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KOMISIONI I PAVARUR PËR MEDIA
NEZAVISNA KOMISIJA ZA MEDIJE - INDEPENDENT MEDIA COMMISSION

Independent Media Commission

2009 Annual report

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Telephone: 038 245 032

Fax: 038 245 034

Web: www.kpm-ks.org and www.imc-ko.org

E-mail: info@kpm-ks.org and info@imc-ko.org

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FOREWORD

Independent Media Commission (IMC), according to a draft prepared by the Chief Executive of IMC Office, is honored to present to the Assembly of the Republic of Kosovo the work report for 2009, as required by Article 3.8 Law no. 02/L-15 on the Independent Media Commission.

Independent Media Commission, as independent regulator of electronic broadcasting in the Republic of Kosovo, is established by the Law no. 02/L-15 adopted by the Kosovo Assembly. The mandate of the Independent Media Commission has to do with licensing of public and private-commercial media broadcasters, establishment of broadcasting policies and improving the quality program content, based on European best practices. In addition, IMC is mandated to manage the Frequency Spectrum of Broadcasting in Kosovo.

Year 2009 is considered by IMC as the greatest and most productive years for the institution since its establishment. This year, most probably, would be considered as a crucial year during which the IMC achieved some objectives of capital importance. Among the main goals successfully realized, it is worth of mentioning, at the very outset of the report, the following:

- a) Completing the legislative gap, namely, the completion of secondary legislation, drafting and approval of four basic regulations. 1. Regulation on media broadcasters to protect children and minors from harmful program content, 2. Regulation on qualifications for granting of license by IMC on broadcast, 3. Regulation on compliance with the obligations of copyright, 4. Regulation of audiovisual commercial communications
- b) The realization of long-term process of licensing broadcasters (radio and TV), as well as the exact vertical division of diffusive map in: 1. Radio and television stations with national coverage, 2. Radio-televisions with regional coverage, 3. Radio-televisions with local coverage, and 4. Radio-television with low broadcasting power.
- c) Developing a draft project for the digitizing era and organizing the international conference in Prishtina on: "Introduction of digital broadcasting in Kosovo and the Region - Strategy ", to discuss the experiences of process of digitizing in countries of the region and wider, in comparative relations with the existing reality and the goals of the digitizing process in the Republic of Kosovo.

Facing with voluminous and special importance during 2009, the IMC organized tribunals and meetings of informative character and drew up guidelines for media broadcasters to be more objective, effective and independent during the campaign for local elections in the Republic Kosovo. IMC, being served the equipment of IPA 2009 project, provided through capital investment of the Government of Kosovo, has accomplished permanent monitoring of broadcasters in order to assess their compliance with the guidelines of the IMC. IMC assesses that pre-election campaign coverage for local elections by broadcasters in general has been fair and impartial.

The year 2009 was a year of great challenge for Kosovo's public broadcaster / RTK / that faced financial and organizational difficulties during the second half of this year. In accordance with the Law, IMC organized swiftly the process for nomination of members of the RTK Board, and being an integral part of ad-hoc Committee, contributed in the preliminary selection of candidates for the RTK Board. IMC is also engaged with full commitment in resolving the immediate financial problems and in finding a solution for sustainable financing of RTK.

During 2009, a delegation of the IMC had the first institutional meeting and opened a small window of communication with the International Telecommunications Union (ITU) in Geneva, trying to sensitize a logic of understanding of this international body versus the realities of broadcasters in the Republic of Kosovo, with special emphasis on the realities that will emerge in our country during the digitizing process.

During the year 2009, IMC decided to draft the Strategy of digitizing. IMC established working groups and drew up terms of reference for this important project, which the IMC, aims at concluding during 2010. Comprehensive strategy of digitizing, except that will create the frequency map of digital broadcasters, it will be a guiding manual that will create favorable space for broadcasters in Kosovo and will promote practices of creating quality program content. In this way, the Independent Media Commission will affect the diffusive broadcasters in general and televisions in particular, including the public and private broadcasters, to develop professionally, to enhance program quality, to ensure coverage with quality signal and be financially safe.

These outline the priorities and goals accomplished during the year 2009. In this way the Independent Media Commission considers that has realized its objectives with responsibility, professionalism, transparency and understanding, established in 2008. IMC will continue working with commitment in ambitious projects of 2010, trying to hire more experts and professionals in the field of media for these projects, but always in the spirit of cooperation by consulting with all relevant entities for the purpose wider possible incorporation of all relevant factors, public and stakeholders who will contribute to the process of developing a genuine media sector.

With these aims we have the pleasure to present the IMC work report 2009 to the Assembly of Republic of Kosovo.

February 2010, IMC Council, Prishtina

LEGAL BASIS

On 21 April 2005, the Assembly of Kosovo approved the Law no. 02/L-15 on Independent Media Commission and Broadcasting, which entered into force on 8 September 2005.

Independent Media Commission is a constitutional body established by Article 141 of the Constitution of the Republic of Kosovo.

According to Article 3.8 of the Law on IMC, IMC Council shall prepare and submit to the Assembly of Kosovo, within two months after the end of each calendar year, an annual report including full data regarding the definition and implementation of broadcasting policy, granting of licenses, complaints, sanctions applied and decisions about them, financial activities, other activities of broadcasting and design of objectives for next year.

STRUCTURE OF THE REPORT

Work report for 2009 of the Independent Media Commission Council begins with achieved objectives in 2009 and reflection of objectives defined in 2010. It is then followed by a summary of the presentation of the work of the Independent Media Commission through the work of the IMC Council, Office of the Chief Executive and the Media Appeals Board.

Considerable part of the report is devoted to long-term licensing process, the operations of IMC and broadcasters and results drawn.

OBJECTIVES FOR 2009 AND THEIR REALIZATION

For 2009, the IMC Council set 7 objectives:

2. Conclusion of long term licensing process
3. Implementation of broadcasting policies in line with internationally recognized standards
4. Developing and adoption of digitizing process policy
5. Promotion of fair broadcasting competition
6. Licensing of cable operators in the north of Kosovo
7. Establish preconditions for fulfilling the constitutional obligation for establishing a national broadcaster in Serbian language
8. Strengthen the cooperation with European regulatory authorities

1) Conclusion of long term licensing process

This objective was accomplished during January – December 2009.

In early 2009, IMC has initiated long-term licensing process, as foreseen to be achieved under Article 11.3 of the Law on IMC. In preparing the application package, with the support of OSCE, the IMC has engaged two international experts from the well known company “Albany Associates” based in London. All procedures foreseen for this process were followed: the draft package for application was presented for comments to all owners and broadcasters and meetings with broadcasters were also organized. On June 12, 2009, the IMC Council unanimously approved the package of long-term licensing in the Republic of Kosovo, after the inclusion of valuable comments from broadcasters and other stakeholders.

Starting as of June 19, 2009, IMC has organized consultative meetings with broadcasters during which distributed the application package for long-term licensing of broadcasters in all regions of Kosovo. Long-term licensing package was distributed to broadcasters in hard copy and electronic format (CD). Upon distribution of the application package, IMC teams of officials provided the necessary explanations to broadcasters in order to facilitate the application process for long-term license.

The IMC Council has set the timeframe between June 22, 2009 and July 22, 2009 for broadcasters to submit their application forms to IMC. Within the deadline to apply for long-term license, total 104 applications were submitted by 110 broadcasters that have operated with temporary license in 2009.

6 media broadcasters didn't respond to long term licensing process, 4 out of which didn't apply at all:

- *1 entity requested extending the deadline - Radio Amadeus*
- *2 entities that broadcast in the language of minorities (Radio 3 Srce and Radio M - Zveqan) and 1 multiethnic (Radio Youth Voice)*
- *While 2 media broadcasters have submitted incomplete documentation and after the deadline (Radio Globi and Radio Pandora, media broadcasters that broadcast program in Albanian language).*

IMC Council provided another possibility to media broadcasters that failed to apply for long-term license within the first deadline, setting the date November 15, 2009 as the final deadline for receiving applications. Regarding complementary deadline, 2 of media broadcasters in Albanian language Radio Globi and Radio Pandora submitted incomplete applications. IMC Council has decided that applications submitted after the date of November 15, 2009 shall not be reviewed at all and procedure shall be initiated to void the license of those media broadcasters. IMC notified in

writing all those candidates who have not applied at all, announcing that due to failure to apply, they may remain outside the long-term licensing process.

