

**Standard Summary Project Fiche – IPA centralised programmes**  
**Support to Transformation of Radio and Television of Montenegro into a public service broadcaster**

**1. Basic information**

**1.1 CRIS Number: 2008/020-316**

**1.2 Title: Support to Transformation of Radio and Television of Montenegro into a Public service broadcaster**

**1.3 ELARG Statistical code: 01.10**

**1.4 Location: Podgorica, Montenegro**

**Implementing arrangements:**

**1.5 Contracting Authority: EC Delegation in Montenegro.**

**1.6 Implementing Agency: EC Delegation in Montenegro.**

**1.7 Beneficiary (including details of project manager)**

Radio Televizija Crne Gore (RTCG)

Dzordza Vasingtona bb.

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**Project Manager:**

**Radovan Miljanic, General Director of RTCG**

**Financing:**

**1.8 Overall cost (VAT excluded): €1.25 million**

**1.9 EU contribution: €1.25 million;**

**1.10 Final date for contracting:**

Two years after the signature of the financing agreement between the European Commission and the Montenegro Authorities

**1.11 Final date for execution of contracts:**

Two years after the final date for contracting

**1.12 Final date for disbursements:**

One year after the final date for the execution of contracts

## **2. Overall Objective and Project Purpose**

### **2.1 Overall Objective**

To contribute to an independent and effective Montenegrin public service broadcaster as befits an open and democratic society.

### **2.2 Project purpose**

To improve the production and supply of the quality news and other programs to better serve public interest by:

- Providing a modern computerised newsroom in order to strengthen the capacity of RTCG to produce better quality news and other public service programming
- Enhancing the knowledge and skills of RTCG staff to effectively use the new digital workflow technology in television programme production.

### **2.3 Link with AP/NPAA / EP/ SAA**

**The European Partnership** identifies the continued transformation of Radio and Television of Montenegro (RTCG) into a public service broadcaster as a short and medium priority.

**SAA** stipulates in article 104 that cooperation should include *inter alia* technical assistance to the media so as to reinforce their independence, professionalism and links with European media.

### **2.4 Link with MIPD**

**The MIPD (2008-2010)** identifies media development as a priority. In particular this includes digitalisation and the restructuring of RTCG as an objective and independent public service broadcaster that involves civil society organisations in the media sector (2.3.1.1).

### **2.5 Link with National Development Plan (where applicable)**

Not applicable.

### **2.6 Link with national/ sectoral investment plans (where applicable)**

Not applicable.

## **3. Description of project**

### **3.1 Background and justification**

#### Legal framework of RTCG

RTCG is the only country-wide public service broadcaster (PSB) in Montenegro. It has two radio and three television channels. It competes with other media outlets which have significantly increased over the last few years (currently 45 print outlets, 15 TV stations, 43 radio stations, four on-line media, and one news agency). RTCG is publicly financed through

a licence fee which is collected through the electricity utility bill, although collection can be problematic. It also derives part of its income from advertising and other commercial activities.

RTCG began its transformation from a state to a public service broadcaster in 2003 following the adoption of the Law on Public Broadcasting Services, drafted with the support of EC and CoE. The Law was intended to provide the conditions for RTCG to distance itself from the dominant influence of political parties via their representatives in then RTCG's Council. It required RTCG – radio and television services - to produce and transmit programmes of interest to all sections of Montenegrin society, including people with disabilities and minorities. The Law was developed in line with international standards, but there have been problems over its implementation. For example, there have been different interpretations of the articles governing the appointment of members of RTCG's Council. Most have interpreted these articles as giving the Parliament the power to verify the process of appointment of the Council's members from the various constituent bodies (e.g. academies, trade unions and NGOs). However, the Parliament has interpreted its powers to include actually selecting the candidates and this gave rise to complaints when the Parliament chose not to appoint a proposed NGO candidate.

