

ANNUAL REPORT 2023



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WELCOME

Welcome to the first year of work of Balkan Investigative Reporting Network – Montenegro (BIRN Montenegro).

As a newest member of BIRN family, we are proud we have established a leading investigative media outlet in Montenegro during the first year of our operations.

Focused on the high-quality reporting, BIRN Montenegro attempted to tackle topics that are under-reported in Montenegro, and which have a high impact on communities.

We were able to create the team, develop our portal and start publishing stories which imediately resonated among the audience and the mainstream media which re-published our content.

For the first time in the history of Montenegro, we have brough media ownership database, in partnership with the Global Media Registry. The database was presented at a regional EU funded conference, which was held in Podgorica.

We are looking forward to the even more challenging 2024 and we invite you to continue this exciting journey together.



EXECUTIVE DIRECTOR BIRN MONTENEGRO

ABOUT BIRN MONTENEGRO

Balkan Investigative Reporting Network – Montenegro (BIRN Montenegro) is a newest member of BIRN family and a leading investigative media outlet in Montenegro. Our work focuses on fight against corruption, advocating for greater accountability, transparency and human rights appreciation, and strengthening of democratic processes in Montenegro. Additionally, we work toward enhancing the rule of law, protecting human rights, promoting anti-discrimination efforts, and preserving cultural heritage.

Our Mission

At BIRN Montenegro, our mission is to play an active role in advancing Montenegro as a democratic society.

BIRN Montenegro's primary objective is to inform the public in a manner that is objective, professional, and impartial. Our commitment to this objective is demonstrated by our continuous efforts to improve the knowledge, skills, and capacities of media professionals, journalists, and others engaged in public sphere.

Through systematic monitoring of the activities of governmental and non-governmental institutions, media and other subjects, as well as societal phenomena and processes, we have established a solid foundation of knowledge and understanding since our inception.

Our work ensures that the public remains wellinformed, under-reported topics are put back into the mainstream discourse and that our investigations and analyses are rooted in a commitment to fairness and accuracy.

BIRN Montenegro enjoys successful partnerships with both local and national media outlets, allowing us to make a significant impact on the media landscape. These collaborations not only strengthen our ability to influence societal change but also help to improve media pluralism and professionalism in Montenegro.

By supporting and mentoring media outlets, we contribute to the development of a robust, transparent, and democratic media sector, which is crucial for a thriving democracy.

In 2024, BIRN Montenegro remains dedicated to its mission of advancing democracy, strengthening civil society, and ensuring that citizens have access to reliable, high-quality information. Through continued partnerships, advocacy, and capacity-building efforts, we aim to make a lasting contribution to the country's development and its media landscape.

KEY ACTIVITIES IN 2023



Set the organization, hired members of the team and adopted a number of internal regulations by August 2023.

Developed and launched a news portal (<u>www.birn.me</u>) followed with the visual identity by the end of November 2023.





Developed and published eleven investigative stories over the course of the first month of publishing.

Developed, published and promoted Media Ownership Monitor – Montenegro, a first ownership media registry in the country in partnership with the Global Media Registry (GMR).



BIRN STORIES



IN MONTENEGRO, RUSSIANS OPEN ONE-EMPLOYEE COMPANIES TO SECURE RESIDENCE PAPERS

Contrary to the time government officials' hype surrounding the influx of Russian companies into Montenegro since the Russian invasion of Ukraine in February 2022, a BIRN analysis of the available data showed that, on average, the Montenegrin state reaped a little over 800 euros from each newly opened firm. According to BIRN investigation, from February 2022 to July 2023, almost six thousand Russian companies were opened in Montenegro, but roughly two-thirds – 64 per cent – of them had no more than one employee. Investigation showed that 22 per cent of Russian firms have no registered employees other than the founder.

The investigation pointed out that most Russians are opening businesses not to earn money but to secure residence papers in Montenegro. To obtain a temporary residence permit, a foreigner must prove employment with a company registered in Montenegro or that they have opened a company there. According to the Montenegrin official data, between February 2022 and July 2023, a total of 29,294 temporary and permanent residence permits were issued to Russian citizens-half of them were temporary residence and work permits.