Data about ownership of media broadcasters were verified during long term licensing process to assess the compliance with regulation on quality of receiving the license (CIMC 2009/02) proving that the owners of Radio Drenica, Radio Ylberi, Radio Gora, Radio Hayat, Radio Sharri and RTV Mir are holding the property of media broadcaster in violation with Regulation CIMC 2009/02 because they lead political parties or hold high positions in political structures. In accordance with the procedures of IMC, Division of Licensing has managed to solve all the cases presented above regarding the ownership issue.

Classification of applications for evaluation

After initial verification of applications, they were classified and categorized in: complete applications, complete but with requests for technical changes, and incomplete applications which lack some data. Installation of the exit filter in the broadcaster was one of the main technical conditions to obtain the long-term license.

Out of 104 applications submitted to the IMC, 13 media broadcasters were equipped with exit filters of the broadcaster and presented complete documentation are licensed during the first phase of long-term licensing.

Media broadcasters that obtained the long term license in the first stage:

Prishtina Region : *RTK; Radio Kosova; Radio Blue Sky; KTV; TV 21; Radio 21; Radio Llapi*

Peja Region : *TV Dukagjini; Radio Dukagjini*

Mitrovica Region: *TV Mitrovica; Radio Kolashin;*

Gjilan Region: *Radio Tema; TV Festina*

After meeting the condition for installing the exit filter of the broadcaster, IMC Council decided to license in the second stage additional 54 media broadcasters.

Media broadcasters provided with long term license during second stage:

Prishtina Region : *Radio K; Radio Zëri i Shtimes; Radio Plus (për brezin FM); Radio Elit; Radio Kim*

Peja Region : *Top Iliria Radio; Radio Gjakova; Radio Gorazdevac; Radio Peja; Radio Fontana;*

Prizren Region: *TV Opinion; Radio Start; Radio Hajat; Radio Malisheva; Radio Yeni Donem; Radio Omega 3; Radio Romano Avazo; Radio Prizreni; Radio Dardania; Radio Astra; Radio Gora; Radio Sharri; TV Prizreni; Radio Theranda; TV Yeni Donem*

Mitrovica Region: *Radio Drenica; Radio Impuls; Radio Mitrovica; Radio Mix; Radio Ylberi; Radio Drenasi; Radio Mir; Radio As – Zveçan; Radio Kiss; Radio Dodona.*

Gjilan Region: *TV Herc; Radio Herc; Radio Zëri i Pozheranit; Radio Iliria; Radio Hit Laser; TV Liria; Radio 24; Radio Kllokot; Radio Kamenica;*

Radio Ferizaj; Radio Max; Radio Premiera; Radio Borzani; Radio Furtuna; Radio Festina; Radio Rinia; Radio Star; Radio Kompas; TV Iliria.

While below media broadcasters have presented complete documentation, they are pending for installation of the exit broadcasting filter

Prishtina Region : *Top Kosova Radio; Radio Kent FM; Radio AS - Bërnice e Ulët.*

Peja Region : *Radio Alba*

Prizren Region: *Bambus; Radio Vala 2000; Radio Focus.*

Mitrovica Region: *Radio Lesak; Radio Kosovska Mitrovica; Radio Bubamara*

Regjioni i Gjilanit: *Radio Kacaniku; Radio Mega Vox.*

IMC Council issued a decision on conditional licensing of above media broadcasters. Nevertheless based on justifications of media broadcasters on their delays in installing the exit broadcasting filter, IMC Council set 28 of February 2010 as additional deadline.

Entities with request for changes in ownership and in evaluation process

1. *Radio Evropa* (property issue, by the end of 2009; no required clarifications are provided regarding property and additional data to complete the application).
2. *Radio Gracanica* (initially requested to change the property and later decided not to change the property; preparation for issuing long term license was at the end of 2009).
3. *Radio Spektar* (request for changing the property; preparation for issuing long term license was in the process during 2009).

Application in process of evaluation for third stage

Media broadcasters presented below, due to technical requirements related to remarkable changes of technical parameters are pending for decision for licensing after the results of technical analyses and compliance with frequency plan.

Prishtina Region : *Radio Vala Rinore; Radio Vitez; Radio Kosova e Lirë; Radio Urban FM; Radio Anten; Radio Vizioni*

Peja Region : *TV Syri vision; Top Radio.*

Prizren Region: *Radio Besa; TV Besa; Radio Helix.*

Mitrovica Region: *TV Mir; TV Most; Radio Kontakt Plus.*

Regjioni i Gjilanit: *Radio Victoria; TV Puls; TV Vali; TV Zoom; TV Tema; TV Men; Radio Energji.*

The process of evaluation and issuing licenses for the third stage is planned to end in early 2010.

Results of the long term licensing process

Long term licensing process resulted in information used by IMC to update the database of all licensed media broadcasters and correct numerous mistakes in granting temporary licenses during 2000-2005.

Main achievements of the long term licensing process are presented below:

1. Long term license package is harmonized with directives of Council of Europe and based on best European practices and was produced in full compliance with the Constitution and applicable laws in Republic of Kosovo.
2. Status of media broadcaster was determined (commercial business or NGO).
3. All long-term licenses are granted based on business or NGO certificates not older than six months before application deadline.
4. The issue of property of the media broadcaster was assessed based on IMC regulation on qualifications for obtaining the broadcasting license (CIMC 2009/01).
5. Contacts and addresses of media broadcasters are updated.
6. It created a very clear overview about program scheme for each media broadcaster which presents in detail the types of programs. In this way, comparisons are made about possible changes from the provisional license under which the media broadcasters operated.
7. Possibility was created that owners of media broadcasters submit their requests for changes of technical parameters and to expand the coverage area (where there after technical possibilities and in accordance with the frequency plan of IMC)
8. The possibility was granted to owners of media broadcasters to change their location of broadcasting system (when technically possible and in line with IMC frequency plan).
9. Media broadcasters installed exit broadcast filter as one of main technical requirements to obtain a long term license. This way, IMC prevented signal interference between media broadcasters and frequency band is being used more rationally.
10. Media broadcasters were enabled to change broadcast category (e.g. shifting from low power broadcast to local level broadcast, meaning extending the coverage area).

After concluding the deadline for applying for long-term license, third-party license evaluation was conducted, respectively assessment of program share of all media broadcasters' applications. The assessments found differences with provisional licenses of IMC:

- 30 media broadcasters marked a drop in percentage of program of public service
- 68 media broadcasters have increased the percentage of entertainment program, while
- 3 media broadcasters have maintained the same percentage of public and entertainment program as in temporary IMC license.

Findings regarding comparison and assessment regarding the source of the program prove that majority of media broadcasters have increased their own production programs.

Regarding the installation of the exit broadcaster filter, after concluding the deadline for applying for long-term license, technical meetings are organized with media broadcasters' representatives, where they are provided with technical clarifications regarding the installation and the need to install these filters. Also, the Frequency Management Division of IMC had ongoing visits on the ground with the purpose of verifying the installation of these filters by media broadcasters and is measuring the signal after installing the exit filter.

From field visits, upon technical check of national broadcast points, we have noticed that public television RTK has no spare parts in the national point Vreshta, and in case of damage to the broadcaster, the whole Prishtina region and beyond will remain without signal coverage of RTK.

Regarding requests for change of broadcast location, increase the broadcast power, expand coverage area and other technical requirements, detailed analysis are conducted according to their requirements, and based on which technical tables were provided, respectively digital maps of the license coverage area.