In the ensuing confusion RTCG operated for over a year without a Council or Management Board, although both bodies are now again operating. Amendments to the relevant law are being developed by NGOs, media advocacy groups and the Ministry of Media and Culture, with USAID's support. The aim is to clarify the appointment procedure and make clear that Parliament's role is to verify that the procedure is followed, but not to select the candidates.

#### RTCG's problems

RTCG entered the transformation process with a large debt and a poor organisational structure. It was overstaffed with two thirds of revenue spent on salaries. It also lagged behind in technology, depending largely on analogue systems. In short, it was not equipped – financially, organisationally, technically or in terms of human resources - to meet all the obligations of a public service broadcaster.

Although it has made significant progress in the production of scientific and educational programmes since 2003, it has produced neither the desired quantity nor quality of programmes of interest to minorities and disabled people, mainly because of its lack of technical capacity.

RTCG provides vital information to its audiences primarily through news programmes. This is fundamental to its role as a PSB. This is the context within which this proposed project to develop RTCG's newsroom facility, coupled with training of its staff, is rooted.

The existing newsroom relies on antiquated linear video-tape based playback, editing and transmission equipment. This will be upgraded under this proposed project by moving to a computer based tape less environment that will increase quality, efficiency and reduce costs.

This type of working environment will also introduce a sense of journalistic empowerment, through the sharing of information and encourage competitive teamwork. The investment in the newsroom equipment will improve the quality and range of news and current affairs programmes, thus enhancing the democratic process.

### Plans for RTCG's development

RTCG has relied on its own resources during a difficult period of reforms. It has been dealing with organisational restructuring and staff reduction, as well as developing a new digital production and transmission strategy. A medium-term development plan for 2008-2012 is being put in place. Its strategic objectives for the immediate future are concentrated on catching up with the recent developments in broadcasting technology, to which the proposed digital computerised tape less workflow newsroom production system is central. The deadline for RTCG to complete the overall medium-term digitalisation process, as a condition for European Broadcasting Union membership, is 2011.

### Self regulation of journalists

Updating newsroom equipment and techniques is only part of the picture. More effective self-regulation of journalistic ethics is also crucial. A Code of Ethics was adopted in 2003 followed by the creation of a journalists' self-regulatory body (the Independent Self-Regulatory Body) with the aim of promoting the Code of Ethics and acting as a media watchdog. However, frequent violations of the Code highlighted a need for strengthening this independent body. It is now receiving support from USAID and OSCE to build its capacity and develop new initiatives. In addition, existing self-regulatory mechanisms in the media sector will be supported under IPA 2007 Regional Programme.

## **3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact**

The proposed project will have a positive **impact** on the quantity and quality of news and current affairs coverage available to Montenegrin citizens through the PSB. It will also put RTCG's newsroom output on a par in terms of work-practices with that of a modern European PSB.

Transforming RTCG into a PSB which offers more authoritative and accurate sources of news will have the **catalytic effect** of encouraging a broader and more informed debate amongst the Montenegrin public about how they are governed, as befits an open and democratic society.

In addition, the quality of output, the speed of turnaround and the authoritative nature of interactive journalism, should attract talented journalists to join RTCG.

The proposed project will help to make RTCG more **sustainable** by reducing its running costs through eliminating expensive maintenance of old technology in the newsroom, and increasing productivity. By introducing new work concepts, the benefits will have a ripple through effect into the other production departments of RTCG.

RTCG operates in an open networked pan-European broadcasting environment. Following this investment, it will have the opportunity to provide more of its news programme output into this marketplace thus creating potential **cross border impact**.

## **3.3 Results and measurable indicators**

The main result of the project is a fully functioning digital computerised newsroom with trained staff able to operate the new equipment and system.

### Measurable indicators

1. Greater immediacy of news in terms of capacity to go to transmission in a shorter timescale, 30% faster

2. Better technical quality will reduce technical interference and interrupting of program transmission summary to minimum, it is expected less than 1 minute a day.