CITIZENS PROTEST AGAINST BUIDLING IN PODGORICA

citizens protesting against a building in Montenegrin's capital downtown. Citizens urged local authorities to withdraw permission to build in a local park, and by the capital main park forest, Gorica, warned it would worsen life conditions for residents of nearby buildings.

The article also points out that land for the building was sold to a construction company by the opposition Democratic Party of Socialists.

BIRN Montenegro published an article about The former ruling party bought land in the capital downtown from the, at the time, state transport company "Zetatrans," but didn't specify how they acquired the right to purchase and where it got the money from. According to official data, the land was sold to the construction company for one million euros.





GERMAN COMMUNITY INFLUX IN MONTENEGRO

The BIRN feature pointed on increasing numbers of German citizens moving to Montenegrin coastal towns of Ulcini and Bar. According to official data, The total number of German citizens who received permits for temporary and permanent residence in Montenegro by 2021 was only 245, but by 2022, that number had almost tripled to 639. The ministry states that from the beginning of 2023 to the end of September, another 600 third position with Turkey. German citizens had received residence permits, as two thirds of total number live in Ulcinj and Bar.

While real estate agents claim Germans mostly buy non-luxury houses outside the city, Germans interviewed by BIRN journalist claim they moved to coastal towns due to lower life expenses and good climate. Most of them are retired people, but also influencers and IT engineers. According to Montenegrin Central Bank data from last year, Germany invested 32 million euros in real estate and shared the



SEX CRIMES AGAINST MINORS IN MONTENEGRO RARELY PUNISHED TO MAXIMUM

BIRN Montenegro investigation found that Montenegro has introduced tougher punishment for sexual crimes against minors, but courts still frequently apply the minimum. BIRN's analysis of first-instance verdicts for sexual crimes against minors since 2017 show courts in Montenegro regularly hand down the minimum sentence. According to analysis out of 32 people prosecuted for illicit sexual acts against minors in the past six year, 14 received prison sentences of less than a year. In nine cases, the defendant was sentenced to more than a year. Three of those received the maximum sentence of two years.

The article points out that prosecutors classify most cases as violations of the Law on Public Order and Peace, for which the punishment ranges between a fine of 250-1,000 euros and a prison sentence of up to 60 days. Investigation showed that, despite the parliament decision to tighten the law provisions against molesters, short prison sentences, suspended sentences and even small fines are the norm in cases of child abuse. Also, Montenegro still did not have a database on sexual abuse of children and called for increased human and financial resources.

MONTENEGRIN PROSECUTION MADE MINIMAL PROGRESS IN WAR CRIMES INVESTIGATIONS

BIRN analysis pointed on Montenegrin prosecution lack of results in war crimes investions during the 2023. According to official data the last war crimes charges were filed in December 2021 against Bosnian Serb soldier Slobodan Pekovic (formerly Curcic) for the 1992 killing of two Bosniaks and the rape of a woman in the Foca area of Bosnia during the Bosnian war. In December police arrested police officer Zoran Gasovic for allegedly committing war crimes against civilians in Bosnia and Herzegovina's capital Sarajevo in 1992.

However, human rights experts claim that the country made minimal progress in handling its wartime past. They warned that the Strategy for the Investigation of War Crimes is still being applied, even though it's a document from 2015. The analysis also pointed to the European Commission's constant warnings on the lack of new indictments, but also, there were no reopened investigations, and the single case which opened the issue of command responsibility.





CHINESE CONSTRUCTOR FAILS TO REPAIR DAMAGE TO UNESCO PROTECTED RIVER IN MONTENEGRO

BIRN investigation showed that China Road and Bridge Corporation, CRBC, didn't correct the damage done to the Tara River, part of which is a UNESCO World Heritage Site, which occurred during construction of the Bar-Boljare highway. A BIRN investigation showed that the Chinese company was obliged to correct the damage by July 2022, while the Montenegrin Agency for Environmental Protection claimed they could complete projected remediation measures at the Chinese company's expense.

