

NOVEMBER 2019



MEDIA INFLUENCE MATRIX: ROMANIA

Executive Summary

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About CMDS

The Center for Media, Data and Society (CMDS) is a research center for the study of media, communication, and information policy and its impact on society and practice. Founded in 2004 as the Center for Media and Communication Studies, CMDS is part of Central European University's (CEU) School of Public Policy and serves as a focal point for an international network of acclaimed scholars, research institutions and activists.

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Marius Dragomir is the Director of the Center for Media, Data and Society. He previously worked for the Open Society Foundations (OSF) for over a decade. Since 2007, he has managed the research and policy portfolio of the Program on Independent Journalism (PIJ), formerly the Network Media Program (NMP), in London. He has also been one of the main editors for PIJ's flagship research and advocacy project, Mapping Digital Media, which covered 56 countries worldwide, and he was the main writer and editor of OSF's Television Across Europe, a comparative study of broadcast policies in 20 European countries.



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The Media Influence Matrix Project is run collaboratively by the Media & Power Research Consortium, which consists of local as well as regional and international organizations. The consortium members are academic institutions (universities and research centers), NGOs, journalism networks and private foundations.

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KEY FINDINGS

With dozens of nationwide and local television and radio channels, over 3,000 printed publications and a fragmented media ownership structure, Romania's media market looks vibrant and diverse. Romanian media legislation is compatible with European Union (EU) legislation and local regulators monitor broadcasters' compliance with legal provisions. Romania also boasts surprisingly competitive and accessible technology: its internet is one of the fastest in the world, and data and mobile packages are affordable for many. If access were measured strictly on technical terms, Romanians would look like a highly privileged people.

However, Romanian media operate in an adverse environment, hardly enabling independent journalism. Two companies dominate the television market. Local media pinch pennies. The only space where journalism can thrive is the internet where news portals are mushrooming. However, many of them are small and struggling financially, grappling with a public whose trust in media and journalists is at low levels and who is generally unwilling to spend money on media content. All that dims prospects for the future of Romania's independent journalism.

Media consumption in Romania shows similarities with European trends, but differs in a few important aspects. First, in Romania, television is by far the most used medium for media content consumption, with 92% of Romanians using it on an almost daily basis. That contrasts with a more balanced use of media in Europe. The second most popular medium in Romania is the internet with 42% of people using it almost daily; that is, however, one of the lowest internet penetration rates in the EU. Radio and the written press are the least used media in Romania: less than a quarter of Romanians listen to radio daily and only 6% of them read a newspaper. Both levels are much below the European averages.

The sharp decline experienced by local media, most notably print and radio, is of particular concern. Content produced and broadcast from the capital city of Bucharest dominates the news market. Moreover, the most powerful media are in the hands of a few players, also based in Bucharest and with the power to cover the whole country.

The television market, for example, is divided up by two companies: Central European Media Enterprises (CME), which runs Pro TV, the most successful television channel in Romania, and Intact Media Group, which runs another highly popular channel, Antena 1, among other media outlets. The recent takeover of CME from its American owners by the Czech financial group PPF run by Petr Kellner, an oligarch, doesn't augur well for independent journalism. Intact, a domestically grown media business controlled by the politically connected Voiculescu family, isn't a bastion of good reporting either. The two groups combined control almost half of the Romanian viewership.

Online media is a much more dynamic space in spite of the popularity enjoyed by the news portals belonging to the leading television players (ProTV and Antena, again) and newspapers (the tabloids Libertatea and Click). As people are increasingly becoming accustomed to the internet, the emergence of a slew of small online news media such as G4 Media, PressOne, DoR, Inclusiv, Recorder and others can reinvigorate the field. These alternative, sometimes exclusive, projects, have a small audience, but bring innovation to content creation and presentation. Their problem is their limited focus, mainly on the elites, a result of the digital divide, still wide in Romania. Usually younger, better educated people living in urban areas benefit the most from the newest technologies. In contrast, older, poorer people living in rural areas still lack affordable and easy access to the

internet. The concentration in the telecommunications and internet technology sectors doesn't help. Five large players, namely Orange, Telekom, DIGI Communications, UPC and Vodafone control the telecom services market. The internet market, including social media, browser and search engine use, is dominated by the U.S.-owned Facebook and Google.

In terms of legislation, Romania boasts a media law framework that is compatible with EU legislation and that, in theory, should help create an enabling environment for independent journalism. However, implementation of the law is lacking and policies that regulate practice do not always function. Journalists routinely complain about problems related to access to public information and job conditions, the former a result of a general lack of transparency in decision-making, the latter related to bad labor legislation.

Media regulation is almost exclusively shaped by state bodies such as parliamentary committees, state-administered regulators and, occasionally, MPs who usually have little to no expertise in the field. Associations of journalists and civil society groups react to laws and policies, but only after they are adopted, and only seldom intervening actively in media regulation and policy. As a result, there is no serious debate or long-term strategy to create a safe and productive environment for journalism.

FUTURE OUTLOOK

Romania is seeing an explosion of innovative and bold journalistic projects and ideas involving investigative and long-form narrative journalism, and community media. They are all though small-scale projects available to a privileged public, which significantly limits their impact. On a longer term, the limited scale of these initiatives is likely to pose serious problems to their financial sustainability. Some are likely to collapse or get bought by larger groups.

Announced in October 2019, the sale of CME to Petr Kellner, a Czech oligarch who owns a business empire stretching across Eastern Europe and a myriad of industries including banking, mining, telecoms, automotive manufacturing and real estate, is expected to have major consequences for the television news production and entertainment sector as CME-owned ProTV is the dominant television player in Romania, significantly influencing media production and consumption. The consequences of the deal are likely to go beyond the media market.

As both 2019 and 2020 are electoral years in Romania, to select the president and parliament, respectively, news consumption is likely to increase and, with it, pressures and investments. The political positions of the major television stations in the next year are going to reflect the key political alliances emerging in the country.

Technology can bring change. 5G networks are expected to be introduced in the second half of 2020, due to delays in organizing bids for frequency licenses. This is going to have an immediate effect, hopefully positive, on people's access to technology, particularly vulnerable groups, such as people living in villages who currently have poor connections. Some risks remain. The biggest is the consolidation of power in the telecom market. After UPC was purchased by Vodafone and Telekom sold part of its operations to Orange, three companies dominate this industry, concentration that is likely to intensify with the award of the 5G licenses.



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