3. Trained 30 journalists using the new news system

### 3.4 Activities

1. Procurement of equipment based on technical specifications under preparation by RTCG
2. Delivery, installation and commissioning of equipment
3. Design, organise and delivery of the training

### 3.5 Conditionality and sequencing

1. Progress in clarifying legal framework concerning the governance of RTCG achieved and the procedure for appointing individuals to its Council and Management Board is not subject to party political or parliamentary interference.
2. Procedures are in place for the release by RTCG of trainee operational staff from their normal duties for training purposes
3. Proper facility is in place for the instalment of the equipment
4. Appointing of relevant staff by the beneficiary to participate in the newsroom digital workflow development activities as well as working groups, steering and coordination committees as per work plan.
5. Participation by the beneficiary in the tender process as per EU regulation

### 3.6 Linked activities

The table below summarises the past EC assistance relevant to this project

Name of project (Amount €million)	Start End	Activities/Results
Restructuring of Radio and Television of Montenegro (€643,200)	August 2001 - December 2003	Consultancy work consisting in analysis and advice, formal training sessions, skill workshops and on the job coaching in the areas of journalism, programme making, management, audience research, technology, finance and Human Resources management
Support to the development of a Media Law, Broadcasting Law and the Law on Public service broadcasters of Radio	August 2001- September 2002	The project provided CoE expertise for the creation of the media legal framework in line with EU standards.

Name of project (Amount €million)	Start End	Activities/Results
of Montenegro and Television of Montenegro – joint initiative with the CoE (€56,000)		
Joint initiative of EAR-CoE in the legal media field (€168,000)	August 2003- June 2005	The activities under the project included expert appraisals of draft law on media transparency and concentration of media; workshops on specialised issues related to freedom of expression for lawyers, media professionals, prosecutors, policemen and judges; workshops on the rights and responsibilities of journalists for Montenegrin media professionals; workshops on public information as a strategy policy document for the Government public information officers.
IPA 2007 Regional Programme- Media in South – East Europe (€1.5 M)		The Programme is aimed to support: (i) Alignment to European standards in the media sector, (ii) TV media productions, (iii) Strengthening regional news exchange from the International Criminal Tribunal for the Former Yugoslavia, International Court of Justice and the International Criminal Court.

The project will also link to the actions of other donors.

- *International Research and Exchanges Board (IREX)*: was the implementing partner of USAID and supported the development of sustainable and independent media in Montenegro from July 2001 to October 2005. The **Independent Media Programme** worth \$ 4 million was focused on building the capacity of journalists, professional associations, and the legal and regulatory framework and management of media outlets..
- *ORT International*: Since 2006 ORT has been implementing the USAID's media programmes (worth \$1.3 million). The **Media Training Programme** covered both the publicly and privately owned media. It provided training on the implementation of the Law on Free Access to Information, reporting on economic and business matters, as well as on the development of new programme formats (for RTCG staff). Public service broadcaster also received training through the Montenegro Media Institute on news programme editing and reporting on daily events. Another programme supported the initiatives on investigative journalism and those focused on the enforcement of the Law on Free Access to Information. The **Media Law Implementation Programme** provided technical assistance to RTCG on strategic planning issues, fee collections, democratic public debates on issues of public relevance. It has been reviving the Independent Self-regulatory Body in order to monitor electronic and print media for abuses of the journalists' Code of Ethics and to provide the resolutions of ethics breaches out of court. The programme has also supported the development of amendments to the Broadcasting Law and the Law on Public Broadcasting Services by relevant ministry, NGOs and media advocacy groups.
- The South-East European Media Organisation (SEEMO) is providing education to private and public media and journalists regionally until 2011, funded by the Austrian Development Cooperation.