It remains to media broadcasters with requests for national coverage to conduct additional technical analysis and find adequate solutions. In this regard, DFM is making additional efforts to find acceptable solution for Serbian radio and television stations that requested national coverage.

2) Enforcement of broadcasting policies in compliance with internationally accepted standards

IMC shall cooperate and give its contribution to the initiative of the Parliamentary Committee for Public Services, Local Administration and Media, for reviewing and amending the existing law for the Independent Media Commission and Broadcasting in accordance with Directive 2007/65/EC of European Parliament and Council of 11 December 2007.

Workshop on amending the Law on IMC

On the initiative of the Commission for Public Services, Local Administration and Media (CPSLAM) and supported by IREX, in Ohrid, Macedonia from 4 to 6 February 2009, has organized a working meeting of the IMC with three parliamentary committees, the Committee of Public Service, Local Administration and Media, Parliamentary on Legislation and the Parliamentary Committee for Budget and Finance, to discuss changes to be made in the IMC Law. Media representatives also attended the meeting.

IMC representatives have given their contribution by presenting loopholes of this law and problems that arise in its implementation in practice. IMC presented proposals for improving the law, in line with European standards.

In addition, IMC followed all meetings of the Parliamentary Committee for Public Services, Local Administration and Media, during amending the IMC Law and closely cooperated with the Committee in answering all requests for necessary clarifications which are required by the committee during amending the Law of IMC.

IMC considers that the initiative for amending the Law no. 02/L-15 for Independent Media Commission and Broadcasting, adopted in April 2005, was welcomed due to the fact that some of its provisions are not in accordance with the Constitution of Republic of Kosovo, they cause problems during implementation and the fact that the Law contains terminology, technical, structural and linguistic mistakes.

3) Developing and adoption of digitizing process policy

Completing the drafting of the digitizing strategy

For the year 2009, IMC set as an objective the drafting and adoption of policy for the process of digitizing (*Completing the drafting of the digitizing strategy*).

This objective is achieved only up to certain extent to provide the basis to support the action plan of the strategy.

Initially, analyses of results were initiated for Kosovo stemming from the Regional Conference Geneva 2006, when digital television frequencies were allocated and where Kosovo was not represented. For this purpose, in September 2009 IMC has engaged two experts for frequency planning to do this necessary work: to analyze the frequency plan (allotment of Kosovo), *in technical terms*, allocated for Kosovo by ITU and representatives from Serbia, and to propose an alternative plan. In this project, financial assistance was provided by IREX to IMC.

One such analysis was necessary to start the work on drafting the strategy. It was necessary to understand how the implementation of this plan will be reflected in Kosovo and at what extent it would meet Kosovo needs (in terms of coverage and the number of frequencies). Despite the technical results detailed in the plan, IMC has aimed from the beginning to have an alternative plan for the fact that it resulted from Geneva plan that was not negotiated with Kosovo in 2006, but by another administration. Proposed alternative plan is being worked on according to principles defined by the ITU, a plan which in legal and technical terms means the modification of the 2006 plan. Based on Article 4 of the Final Acts of the 2006 Geneva Agreement, modification is allowed. *Experts' Report for this frequency analysis is presented in Annex III of this report.*

Second step in this direction is done with organization of regional conference on December 4 and 5, 2009: ***“Presentation of digital broadcasting in Kosovo and the region – STRATEGIES”***

The deadline for termination of analog broadcasting and transition to digital broadcasting in non-member countries of the European Union is the year of 2015. Because of non membership of the Republic of Kosovo in ITU, process towards digitizing requires greater commitment in Kosovo compared to other ITU Member States. Thus the conference organization and bringing regional experience is one of the first steps towards preparing for digitalization. Representatives of regulators from Albania, Montenegro, Macedonia, Croatia, Slovenia and Bosnia and Herzegovina have presented their experiences about the preparations and steps to take to digital broadcasting in their countries. Although all of these countries have been in advantage at the political and financial aspect, they encountered difficulties in preparation for shifting to the digital system.

Another goal of this conference was the introduction of digital frequency plan which was drafted by two experts hired by IMC. This is an alternative plan which claims to meet the needs of digital broadcasting in the Republic of Kosovo.

Conclusions from this conference are summarized in a separate report which is given in Annex IV to this report.

All details regarding the conference may be found in annex IV attached to annual report 2009

IMC established first working groups as continuity of work towards achieving this objective:

- Working group on information;
- Working group on the issue of program content;
- Working group on technical issues;
- Working group on legal issues, and
- Working group on social – economical issues.

These working groups during 2010 will be expanded with the involvement of representatives of Kosovo institutions, media and civil society.

For the progress of works of these working groups, IMC will hire a secretary who will be coordinating the works of five groups.

After the international conference that conveyed to Kosovo media and other interested parties the experience of 6 countries of the region, representatives of the IMC met for the first time with representatives of the International Telecommunication Union during a study visit to Geneva supported by OSCE Mission in Kosovo.

This visit aimed at establishing the first contacts in the regulatory level - ITU. Representatives from ITU were presented by Radio communications Office and Development Office Networks findings from analysis of separate plans in the Geneva Conference in 2006, respectively findings of allotment in Kosovo which in the current plan exists as one of the allotments of Republic of Serbia. It was discussed regarding the reasons why that plan is not acceptable and was requested that Kosovo is considered as a country that requires the coordination of a modified plan, except coordination with neighboring states. ITU officials, even though they were very correct, they have clarified that ITU actions in relation to Kosovo are limited because Kosovo is not a member of ITU.

4) Promotion of right broadcasting competition

Review and amendment of Regulation on advertising

In early 2009, IMC Council reviewed the Advertising Regulation for Media Broadcasters CIMC - 2007/06 adopted in 2007. This review is done at the same time when the Council, under legal obligation provided for by the Law on Radio Television of Kosovo, has reviewed the advertising in the public broadcaster. After analysis, it was concluded that the Regulation CIMC 2007/0 had structural and technical deficiencies that do not coincide with changes made in the field of broadcasting. It was also decided with the amendments to set the advertising duration restrictions in public broadcaster, which should have taken place in 2007, but due to warnings of termination of the contract for collecting public tax which provides the STP's largest budget, the IMC Council had not taken such a decision in order not damaged the functioning of the only public broadcasters.

The decision for change was taken by the IMC Council in the meeting of February 12, while in its session held on 14th of April 2009 it reviewed the draft prepared by the working group of the IMC Office, where it presented some suggestions and amendments and decided that the amended draft is placed in public discussion between 17 April and 4 May 2009.

IMC Council, on 28 May 2009, held a public debate on new Regulation on Audiovisual Commercial Communications (KKPM 2009/04), inviting all electronic media licensed by IMC, where many of them submitted comments and suggestions. Before the adoption of the Regulation, the IMC Council met several times with the management of RTK to exchange information needed to be taken into consideration for advertising restrictions in RTK.

On August 28, 2009 Council approved KKPM Regulation 2009/04, determining that it shall enter into force three months after approval.

5) Licensing of cable operators in the north of Kosovo

IMC, with the help of the OSCE, has managed to establish a communication route with cable operators that operate illegally in northern Kosovo. IMC officials met twice with representatives of Serbian cable operators and in both meetings necessary documents were submitted for application for IMC license and to legally operate with cable television services. Despite those meetings and other efforts, none of the Serbian cable operators that operate illegally in the northern part, have not applied for the IMC license. IMC managed to identify that in the northern part of the Republic of Kosovo there are two cable operators operating illegally: 1. Cable operator "LINK" and 2. Cable operator "VGN".

Political circumstances created in the northern part of the Republic of Kosovo and security reasons were the main obstacle for IMC to enforce legislation on cable operators operating illegally in northern Republic of Kosovo.

Engagement of IMC in 2010 remains one of the priorities to proceed with licensing of illegal cable operators operating in the northern part of the Republic of Kosovo, nevertheless the activity of IMC exercise its authority in this regard is very closely linked with political developments in this part of Kosovo.

