



In March of this year, the Broadcasting Agency of Montenegro celebrated its fifth anniversary. As Djordje Vujnovic reports, the regulator has ample reason to be pleased

Late last year, T-Com's Extra TV, one of the first IPTV services in this part of Europe was introduced in Montenegro, a clear signal that this small Balkan country is keen to keep up with the fast developing TV industry in the rest of the world. The greatest challenge will be the digital switchover deadline set by the EU for 2012, and for 2015 by the ITU. Eager to join the EU as soon as possible, and already an ITU member, Montenegro will do its best to meet at least one of the two deadlines.

Fox TV and CME Group, two American media giants, are entering the small Montenegrin broadcast market after obtaining national licences for Fox Montenegro, and ProFM and ProTV, making this already difficult transition process

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even more complex. It makes sense for them to spread their coverage to Montenegro, since they have already been present for some time in neighbouring Croatia and Serbia.

COMPLEX SITUATION

The viewers will certainly welcome the greater plurality of media, but what about the small radio and TV stations with a long tradition of reliance on donors and public support and low-quantity and low-quality production? They will not be as happy as the audience, but this might be their last chance to become professional networks profiting from the opportunities presented by new advertising techniques and TV platforms. The market will absorb the flexible ones, while the rest have no chance against strong international competitors, even more so since the viewers are

rapidly turning to the new platforms (cable, DTH, IPTV, etc.) offering TV programmes coming from neighbouring countries, with no language barriers and much better quality programming.

The Broadcasting Agency of Montenegro is trying to regulate this complex situation by drafting a new Development Strategy which will primarily deal with the switchover issue – with its technical, social and other aspects – and provide a technology-neutral regulation of the broadcast industry. A Slovenian consultant, who reviewed the first draft, has given some very valuable comments based on the experience of the national PBS in Slovenia, which has already digitalised 50% of its territory.

DIGITALISATION

With a similar terrain and worse

road infrastructure, Montenegro will certainly have the same problems, but its Broadcasting Centre, a public company in charge of the transmission of broadcasting signals, will be quick to set up an SDH network. In partnership with a Norwegian branch of Nera, an international broadcast technology giant, and with a new and competent management team, the Broadcasting Centre is promising to solve most of the digital transmission bottlenecks, making the broadcasters' lives easier, and leaving them to concentrate on the digitalisation of their studio facilities.

The social segment of the policy here unfortunately does not go hand in hand with the technical one. The choice of compression standard – MPEG2 or MPEG4 – has social implications as to who can afford to buy this, with set-top boxes ranging from €50 (MPEG 2) to €150 (MPEG 4). A pilot project planned by the Broadcasting Agency aims to solve most of the dilemmas and show the citizens all the benefits of digital television. Hopefully, prices of set-top boxes will also go down.

CULTURAL IDENTITY

The concern however remains whether the existing Montenegrin media will be able to cope with the growing technological requirements, and turn digital in time to compete with the new American entrants. The issue involves much more than technology and money. The question of cultural identity might be at stake as well, considering the low level of local production and the expected invasion of American-style reality shows and Hollywood productions. This battle of David and Goliath will be interesting to watch, even though it will take place behind TV screens this time.

Montenegro's fragile national public broadcaster, with uncertain independent funding, and a few private national networks, the biggest ones being IN TV and Atlas TV, will certainly try to keep at least a part of the advertising market, but without the benefit of the new

digital technologies the situation looks grim.

TIMING

However, the switchover timing is perhaps fortunate. Considering the scarcity of analogue frequency resources and increasing competition it is seen as the only plausible solution for most broadcasters.

Another new entrant to the market, Vijesti TV, an aspiring news network, will try to cover as much of the Montenegrin territory as possible using all available platforms and wait for the digital switchover to start using terrestrial transmission systems. The competition from News Corporation might prove to be very difficult even for Vijesti's new American shareholders, who replaced the German WAZ.

It is very difficult to guess what will happen when the rest of mobile operators come to the TV market, with the imminent introduction of mobile TV, and the expansion of the cable market. What will happen when the battle for advertisers, the biggest ones surprisingly being mobile operators, moves to the Internet Protocol platform? The Broadcasting Agency sees its main role precisely here, trying to strike the right balance between fast-changing technology and protection of the cultural identity of Montenegro, provision of new and better services for its citizens and protection of the struggling national and local public broadcasters.

However difficult it might sound, we believe we are on the right track primarily by defining the right strategy and trying to cover all the angles through an ongoing public debate. We expect all the stakeholders to get involved, including the Government, NGOs, universities, and foreign and national private and public broadcasters. Our task then will be to make sure that the final word is not dictated by money, but reflects the views of the Montenegrin viewers. ■

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► From top: Montenegro at the ITU; Podgorica; Djordje Vujnovic; St Stefan; Montenegro Broadcasting Centre's Director Jovan Ivanovic and Nera Networks' Director Ture Tuen sign an agreement for a digital radio relay system