- *Organisation for Security and Co-operation in Europe (OSCE)* has been involved in the fields of media education, media legislation, and media regulation – mainly through advisory support and technical assistance to the relevant actors. In 2006 it provided the training for RTCG top management in digital transformation process, draft proposal on the digital transformation strategy for RTCG, and assistance in the development of key internal documents. It enabled in-house training for journalists on elections reporting and a seminar on the investigative journalism together with Deutsche Welle. In cooperation with the CoE and the European Commission, OSCE has organised a media forum on the EU practice in the transformation of public service broadcasters. Within its support to the Independent Self-regulatory Body of journalists, it organised forums on media self-regulation in Montenegro. This will also be the focus of its media programme in 2008.

The USAID is phasing out its assistance and the EU will be the major donor in the media sector.

### 3.7 Lessons learned

1. ***Concomitance of Training with Operations:*** It is very important that equipment required for training should go hand-in-hand with the training process and only be used for this purpose and not be repurposed for use in the main programme making process.
2. ***Staff Retention Issue:*** When journalists upgrade their skills while working in the new newsroom system some of them may be tempted to move to a more highly paid employment elsewhere. It is therefore necessary to ensure that the current market remuneration levels in the industry are reflected within RTCG in order to retain them. This might entail putting in place a retention contract with security of tenure of, say, 3 to 5 years, to ensure that RTCG continues to benefit from the training investment
3. ***Return on Investment:*** Sometimes training alone does not ensure that new equipment is used in a way that achieves additional productivity. RTCG management should put in place the normal procedures for recording production statistics in order to make certain the newly trained journalists utilise skills and equipment in a way that maximises the return on investment.
4. ***Resources:*** Often project implementation is hampered by insufficient staff. Therefore, this proposed project will have very explicit condition on the availability of qualified personnel from the beneficiary side before the commencement of project activities.

#### 4. Indicative Budget (amounts in MEUR)

			TOTAL EXP.RE	SOURCES OF FUNDING								
				IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB	INV	EUR (a)=(b)+(c)+(d)	EUR (b)	%	Total EUR (c)=(x)+(y)+(z)	%	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	%
contract 1	x	x	1.25	1.25	100							-
TOTAL IB			0.25	0.25	100							
TOTAL INV			1.00	1.00	100							
<b>TOTAL PROJECT</b>			<b>1.25</b>	<b>1.25</b>	<b>100</b>							

Amounts net of VAT

It is anticipated that the project will be implemented via one supply contract.

## 5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1(supply )	Q2 2009	Q3 2009	Q2 2010

## 6. Cross cutting issues (where applicable)

### 6.1 Equal Opportunity

Gender issues will be actively mainstreamed throughout the whole process. Specific attention will be paid to this dimension when determining who will benefit from training activities.

The setting up of new newsroom will bring specific gender related benefits. It will enable the introduction of flexible working patterns, which is of great importance for women, in particular those with caring responsibilities.

### 6.2 Environment

Project beneficiary shall ensure that during the implementation of the project due attention is paid to and relevant information is provided where necessary on specific environmental problems. The proposed project will allow for the production of better quality environmental news programmes that will draw attention of audience to topical environmental issues.

The new newsroom tape less facility will eliminate the pollution caused by the tapes currently in use.

### 6.3 Minorities

Montenegro has 20-year long practice in broadcasting some of the news outputs in the language of major minority, Albanian. By setting up the new newsroom system, the proposed project will allow for the production of better and more interesting news outputs including those intended for minority groups.

It is important that the policy of equal opportunities is respected by the beneficiary when it comes to employing people, including news staff, from minorities. The principle of non-discrimination shall also be applied in planning the required training activities.