During 2009 IMC has taken the decision to open an office in Mitrovica (north) to enhance the access of operators of the Serb minority to the work of IMC.

6) Establishing preconditions for accomplishing the constitutional obligation of establishing one national broadcaster in Serbian language

IMC cooperated closely with the International Civilian Office (ICO), UNDP, Assembly of Kosovo and OSCE in opening a debate for establishing a national broadcaster in Serbian language. IMC also presented in written all possible options, advantages and disadvantages for establishing a national channel in Serbian language.

IMC shall work with relevant Kosovo institutions and community of Serbian community to establish a plan of action for accomplishing this request.

7) Strengthen the cooperation with European regulatory authorities

Organizing the conference EPRA 2010 in Kosovo:

The board of EPRA decided to make changes into schedules of holding future conferences and this resulted in delay of foreseen conference to take place in Kosovo. Nevertheless, due to the cooperation through this platform with other authorities, members of this platform contributed with their presence and presentation into the IMC conference on digitalization.

OBJECTIVES FOR 2010

1. DETERMINE THE POLICY FOR TRANSITING ELECTRONIC MEDIA OF KOSOVO INTO DIGITAL PLATFORM

- ***Drafting the digitizing strategy*** – Internal and external coordination through working groups and involvement of relevant institutions of Kosovo (frequency plan coordination with neighboring countries, starting the negotiations for membership in ITU). Such coordination will be realized through debates, seminars and various conferences which will complement the work of the working groups). IMC will be leading the process.

2. DEVELOPING OF THE MEDIA MARKET THAT SERVES ALL CITIZENS OF KOSOVO

- ***Issuing new licenses*** – Following the process of long term licensing, analogue frequency plan shall be reviewed to enable issuing new licenses providing areas with no radio-television signal with access to media.
- **Accomplishing the constitutional obligation of establishing one national broadcaster in Serbian language**
IMC shall cooperate with other stakeholders and shall give its contribution as member of steering group in establishing a television channel in Serbian language with Kosovo wide coverage.
- **Licensing of cable operators in the north of Kosovo**
This shall be ongoing engagement of IMC in 2010.

3. PROMOTION OF FAIR BROADCAST COMPETITION

- **IMPLEMENTATION OF THE REGULATION ON ADVERTISING**
Regulation shall enter into effect on 1 January 2010 and IMC shall carefully monitor its right implementation.

4. ENFORCING POLICIES OF BROADCAST IN LINE WITH INTERNATIONALLY RECOGNIZED STANDARDS

- **REVIEW AND AMEND SECONDARY LEGISLATION** – Since the end of 2006 when the Independent Media Commission was established, with the functioning of decision-making body – the Council, IMC has worked in establishing the legal infrastructure for broadcasting operations in Kosovo. After 3 years of functioning, the media scene has changed significantly and in general the need arose to review the existing bylaws. Thus, during the 2010 IMC will review and amend the Code of Conduct for audiovisual media services, Regulation on rebroadcasting radio and television channels in cable network and the decision on license fee.

Code - the media still operate in accordance with the Code issued in 2000, which was based on European principles but now there is a need to amend and issue a new Code by the IMC Council.

Regulation on cable operators – active cable operators have shifted to advanced digital system. In relation with cable operations, it occurred that the industry has walk before creating a legal basis for their regulation and IMC has managed for a short time to put them under the legal framework. However, their technological developments and other developments in media require amending this framework and clearly separate broadcasting systems.

Decisions on license fee: in 2007 a decision was issued on the level, method and determination of license fees for cable operators and program service providers while in 2008 a decision as issued on the level, method and determination of license fees for media broadcasters. The IMC law prescribes that license fee should be reviewed every two years and shall change depending on the circumstances. IMC Council with the purpose of setting the fees for licenses to all audiovisual media

services (Media Broadcasters, cable operators and cable PSP) through a single decision applicable to all.

- 5. CAPACITY BUILDING FOR MONITORING OF PROGRAMS**– Implementation of the IPA 2009 project, which started at the end of 2009, and which is scheduled to be completed by the end of 2010, will enable the creation of monitoring system that allows monitoring of all media broadcasters in the territory of Republic of Kosovo. This system will ensure monitoring capacity building of IMC for assessing the quality of media broadcasters' program; media broadcasters' compliance with copyright; compliance with the Regulation for the Protection of Children and minors from harmful program content; Compliance with the Regulation for Commercial Audio-visual Communication and General Terms and Conditions of the License. Implementation of this project enables effective and detailed monitoring, and creates opportunities for analysis and evaluation of broadcasted programs, through which the IMC creates a clear overview about the types of programs. This system enables recording and archiving broadcasted program for 24 hours a day/45 days.

CHAPTER I

PRESANTATION OF THE WORK OF IMC COUNCIL

Composition and nominations

As a result of the completion of two year terms (under the Law of the IMC), IMC Council during 2009 has been operating with incomplete composition, due to the fact that since August 28, 2008 the seventh member was not appointed, nominee of the Assembly of Kosovo. IMC Council has been operating in the composition of six (6) members nominated by civil society, chaired by Argjentina Grazhdani reelected for President for another mandate from the IMC Council on April 6 2009.

Two members of the IMC Council end their mandate on March 14 2010. Office of the Chief Executive in accordance with the Law on IMC for nominations and new appointments procedure, in 2009 began a process of nominations. Public invitation for nominations started on November 25 and concluded on December 9, 2009. In absence of sufficient nominations for members of the IMC Council, and in order to bring in accordance with legal requirements that the Council reflects multi-ethnic society in Kosovo, Office of the Chief Executive has continued the term for two week period (from 11 to December 28, 2009).

Eight (8) nominations were received during the term, which were published and sent for public comment according to legal procedures. Office of the Chief Executive on January 29, 2010 has fulfilled its legal obligation when finally sent to the Assembly of the Republic of Kosovo the list with the names of four most qualified candidates for further proceedings.

MEETINGS AND DECISIONS OF THE IMC COUNCIL DURING 2009

IMC Council during 2009 held fourteen (14) meetings. IMC Council adopted the long term licensing package and revised frequency plan. This way IMC Council started the long term licensing process.

IMC Council in 2009 adopted 4 regulations, took decision to issue long term licenses to 80 media broadcasters, 15 program service providers and one cable operator. The Council also issued 9 sanctioning decisions for media broadcasters that were found in violation with General License Terms and Conditions.

Regulations adopted by IMC Council

1. Regulation CIMC 2009/01 for media broadcasters for protection of children and minors from harmful program content - aims at ensuring the protection of children from the program content that could negatively affect their physical, mental, emotional and moral development.

Also, this regulation sets out the manner of categorization, selection and signaling during broadcasting programs that could negatively affect the physical, mental, emotional and moral development of children.

2. Regulation CIMC 2009-02 on qualifications for granting of IMC license for broadcast - defines the criteria required to be filled by candidates for the IMC license. Under this regulation the assessment is conducted for claims submitted for the award of the IMC license which would apply the criteria set out in Article 12.4 of the IMC Law, as well as additional criteria set by the IMC Council during the public announcement for new frequencies.

3. Regulation CIMC 2009/03 for compliance with the obligations of copyright - provides for respect of international law and practice regarding the protection of intellectual property including but not limited to, audio and video entertainment material which is crucial for the development of fair competition in a media market. A media market, regulated in accordance with standards and best practices, is essential for the development of a market economy in Kosovo. *(CIMC Regulations 2009/02 and 2009/03 were approved as part of a package for long-term licensing)*

4. KKPM Regulation 2009/04 for audiovisual commercial communications - defines the basic principles of audiovisual commercial communication, teleshopping and sponsorship for their broadcast through media service providers. This regulation does not address issues related to political audiovisual commercial communication, which is regulated by relevant laws and regulations.

This regulation also defines the content of audiovisual commercial communication and ethical issues of audiovisual commercial communications in all media service providers. This regulation sets the amount of audiovisual commercial communication broadcast by audiovisual servants including teleshopping.

