulation, and as niche communities use the Web to look for titles that satisfy their particular interest. There are expectations, such as those by *Wired* reporter Chris Anderson,[157] that the greatest profit will be made by those companies that generate the most diverse content and keep the content available at the most reasonable prices ("Long Tail

[156] See Table14, Source: Jakubowicz, 2006, pp. 14-15.
[157] Taken from H. Jenkins, *Convergence Culture*, 2006, p.252.

Model").[158] However, in the digital context this includes the ability to deliver a "personalized public service" in the "pull" of the online and on-demand environment.

It does not seem that a lot of the attention by B&H public service broadcasters is given to the youngest audience, nor to their interests or changing habits (expecting a greater influence over the media they consume), although they are responsibile for bringing the young audience into society and its culture. This generation is actually the largest growth sector of the online population and the one that is changing cultural habits by brining the new technologies home.

Early adopters of new platforms give us reason to believe that users of interactive services behave differently from TV viewers, as they behave more as active "users" than passive "viewers." That is why it is believed that public service content has to be underpinned by the idea of users' participation and citizens treated as "users" rather than "viewers." If public service programming in B&H is to survive and even develop in the multichannel and digital environment, it should thus change its attitude to the audiences. This lead OFCOM to conclude that "Rather than thinking of high quality 'content' in the manner of TV programs it might be more useful to think of high quality participatory services where linear content is only one aspect of an experience that might be accessed through many channels – online, via mobile, kiosk or TV."[159]

Even the EBU's Digital Strategy Group calls for a redefinition of the basic concepts relating to public service broadcasting, including the universality of access and universality of content:

- Universality of content can no longer be understood as one-size-fits-all programming on one or more broadcast channels, but as both universality of basic supply on generalist channels (including mass-appeal, entertainment programming), which will be central to what public service broadcasters offer to the public, and universality across the full portfolio of services, some of them specialized or tailored for specific audiences, adding up to a more extended and comprehensive range of services.
- Universality of access can no longer be understood as a couple of terrestrial channels available to the entire population, but as presence on all relevant media and platforms with significant penetration, but also the ability to deliver a 'personalized public service' in the 'pull', online and on-demand environment."[160] .

As Mark Thompson, Director-General of the BBC said, announcing their "Creative Future" program, this is a unique creative opportunity for public service broadcasters and finally "This new digital world is a better world for public service content than the old one."[161]

For B&H public service content it could be too, but this requires substantial change in thinking and management. Thus, political elites, government and regulatory bodies as well as public service broadcasters, civic and professional groups should change their attitude and work in a proactive, strategic manner in order to have positive and momentary results.

8. Recommendations

Based on the conducted analysis, specific recommendations can be drafted for two major groups.

8.1 Policy and regulatory authorities

Reforms

- Long standing discussions and postponement of law adjustments and acceptance concerning the organization of the public broadcasting system must be urgently resolved. Achieved consensus

[158] C. Anderson „The Long Tail", Wired, October 2004.
[159] Ofcom, "A new approach to public service content in the digital media age", 2007, p. 28.
[160] "Media with a purpose (Public Service Broadcasting in the Digital Era)" EBU quoted in K.Jakubowicz, *Public service broadcasting: a new beginning, or the beginning of the end?*, 2006, p.16.
[161] "Creative Future - BBC addresses creative challenges of on-demand". BBC Press Office (28.3.2007)

should lead to the creation of the system that would be vialable and reasonable, serving B&H society and all its citizens, fulfilling its political, social and cultural role (on local, national and international level) while ensuring its economic sustainability.

Policy and strategy of digitalisation

- Government and regulatory bodies in B&H should engage more intensively on introducing new media technologies in B&H.
- Based on the analysis of the profound changes in new media technologies, market, audiences behaviors as well as on the analysis of local specificities, government and regulatory authorities should develop a sound policy for converging media whose goal is ensuring the sustainability and the development of themedia sector in general, and the public service media in particular, in multi-channel and multi-platform environment of the digital age.
- For effective policy making, a degree of interest and a pro-active attitude from all stakeholders are needed and none of them should be excluded from the key-decision making processes in order to reach political, economic, public and private consensus.
- The CRA and the Council of Ministers (as well as Ministry of Communication and Transport), should urgently develop a strategy for introducing digital television in B&H (paying special attention to the transition period) and should be drafted in coordination between all major players in the media and communication field.
- Authorities must clearly specify the roles, the modes of participation and the obligations of all stakeholders included in the process of digitalization.
- That strategy should be harmonized with other strategic documents such as the Strategy for the Informatization of B&H Society.
- An activity plan for the transition from analogue to digital broadcasting must be harmonized with European timelines.
- Standardisation policies for digitalization must induce harmonization in technological solutions.
- In relation to public service media, the principle of universality is to be addressed in regard to technical, social and content aspects.