## **ANNEXES**

- I- Log frame in Standard Format
- II- Amounts contracted and Disbursed per Quarter over the full duration of Programme
- III Description of Institutional Framework
- IV - Reference to laws, regulations and strategic documents:
- V- Details per EU funded contract (\*) where applicable:

## ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number	
<b>Support to Transformation of Radio and Television of Montenegro into a Public service broadcaster</b>		Contracting period: Two years after the signing of FA	Disbursement period expires: One year after the execution of contract
		Total budget: 1.25 M €	IPA budget: 1.25 M €
<b>Overall objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	
To contribute to an independent and effective Montenegrin public service broadcaster as befits an open and democratic society	<p>Visual enhancement and higher visual impact effect of news and consequently, increased TV viewer rating by at least 5%</p> <ul style="list-style-type: none"> <li>- Increased trust in RTCG as a public service broadcaster</li> <li>- Increased number of collected broadcasting fee</li> <li>- Increased number of information programmes per week</li> </ul>	<ul style="list-style-type: none"> <li>- Surveys</li> <li>- Reports issued by international community (EU, CoE, OSCE, UNDP)</li> <li>- Financial reports and Broadcasting collection fee data</li> <li>- Programme schedule</li> </ul>	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<p>To improve the production and supply of the quality news and other programs to better serve public interest by:</p> <ul style="list-style-type: none"> <li>• Providing a modern computerised newsroom in order to strengthen the capacity of RTCG to produce better quality news and other public service programming</li> <li>• Enhancing the knowledge and skills of RTCG staff to effectively use the new digital workflow</li> </ul>	<ul style="list-style-type: none"> <li>- Increased number of viewers of main news programme</li> <li>- Improved quality of news programme and modernized outlook</li> <li>- Reduced news production costs and running cost</li> <li>- Increased income from advertising by minimum 5%</li> <li>- Greater productivity per news</li> </ul>	<ul style="list-style-type: none"> <li>- Surveys</li> <li>- Surveys</li> <li>- Financial reports</li> <li>-Activity reports</li> </ul>	<p>RTCG staff committed to the transformation process</p> <p>Readiness of the staff to improve the skills and the production based on new technology</p>

technology in television programme production.	reporter		
<b>Results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
- A fully functioning digital computerised newsroom with trained people, able to operate the new equipment and system	<p>Greater immediacy of news in terms of capacity to go to transmission in a shorter timescale , 30% faster</p> <p>Better technical quality will reduce technical interference and interrupting of program transmission summary to minimum, it is expected less than 1 minute a day.</p> <p>Trained 30 journalists using the new news system</p>	<p>Management statistics of news programme and other output</p> <ul style="list-style-type: none"> <li>• Human Resources statistics</li> <li>• Financial reports</li> <li>• Project reports</li> </ul>	<p>Proper facility in place for the instalment of the equipment</p> <p>RTCG staff ready to participate in trainings</p>

<b>Activities</b>	<b>Means</b>	<b>Costs</b>	<b>Assumptions</b>
Procurement of the equipment based on technical specifications under preparation by RTCG and to be agreed wit EC experts Delivery, installation and commissioning of equipment Design, organise and delivery of the training programme	Supply contract with a training component	<p><b>EU Contribution €1.25M</b></p> <p><b>Total €1.25M</b></p>	

**ANNEX II: indicative amounts (in €) Contracted and disbursed by quarter for the project**

<b>Contracted</b>	<b>Q3 2009</b>						
Contract 1.	1,250,000						
<b>Cumulated</b>	<b>1,250,000</b>						
<b>Disbursed</b>	<b>Q3 2009</b>	<b>Q1 2010</b>	<b>Q2 2010</b>				
	750,000	375,000	125,000				
<b>Cumulated</b>	<b>750,000</b>	<b>1,125,000</b>	<b>1,250,000</b>				

### **ANNEX III Description of Institutional Framework**

The beneficiary of the proposed project is Radio Televise Crne Gore, the national public broadcaster, established by the Republic of Montenegro in 2003 in compliance with the Law on Public service broadcasters. The main activity of RTCG is the production and broadcasting of radio and television program of relevance to the citizens of Montenegro. RTCG performs its main activity through the production and broadcasting of two programs of the "Public Broadcasting Service Radio of Montenegro" via two independent FM and one independent ST radio networks on the national level, two programs of the "Public Broadcasting Service Television of Montenegro" via two independent television networks on the national level and one television program broadcast via satellite.