ORGANIZATION OF PUBLIC MEETINGS

An already proven practical cooperation and transparency of the Independent Media Commission is holding public meetings in order to provide the opportunity for comments and proposals from the media and other stakeholders. This process is usually conducted before the adoption of specific acts of legislation which are based on the Law on IMC, respectively Article 3.2.

On April 3, 2009 IMC has held a public meeting with media broadcasters licensed in Kosovo, to discuss the Draft Regulation on protection of children and minors from harmful program content, where the regulation was discussed and commented which were then incorporated in draft.

In the process of long-term licensing, IMC on 28 May 2009 organized a public meeting with licensed media broadcasters in Kosovo, to discuss the Draft of Long Term Licensing package and Draft Regulation for Audiovisual Commercial Communication.

With the support of OSCE and aiming at preparations for monitoring the media during the electoral campaign on 2nd and 3rd of October 2009, IMC has organized a workshop to revise and amend three guidelines for the media for respect of legal provisions for coverage of the election campaign. In this workshop participated representatives from the Parliamentary Committee for Public Services, Local Administration and Media.

After the workshop, IMC organized the Conference "Media and Elections" on October 13, 2009, where media broadcasters and program service providers were presented with three (3) IMC Instructions to be respected by the media broadcasters licensed by IMC throughout local elections in 2009 in Kosovo:

- I. Instruction on identification of political advertisement
- II. Instruction on reporting the public poll on elections, and
- II. Instruction for media on election silence.

CONFERENCES

Independent Media Commission in cooperation with the Council of printed media, on 28 and October 29, 2009, supported by the OSCE, held a joint two-day conference on public awareness on the role of these two institutions and relations between media-police-justice systems. In the absence of a legal framework that defines the services that should be provided by media towards the needs of these bodies, occasional problems occur, especially when the media with individual and legally ungrounded claims are obliged to provide materials and recordings from various events and requests are not made only for broadcasted materials but also for unedited materials which is not a responsibility of media. Especially the reference to KSAK legislation makes this situation even more confusing thus IMC has seen as very important that this will be debated with relevant institutions, representatives of which have concluded that IMC and KMSH may influence the improvement of relations in relation between media-justice-police.

On 4 and December 5, 2009, IMC organized an international conference on the topic "Introduction of digital broadcasting in Kosovo and the Region - STRATEGIES", which is reported above, under accomplishment of objective no. 3 for the year 2009.

RADIO TELEVISION OF KOSOVO – DEVELOPMENTS IN 2009

Appointment of the board

After establishment of the Independent Media Commission in August 2006, the IMC Council set its priorities to get involved in ensuring the appointment of the RTK Board. According to RTK Law which was promulgated in 2006, the IMC Council was assigned to initiate the process and also be part of the participatory process in the ad hoc committee for selection of candidates. Thus, in February 2007 IMC Council conveyed the ad hoc committee and extended the invitation for nominations. In June 2007, the ad hoc committee forwarded to the Assembly the names of 18 nominees that were selected, but their appointment procedure was not completed, thus in May 2008, the Assembly of the Republic of Kosovo requested IMC to start a new process of nominations. The process ended in October 2008 with forwarding 18 new names to be appointed to the Board of RTK, but these nominations were not processed for appointment. In July 2009, the ad hoc Committee of the Assembly of the Republic of Kosovo requested IMC to open once again the competition for new nominations to the Board of Radio Television Kosovo, the third in a row.

Independent Media Commission on July 31, 2009 has published the invitation for new nominations, and then upon the request of the ad hoc Committee re-announced the advertisement on 26 August 2009, after the commission found that during the first round there weren't sufficient nominations to meet conditions set by the law and minority representatives.

On September 28, 2009, ad hoc Committee composed by the Academic Mehmet Kraja, Mrs. Vjosa Dobruna, Mrs. Snezana Kraraxhiq, Mr. Milazim Krasniqi from the RTK Board, Mr. Agim Sopi, Mrs. Filloreta Bytyqi and Mr. Rame Bajraktari from IMC Council, selected 18 nominees for members of the new board of Radio Television Kosovo. List has been forwarded to the Republic of Kosovo Assembly for further procedure until the election of nine (9) members of the Board of RTK. The new Board of Radio Television of Kosovo was finally appointed by the Kosovo Assembly in October 2009.

Funding of RTK

Financial viability of RTK was endangered during the last three months of 2009, when Kosovo Constitutional Court ruled in October 2009 to suspend collecting public fee for funding RTK through electricity bills and at the end of November KEK terminated the contract with RTK for collecting this fee. However, KEK didn't collect 3.5 Euros since October, respecting the decision of the Constitutional Court.

IMC has cooperated closely with RTK to find a short and long-term financing solution of RTK, and in November 2009 joint recommendation of the IMC Council and the RTK Board was forwarded to the Assembly with proposals for legal formulations to ensure long-term finance.

Due to the creation of an unstable financial situation, since IMC Council had adopted the Regulation on Commercial Audiovisual Communications which limits the advertising time on RTK, RTK requested from the IMC Council to delay the implementation of the Regulation. On 18 November 2009, the IMC Council informed the Board and Management of RTK and the Assembly of the Republic of Kosovo that it has decided to postpone the implementation of the Regulation until 1 January 2010. Council asked for the commitment of the Assembly as a founder and other parties to make long-term financing solution. RTK was given an additional term to get in compliance with the regulation by 15 January 2010. Revenues from advertising constitute about 15% of revenues of the overall annual budget RTK and according to analysis and monitoring of IMC the advertising restrictions with the new regulation will not harm the RTK activity. RTK is compromised with the removal of long-term funding source - funding from public taxes.

CHAPTER II

PRESENTATION OF WORK OF THE CHIEF EXECUTIVE OFFICE

In early 2009 the Office of the IMC Chief Executive has operated with a staff of 21 civil servants, while the number of employees by the end of the year reached 28. During the year 2009 were published 6 job vacancies and 4 re-advertisements for job vacancies (1 advertisement for Information Technology Manager, 2 advertisements for Regional Monitoring Manager, 1 advertisement for Internal Auditor, 1 advertisement for Executive Assistant, and 1 advertisement for Legal Officer, 1 re-advertisement for Executive Assistant and 3 re-advertisements for Internal Auditor).

Difficulties encountered at the Office of the Chief Executive in previous years have been overtaken considerably and state of personnel has improved with the strengthening of functional review, respectively leveling of wages, which was enabled with the commitment of functional parliamentary committees (Committee for Budget and Finance and Media Committee). Functional review is done for the purpose of organization, delineation of responsibilities, reorganization and upgrading of salaries of the staff of the Office of the Chief Executive of the Independent Media Commission.

Department of Civil Service Administration (DCSA/MPA) has reviewed the recommendation of the Budget and Finance Committee of the Assembly of Kosovo, dated 18/11/2009, regarding the request (ref.0911/2026/EXD/NSK) of the Independent Media Commission and Broadcasting for the implementation of functional review and leveling of salaries of staff within the IMC based on the recommendations of the Committee on Budget and Finance (no. 03/2176/Do-1349 dated 15.5.2009 and no. 03/2384 / I-1491 dated 18.6.2009 MPA/DCSA), has proceeded in the salary system the temporary salary multipliers of the staff of IMC until the adoption of the Law on Salaries in Public Administration.

DIVISION OF MONITORING

Capacity building (technical and human)

In the wake of efforts that IMC Office is making to advance and build the capacity of its staff, in January 2009, organized a training of monitoring staff on monitoring media program content. Professor of Strategic Communications at the University of Oklahoma and research expert Dr. Maureen Taylor lectured in the training. Performance assessment criteria were developed during the training. Training is supported by IREX.

During 2009, the Monitoring Division of IMC was equipped with a vehicle with digital equipment for monitoring of the media broadcasters' content, capital project funded by Kosovo budget. The vehicle has digital monitoring equipment on the ground (all hardware and software equipment), signal receiving antennas, servers with VPN connection (Virtual Private Network) and network, and with sufficient space to work.