Legislation and support measures regarding public service media in the digital age

- It is necessary to continue with harmonizing the legislation in the field of broadcasting / telecommunication with relevant legislation in the European Union.
- In accordance with the Council of Europe Recommendation of 2007 on the remit of public service media in the information society of the Committee of Ministers the state should:[162]

> 1. guarantee the fundamental role of the public service media in the new digital environment, setting a clear remit for public service media, and enabling them to use new technical means to better fulfill this remit and adapt to rapid changes in the current media and technological landscape, and to changes in the viewing and listening patterns and expectations of the audience;
>
> 2. include, where they have not already done so, provisions in their legislation/regulations specific to the remit of public service media, covering in particular the new communication services, thereby enabling public service media to make full use of their potential and especially to promote broader democratic, social and cultural participation, *inter alia* with the help of new interactive technologies;
>
> 3. guarantee, via a secure and appropriate financing and organizational framework, public service media, the conditions required to carry out the function entrusted to them by Member States in the new digital environment, in a transparent and accountable manner;

[162] Rec (2007)3 on the remit of public service media in the information society – Adopted by the Committee of the Ministers' Deputies, 31 January 2007.

> 4. enable public service media to respond fully and effectively to the challenges of the information society, respecting the public/private dual structure of the European electronic media landscape and paying attention to market and competition questions;
>
> 5. offer universal access to public service media for all individuals and social groups, including minority and disadvantaged groups, through a range of technological means;

- Support measures, including additional funding, since the sector of public service media must be provided in order to allow investments in research and development in the field of new technologies, and to enable technological substitution. Additional funding and adequate financial policies would be needed also for enabling the provision of a greater variety of of quality content and services.
- Support measures for the diffusion of receivers defined and the cost for households minimalised in order to contribute to removing the digital divide and exclusion.

8.2 Public service broadcasters

Policy

- The public service broadcasters should have a more pro-active approach in the whole process of introducing new technology, in addition to participating in the removal of the digital divide and exclusion.
- For effective policy making, a proactive attitude of all broadcasters would be needed and none of them should be excluded from the key-decision making processes.

System coordination

- The coordination of policies and procedures among all three public broadcasters should be improved and strengthend in order to reach sustainability of the system.
- System coordination among all three public broadcasters should be improved in order to avoid any further overlapping and competitiveness in the provision of services and programming.
- A strategic plan for introducing digital broadcasting and programming must urgently be created by public service broadcasters and it should be harmonized with state policies and other strategic documents. Such a strategic plan should cover all aspects: content, legal matters, platforms, policy visions, audience expectations, technical issues, the organizational structure, funding and deadlines.

'Public' and 'services'

- All public service broadcasters should analyse the changing behaviour of audiences / users in multichannel and multiplatform environment, re-examinining both its "public" and "services."
- New tasks and services should be created and adjusted to the changing audience/ users' behaviour, in accordance with the remit of the public service media in B&H.
- A great variety of content should be ensured while answering the real needs, serving public interest and reflecting professional standards.
- Although it should integrate all communities, social groups and generations, special attention should be given to the youngest population, their needs and their changing habits of media utilization.
- The public broadcasters should adjust informative, educational and entertainment content to the greatest possible extent, to the requirements of the digital age, including adjusting to different platforms (broadcast, on-line, mobile, etc.)
- The public media should invest in the development of the programs / content that is usually underrepresented by commercial sector, and for which public media would not easily face competition in multichannel and multiplatform environment.
- Within the multitude of new content providers, the public service system (broadcasters) should build strong and recognizable brand(s), "islands of trust," across different distribution platforms.

New forms of partnerships and cooperation

- The public broadcasters should analyze the possibility of cooperation and the creation of the new form of partnerships with other media and communication players, other alternative markets, in order to offer new services (in terms of content creation, distribution and reception).
- The public broadcasters should analyze the possibility of cooperation and the creation of the new form of partnerships with cultural bodies or other public institutions (such as libraries, museums, etc.), in order to reinforce public cultural sector or develop and offer new forms of digital content / "digital commons" that would provide universal access for citizens.

Research and developpment

- PSB should develop and manage research and development activities to increase continuously the stock of knowledge and improvement of its services.

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