The reception of RTCG programs, within each radio or television network, shall be provided on the territory of the Republic populated by at least 85% of the citizens.

The management structure of the RTCG includes:

- RTCG's Council (11 members)
- RTCG's Managing Board (5 members)
- The Commission for programming in Albanian and the languages of other national and ethnic groups (5 members)
- The Commission for petitions and complaints of the listeners and viewers of RTCG programs, in compliance with the RTCG Statute (5 members).
- The General Director of RTCG and directors of Radio of Montenegro and Television of Montenegro

All these bodies are funded by the RTCG.

The RTCG Council should represent the interests of the citizens of Montenegro. It also shall be independent of any state authority, as well as of all organizations and persons involved in the activity of production and broadcasting of radio and television programs or related activities. Its members shall be elected among respectable experts from the fields relevant to the performance of RTCG activities and in favor of democracy, the rule of law, the promotion of the constitutional order, protection of human rights and freedoms, etc.

RTCG Managing Board is appointed and recalled by the RTCG Council.

The Managing Board Members are selected among the reputable media, management, and law, financial and other experts. They shall be independent in performing their duties.

The RTCG General Director performs the following duties: represents RTCG; organize, control the process of work and manage the RTCG's operations; carry out the decisions of the Managing Board; appoint and recall Director of Radio of Montenegro and Director of Television of Montenegro, provided that the appointment decision is preceded by public announcements and approval by the RTCG Council.

The Radio of Montenegro and Television of Montenegro have a joint sector comprising:

- Department of investments, development and technical system maintenance
- Department of IT development and maintenance
- Commercial department
- Finance department
- Department of human resource, legal and general affairs

The number of employees has decreased from 1,014 to 793 since May 2004. However, the optimal number of the staff is some 630 employees. This number was determined in respect to program production and in accordance with the financial feasibility and sustainability model for a public broadcaster.

#### **ANNEX IV - Reference to laws, regulations and strategic documents:**

Law on Public Broadcasting Services “Radio of Montenegro” and “Television of Montenegro”, adopted on 17<sup>th</sup> September 2002 ( Official Gazette of the Republic of Montenegro, No. 51/02 , 62/02 )

- **Reference to AP /NPAA / EP / SAA**

- **Reference to EP**

The European Council updated its decision “On Principles, Priorities and Conditions contained in European Partnership with Montenegro” in January 2007, that lists priorities which Montenegro has to meet in short-term (1-2 years) period. This Decision includes the paragraph on Democracy and rule of law under the chapter on political criteria :

- Continue the transformation of Radio and Television of Montenegro into a public broadcaster and provide appropriate means for that

- **Reference to SAA**

#### ***Article 104***

#### ***Co-operation in the audio-visual field***

Co-operation could include *inter alia* programmes and facilities for the training of journalists and other media professionals, as well as technical assistance to the media, the public and private, so as to reinforce their independence, professionalism and links with European media.

- **Reference to MIPD**

Main objectives and choices under the Component I, titled Transition Assistance and Institutional Building, Section 2.3.1.1- Political Requirements include :

- Promoting the public service character of the Radio Television of Montenegro and contributing to its restructuring and digitalisation...

One of the expected results to be achieved under the same chapter is, as follows:

- The Radio Television of Montenegro is confirmed in its public character...

The proposed project interventions has been designed in line with the above objective under the MIPD.

**ANNEX V- Details per EU funded contract:**

All the proposed actions will be implemented through one supply contract that will both supply the equipment and provide the highly specialised training on how to operate it.

The initial surveys and preparatory works for the installation of equipment, as well as the organisation of the training support facilities, even if not included in the project fiche, will be provided and financed by the beneficiary institution.