The project included training for working with equipment installed in the car, and their maintenance, and server which will keep all records of media broadcasters' programs made in the field. The first training for working with these devices was conducted in IMC Office, while advanced training will be held during 2010, at the company that implemented the project. Implementation of this project has enabled the mobile monitoring of election campaign coverage by the media broadcasters.

At the end of 2009 started the implementation of the Static Monitoring Project, co-funded by the Instrument for Pre-Accession (IPA 2009) in the value of 1,000,000.00 (one million) Euros and the Government of Kosovo in the value of 100,000.00 (one hundred thousand) Euro. According to this monitoring system project it is planned to build in six (6) centers of the Republic of Kosovo to collect data for all broadcasted programs within 24 hours, which will then be archived in the main center in Prishtina. The project will be implemented during 2010.

Monitoring

Year 2009 is characterized by frequent activities of the Media Monitoring and Compliance Division. These activities have preceded the start of preparations for long-term licensing process, as the Independent Media Commission has declared 2009 a year in long-term licensing of broadcast media in Kosovo. Projects implemented during the year related to compliance monitoring of media broadcasters with license terms and conditions and with IMC regulations have proven that many media broadcasters are beginning to act in accordance with these Regulations.

After the implementation of a project concerning compliance with copyright (whose implementation started by the end of 2008 and completed in February 2009) during which has been monitoring all local television stations, has been found that many media broadcasters have begun with the agreement provided for copyright, which showed positive effect of monitoring and recommendations made to act in accordance with terms and conditions of license - chapter on copyright. Monitoring compliance with copyright is done several times during the year.

In the focus of these monitoring were primarily media broadcasters which were found in the copyright violation during preliminary monitoring. The implementation of other projects such as: Compliance with the Regulation on Advertising, program content monitoring, compliance with the Terms and Conditions of IMC license, allowed MMCD in creating a more accurate overview of the performance of each media broadcaster on the eve of long-term licensing process.

In the reporting period, cable operators (CO) licensed by IMC were monitored, while in this year challenge of Monitoring Division continues to be the identification of illegal COs. So after the visits conducted by the staff, two cable operators have acted in accordance with the Law and terminated illegal operation, one illegal operator is licensed while another cable operator has promised to apply for an IMC license.

Use of cable operators' infrastructure has enabled to continuously monitor another 22 service providers that are broadcasted COs. Monitoring was intense in time of qualification for the World Cup in football and foreign leagues (monitoring on compliance with copyright).

At the time when package for licensing is given for comments, monitors have visited media broadcasters, which operate in the northern part of the country, in order to receive their comments and observations regarding the package for long-term license application of IMC.

The initiative of the Office of the Independent Media Commission for amending the Regulation on Advertising was additional obligation for monitoring of all media broadcasters regarding compliance with this regulation.

Monitoring of compliance with Regulation on Advertising

In the period from May to June 2009 a project was carried out for one-month monitoring of three national televisions. Monitoring of compliance with the Regulation on Advertising is conducted for local television. During the whole monitoring, percentages of advertising broadcast within an hour were calculated.

Focus of monitoring was also on placement of products in local serials aired on three national televisions, as well as assessment of compliance of some media broadcasters with General Terms and Conditions of IMC.

Monitoring of RTK

Based on European practices, public broadcasters have clear obligations towards the public. One of RTK obligations, deriving from Article 6.6 of the Law on RTK, is broadcast of programs in languages of minorities. Compliance of the Kosovo Public Television with the Law on RTK respectively Article 6.6 of this law was therefore the focus of one-month monitoring regarding the amount of programs broadcasted on RTK in the language of minorities. This monitoring is done during the period April-June 2009. Based on monitoring conducted for this period and the percentage of programs of minorities calculated from program schemes of Radio Kosova and Radio Blue Sky, Monitoring Division has found that the percentage of minority programs broadcast on Radio Television Kosovo Public during monitoring period was 11.29% and not 15% as foreseen by the Law on RTK.

Since the findings of MMCD on percentage of minority programs does not corresponded with RTK data for these programs in its annual report, RTK was required to provide data regarding the percentage of broadcasted programs for communities and the manner of calculating them.

According to explanations given by the RTK, the calculation of broadcasted programs does not re-broadcasts after midnight, so this amount of program broadcast, the percentage of minority programs according to RTK is 14.58%. According to RTK the percentage is calculated for a 24 hour broadcast.

Monitoring of news editions in three national TV stations for 12 months

From January until the end of 2009, Monitoring Division conducted regular monitoring of central news editions in three national televisions. Eight principles established for performance evaluation of three national televisions were a good basis that coders (monitors) through the assessment scale of 1-5 to assess the performance of these media broadcasters based on same criteria. Such monitoring is done once a month. Based on monitoring reports for twelve months, the summary and comparative performance report was drafted on three national televisions in 2009.

Monitoring of compliance with IMC regulations and based on appeals

After approval by the IMC Council and the entry into force of the Regulation on Protection of Children and minors from harmful program content, MMCD has conducted monitoring regarding compliance with this regulation. Media Broadcasters found in violation, were monitored again to verify if they come in compliance with this regulation.

MMCD has conducted monitoring during this period, even after appeals about possible violations by broadcasters. The findings and recommendations of the Division after the implementation of the aforementioned projects were the basis for the other Divisions to support their actions.

During the reporting period, the Division staff had many visits and inspections to radios, televisions, cable operators and program services providers.

Monitoring of media during electoral campaign coverage for "Local elections 2009"

While in past elections, IMC, in the absence of technical and human capacities for monitoring has monitored electoral campaign for coverage based only on filed complaints, in 2009 MMCD has monitored local elections from 15 October until the end of the second round of elections, on 13 December 2009, thanks to the implementation of capital project that has technically enabled monitoring of three (3) national television, ten (10) local TVs and 2 program service provider - most of licensed TV stations. Electronic media that couldn't be monitored due to technical capabilities were monitored based on the archive brought in case of complaints.

IMC is responsible for implementation of Chapter VIII (Media and Elections) of the Law no. 03/L-072 on elections by the licensee (media broadcasters and program service providers). To ensure the compliance of licensees with legal obligations, IMC has also issued relevant guidelines that prior to the campaign were made available by the IMC Office.

Monitoring included analyzing central editions news, election stories at the time of peak viewership and political advertising regarding their compliance with Election Instruction. Measurements were also made of space dedicated to each certified political entity, assessing and categorizing these presentations as neutral and negative positive presentations.

IMC officials of MMCD analyzed:

- If information is made fairly and impartially on the activities of all political entities certified;
- if they are offered equal opportunities to all political parties to promote their political platforms, and
- if they acted in accordance with Law on Elections and the Code of Conduct for Broadcast.

After performance monitoring of media broadcasters and PSPs during two rounds of local elections, MMCD has prepared weekly reports and summary reports on two rounds of local elections in 2009. Summary report of monitoring is given in Annex II.

LICENSING DIVISION

Media broadcasters

While in 2008 operated 113 media broadcasters, in the Republic of Kosovo in 2009 operated 110 media broadcasters. Three media broadcasters (1 TV and 2 radio stations) for financial reasons have waived their broadcasting license in 2009.

Of 110 licensed entities, 66 are media broadcasters in Albanian, 32 in Serbian language, 3 in Bosnian, 3 in Turkish language, 2 in Gorani, 1 in Roma and 3 media broadcasters are multiethnic.

According to division into categories (Radio and TV), 21 of them are television stations; 3 national, 15 local TV stations and 3 low power, while 89 are radio stations: 4 national 70 local radio stations and 15 are low power.

The division by regions: in Gjilan operate 33 media broadcasters, 19 media broadcasters in Mitrovica, 13 media broadcasters in Peja, 25 media broadcasters in Pristina and 20 media broadcasters in Prizren.

Program Services Providers-PSP

In Kosovo operate 28 licensed PSPs in total, 15 of them were licensed during 2009.

These PSPs broadcast their program through cable operators' network. Most of the licensed PSPs are based in Prishtina, while the rest in various municipalities of the Republic of Kosovo.

Cable operators

During 2009 IMC has licensed 3 cable operators (1 of the operator provides services to customers in the locality inhabited by members of the Serb minority, 1 in the locality inhabited by Gorani minority members, and 1 in Albanian inhabited locality).

There are total 10 licensed cable operators in Kosovo that provide their cable services in various municipalities of the Republic of Kosovo. Two of these are operators have expanded their network and currently operate in several municipalities in Kosovo.

LEGAL DIVISION

This division during 2009 has examined various cases of media broadcasters, program service providers and cable operators for violations of the IMC Law and bylaws. Also complaints of natural persons of different organizations were reviewed that were addressed to IMC, against electronic media.

Depending on the type of violation of IMC legal provisions, processed cases are categorized and presented as follows:

1. Cases for illegal broadcast

During 2009, three (3) cases were processed for violation of Article 11.1, of the IMC Law, which stipulates that: "To exercise broadcasting in Kosovo under the terms of this Law it is required the license for broadcasting issued by the Commission", and Article 20.5 of the IMC's Law, which stipulates that: "Anyone who operates without a valid broadcast permit, the relevant broadcast equipment shall be confiscated. Such entity may not appeal to the Media Appeals Board".

Cases processed for violation of provisions cited above are presented in Table 1 of Annex V of this report and relate to two (2) illegal cable operators in Prizren region, one in Lubinjë e Eperme and the other in Zhur. After sending the notice of violation, illegal operators have halted broadcasting. Cases were closed.

The third case involves a local radio station identified as Radio Gjilan. After sending the notice of violation, the party has stopped broadcasting. The case is closed.

2. Cases for violating the Regulation on Advertisement 2007/06

Legal Division during 2009 has processed six (6) cases against media broadcasters that are found in violation of the Regulation on Advertising:

- TV 21 and Radio Television of Kosovo - RTK, have violated the Article 10.3 point d) of the Regulation for Advertising from Broadcasters Media CIMC-2007/06, non identification of relevant products placed in the beginning, during intermission and at the end of the program. After receipt of the notice of violation, they managed to comply with the Regulation in question.

- Radio Television of Kosovo - RTK, TV 21 and KTV - Koha Vision and RTV Mitrovica have violated the Article 11.1 of the Regulation on Advertising for Media Broadcasters CIMC-2007/06, exceeding the proportion of time allowed for advertising. Upon receipt of notice of violation, media broadcasters have come in compliance with such Regulation.

- These cases are presented in Table-2 of the Annex V (Table of legal cases proceeded during 2009)

3. Cases of violation of General License Terms and Conditions

3.1 Broadcasts without copyright

Even during 2009, the issue of respecting the copyright remained a key problem for the media industry and the regulator. Absence of an appropriate institution to implement the Law on Copyright and related rights, which was adopted in August 2006, hinders further the work of IMC since the IMC is dealing with issues of respect of copyright by media broadcasters.

Media broadcasters, along with cable operators and program service providers have an obligation under the General License terms and conditions of the IMC to respect copyright and to ensure valid contracts for broadcasting commercial programs and for re-broadcasted channels (cable operators).

Legal Division during 2009 processed 17 cases for violation of copyright:

- Nine (9) legal cases initiated against media broadcasters which despite receipt of notice of violation, failed to comply with the General Terms and Conditions of License - chapter on copyright are, were sanctioned with a fine. Eight (8) of these cases are concluded - closed.
- Legal cases against the "Eagle" - Cable operator in Prizren and TV MEN - Local Television in Gjilan, concerning violations of Article 2.1.3 and 2.1.5, respectively 4.1.1 of the General terms and conditions of the license are in procedure and under continuous monitoring. Parties were sent Notice of Violation.
- Legal cases for violation of General terms and conditions of license initiated against six (6) media broadcasters after submitting notice of violation are closed after the parties have reached in accordance with this Regulation.

These cases are described in more detail in Table 3 of Annex V

3.2 Failure to maintain the archive

Failure of responsible parties for bringing the archived program material at the request of IMC has resulted in the initiation of four (4) legal cases, against TV MEN - Local Television in Gjilan (two cases), RTK and Opinion. Upon receipt of notice of violation, parties have come into compliance, thus that cases were closed.

These cases are described in more detail in Table 4 of Annex V.

4. Cases for violation of the Regulation CIMC 2009/01 – on Protection of Children and minors from harmful program content

Legal Division during 2009 has processed 12 cases related to violation of the Regulation CIMC 2009/01. To all cases are presented in Table 5 of Annex V, broadcasters were sent Notice of Violation. Cases are under procedure.

5. Cases of violation of the Decision CIMC-2008/01 on Media Broadcasters - Failure to pay license fees

Legal Division during 2009 has processed four (4) cases regarding this violation, to whom notice of violation was sent. Table 6, *annex V*.

6. Cases of violation of the Decision CIMC-2007/05 on PSP and CO - Failure to pay license fees

Legal Division during 2009 has processed eight (8) cases regarding this violation:

- IMC Council took the decision for suspension of license of PSP "ZICO TV" and "ZICO TV 2" for a period of one month due to non-payment of fees for a license. The cases in procedure.
- After Notice of Violation, the cable operator "EAGLE", PSP "Business Channel" and PSP "Visa Channel" have paid the license fee. Cases were closed.
- IMC Council took the decision to suspend the license of CO "Digit", PSP "Zero TV" and PSP "Infinite TV" for one month. Cases are in procedure. Table 7, Annex V.

7. Cases of violation of the Law no. 03/L-73 on general elections

Violation of article 49.7 – Failure to submit daily logs on election

During the 2009 local elections, Legal Division has processed thirty-five (35) cases concerning this violation. Following notice of violation to media broadcasters, they came into compliance with Article 49.7 of the Law on Elections, providing logs or notification records to inform that they have not broadcasted political ads. Cases are presented in Table No. 8 of Annex V.

Violation of election silence

Based on Article 51.1 of the Law on General Elections were processed 7 cases concerning violations of the Instruction no. 3 during the election silence of media. All cases identified in Table 9 of Annex V IMC Council have set the measure of Notice in line with the IMC Law.

Violation of article 49, point 5 – Political advertising during news edition

For violation of Article 49.5 were processed two cases, TV Men and TV Liria. After Notice of Violation, these media broadcasters came to compliance. Cases are closed. Table 10 Annex V.

Violation of article 48 – Failure to provide space during electoral campaign

Two cases were processed in connection with this violation - TV OPINION and Radio Hayat. After sending notice of violation to the parties, they came to compliance. Cases are closed. Table 11 Annex V.

Other cases and requests processed by IMC, table 12 annex V.

Three (3) cases are processed: first case is processed based on the request of the Bosnian Party for obtaining an appointment for SDP in Radio Hayat, IMC has responded that it is not in its mandate to interfere in editorial policy of media broadcasters. While in two other cases, IMC has instructed the complaining parties to seek their right for denial to relevant media broadcasters, in accordance with civil law against defamation and insult.

DIVISION FOR FREQUENCY MANAGEMENT

During 2009, DFM has reviewed/processed cases of interference; change the TV channels, changes of radio frequencies, changes of locations, expansion of the coverage area, increasing broadcasting power, etc.

In case of interference, after receiving the complaint, DFM makes technical measurements in the field and measures the strength of signal interference and with the help of monitoring equipment identifies the source of interference. In cases where the cause of interference is a licensed broadcaster in Kosovo, DFM contacts and advises the broadcaster to control the broadcasting system or media broadcaster when she is not in accordance with technical terms and conditions of license, IMC orders the media broadcaster that causes interference, to get in compliance providing clear instructions on how to do it.

Cases of interference, changing location and illegal broadcasting

During 2009 a total of eight cases were processed for interference and all of these cases have ended up with eliminating the problem. Out of media broadcasters five were radios and three TVs. One case was related to changing the location of the broadcaster of a local radio station, without changing the coverage area.

During the monitoring in this period only one case of illegal broadcasting was identified in Gjilan. After the intervention of IMC and the IMC's notification on the status of illegal entities and possible measures that can be taken against them, broadcasting was interrupted.

During measurements and analysis conducted by DFM, especially after the mounting the filter by media broadcasters, it is found that in general the situation in Kosovo regarding radio-diffusive broadcasting is stable.

Broadcasting in medium waves AM

All radio media broadcasters in Kosovo broadcast in frequency band USHW/FM (Ultra short wave) from 87.5 MHz - 108 MHz. Among these radio stations, Radio Kosova broadcasts its program in AM medium wave, respectively frequency 549 KHz, in which frequency broadcasts mainly programs for minorities. Following complaints filed by members of minorities, DFM monitored the frequency band AM to verify the grounds of claims and found that Radio Kosova broadcasts programs in minority languages only in medium frequency waves, which is not the same quality as FM. More specifically, measurements showed that in the outskirts of Prishtina, Radio Kosova uses local frequencies in FM band (91.9, 93.3 and 99.2 MHz) and radio band of medium waves AM (549 KHz). Also, Radio Kosova uses national FM frequencies (95.7 MHz, 97.7 MHz).

Frequencies - 91.9 MHz broadcast the program of Radio Kosova, 93.3 MHz broadcasts the program of Radio Blue Sky, while the frequencies 99.2 MHz and 549 kHz broadcast program in Bosnian and Roma languages until 15:00, i.e. after 15:00 am the same program is aired in frequencies: 95.7 MHz, 91.9 MHz, 99.2 MHz and 549 kHz (medium wave).

IMC has requested clarification from Radio Kosova about the reason why the program in minority languages is not broadcast on FM frequencies for certain national coverage but only on medium wave. Clarification of RTK was that they don't have sufficient frequencies in FM band to separate programs thus they are obliged to use the AM band.

Frequencies used by UNMIK and KFOR

Use of four FM frequencies by UNMIK without the license of IMC

The monitoring found that UNMIK still continues using the frequency 106.5 MHz to cover the region of Mitrovica and the 107.2 MHz frequency to cover Prishtina, Peja, Gjilan and wider. In early 2008, UNMIK informed IMC that it will use these four frequencies and has requested assistance from IMC for their use. IMC has requested returning these frequencies after the end of the UNMIK's mission, respectively, when IMC does re-licensing.

Use of frequencies by KFOR

KFOR except using frequencies for radio and TV, it also uses the peak of Golesh as broadcasting point, which is not used by the Kosovan media. IMC several times addressed KFOR in writing raising the issue requiring emergency solution to the problem of broadcasting points of Golesh and Cvilen, which are not in use by the Kosovan media broadcasters. Use of the upper part of Golesh would enable broadcast media, radios and TVs, to cover additional 12% of population of the Republic of Kosovo (i.e. it would solve the issue of RTK coverage as mandated by the law). Use of this area would enable the coverage of the northern part of Kosovo, inhabited mostly by minority Serb population. According to KFOR, this strategic point could not be used for security reasons. IMC Council has raised this problem with the President of the Republic of Kosovo who was requested, through a letter, that in its regular communications with KFOR to discuss the use of strategic broadcasting points such as Cvilen and Golesh which are in use by KFOR since the international mechanism is operating in Kosovo.

Cable operators

Technical monitoring regarding the use of the frequency band (VHF/UHV/TV) for terrestrial broadcasting by cable operators Kujtesa and Ipko, show that Kujtesa and Ipko have broadcasted some television programs outside the frequency band S. In urban areas where they have digitalized broadcasting of programs, this problem does not appear.

DEPARTMENT OF ADMINISTRATION

Budget

Independent Media Commission is a budgetary organization funded from the budget of the Republic of Kosovo. For 2009, a budget of Euro 1,000,576.00 was allocated to IMC, including own source revenues of 131,160.00 Euros, and capital investments of 450,000.00 Euro.

Budget of Independent Media Commission for 2009			
Categories	Allocated/approved budget	Spent budget	Unspent budget
Wages and salaries	141,688.00	139,673.00	2,016.00
Goods and services	257,728.00	254,170.00	3,558.00
Utilities	20,000.00	13,343.00	6,656.00
Own source revenues	131,160.00	130,730.00	430.00
Capital expenses	450,000.00	440,412.00	9,588.00
Total	1,000,576.00	978,328.00	22,248.00

Implementation of capital projects

Two capital projects were implemented during 2009:

1. Vehicle with digital equipment to monitor media broadcasters is purchased 399,600.00 EUR out of 400,000.00 EUR available and
2. Upgrading IT equipment cost was 40,812.00 Euro out of 50,000.00 euro available.

IMC's budget was spent 97%. Annex 1 holds the detailed budget report, which is presented to the Budget and Finance Committee and the Ministry of Economy and Finance.

Memorandum of Understanding – Revenues from license fee

Under Article 5 (1.2) of the Budget Law 03/L-105, Article 5, point b and c Article 16.1 of the Assembly Law no. 02/L-15 on IMC and Broadcasting, promulgated and amended with UNMIK Regulation No. 2005/34, authorizes the IMC to set annual fees for broadcast licenses. Independent Media Commission has prepared a Memorandum of Understanding Agreement for own source revenues for 2009.

Projected incomes for 2009 are 143,228.00 € including 93,780.00 € from media broadcasters, 9,945.00 € from Program Services Providers, € 39,503.00 from cable operators, while later are planned 10,645.55 € from applicants for re-licensing and the total amount has increased in 96,874.90 € The reason for exceeding the plan is the number of licenses issued to Service Providers Program.

While this year IMC has managed to collect the following planned revenues in the amounts given below:

Own source revenues collected in 2009 from the media broadcasters' license fees generated 240,102.90 Euros. Through Memorandum of Understanding, 131,160.00 Euros were allocated to IMC. 130,730.00 Euros out of which were used for: hiring international and local experts, Research/Analysis of media sector, working groups on legislation and organization of the International Conference on Media digitalization.

Report of own source revenue from license fees also includes fines

	Planned	Revenues	Percentage of collected
Media broadcasters	93,780.00 €	110,819.65 €	118.17 %
Cable operator	39,503.00 €	44,245.22 €	112.00 %
Program service Provider	9,945.00 €	73,401.38 €	738.07 %
License application		1,100.00 €	
Re-licensing application		10,536.65 €	98.98 %
Total	143,228.00 €	240,102.90 €	156.04 %
Fine		44883.32 €	
Total		284,986.22 €	

CHAPTER III

PRESENTATION OF THE WORK OF THE MEDIA APPEALS BOARD (MAB)

Media Appeals Board ("MAB") is an independent body established in accordance with Article 21 of the Law of IMC. Appeals Board reviews appeals of parties directly related to the decisions of the IMC Council.

Proceedings of MAB and Decisions

Media Appeals Board ("MAB") during 2009 has reviewed 8 complaints against decisions of the IMC Council. MAB has met three times, in March, April and June.

Appeal parties against decisions of the IMC Council during 2009:

1. Media broadcaster TV EJA
2. Media broadcaster Syri Vizion
3. Media broadcaster TV Besa
4. Cable operator IPKO
5. Cable operator Tele Net
6. Cable operator EAGLE
7. Program service Provider Klan Kosova
8. Program service Provider Zero TV

MAB in the session of March 2009 has reviewed a complaint of a media broadcaster against Decision of the IMC Council for granting the license - MAB has confirmed the decision of the Council as legal.

MAB also met in March and reviewed two complaints of cable operators against Council decisions. MAB in this session has decided to change the decisions of the Council.

MAB in the last session of 2009 in June has reviewed five complaints, of which two from televisions, two from Program Service Providers, and one of a Cable Operator. MAB in this session has dismissed two complaints as ungrounded, has confirmed one decision of the IMC Council and has amended two other decisions.