However, civic organizations criticized the remediation measures approved by the Agency, stating that the rehabilitation of only 500 meters of the riverbed was not enough because more than six kilometers of the river course had been damaged. They warned there have been no serious efforts to rehabilitate the devastated part of the Tara riverbed and even partially restore it. The local fishermen's club said highway construction had destroyed both the river and its fish stock.



MONTENEGRO LUXURY POPERTY MARKET GETS DIGITAL MONEY BOOST

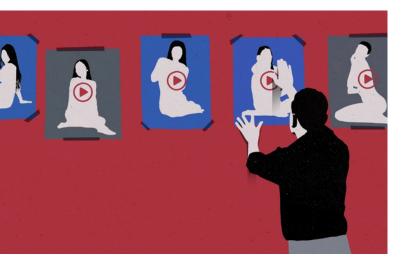
BIRN investigation showed that the real estate sector in Montenegro has benefited from multi-million purchases by wealthy foreigners using digital money. According to investigation various agencies are offering the possibility of purchasing real estate in Montenegro using cryptocurrencies, apartments, villas and land worth millions, even though dealings in cryptocurrencies are not yet legally regulated in the country. Such expensive real estate buyers are predominantly foreigners- from Russia, Ukraine, Cyprus, the United Arab Emirates, Israel and the US.

The increased interest in cryptocurrencies in Montenegro coincided with the political rise of the country's current Prime Minister Milojko Spajic, who was involved in the financial markets before he went into politics. After becoming minister of finance in December 2020, Spajic announced a wide range of new regulations that would make Montenegro a "crypto paradise," including establishing an international tribunal for dealing with such cases. In its last report on Montenegro, the Council of Europe's anti-money laundering body MONEYVAL warned authorities that "certain findings also indicate that organized crime group members also already possess certain amounts of cryptocurrencies, using them to buy real estate properties".

MONTENEGRIN LAW CHANGE GOVES SOME HOPE TO IMAGE-BASE SEXUAL ABUSE VICTIMS

BIRN investigation showed that police in Montenegro have received just two criminal complaints alleging image-based sexual abuse since 2020, despite the fact that NGOs say dozens of women have sought their help for the very same crime. Human rights activists claim that people who have experienced threats of abuse of videos with sexually explicit content rarely decide to report it to the police, because they feel enormous shame. Interviewed victims claim they are still physically traumatized by image-based sexual abuse done by their partners.

Rights groups hope that changes made to the law in December will deter such acts, by defining them in the Criminal Code and introducing prison sentences for showing someone else's explicit content to another person or publishing such content. If the images are of a minor, the punishment rises to up to eight years in prison. Psychologists and human right activists warened that in smaller communities, victims of such violence fear being blamed or branded promiscuous, forcing them to withdraw into themselves.





UNEVEN LEVELS OF TRANSPARENCY BETWEEN COMMERCIAL AND NON-PROFIT MEDIA

Montenegrin associations media are advocating for improved legislation to ensure transparency in media ownership and funding. A significant gap exists between commercial and non-profit media, with the latter often failing to disclose key information about management and finances. Studies, including the 2023 MOM report, highlight that nonprofit media-often operated by NGOs-lack transparency, leaving room for manipulation and propaganda. Legal frameworks require commercial media to register detailed

ownership and management information, but non-profit entities face less stringent requirements. Many, such as religious radio stations, operate with minimal oversight, contributing to opaque financial and editorial operations.

The Montenegrin Media Union and other organizations have called for stricter measures, including mandatory registration and disclosure of ownership and funding. Despite existing laws mandating reporting of public donations and advertisements, enforcement remains weak, allowing potential abuse.



MONTENEGRIN MEDIA NEEDS STATE HELP TO PROVIDE PLURALISM

Montenegrin media organizations have urged the government to increase financial support for commercial and local media to ensure media pluralism. Currently, the government provides significant funding to the national public broadcaster RTCG (€17 million annually) and minimal support to commercial media through the Media Diversity and Pluralism Fund (€900,000 annually). Local media depend on uneven municipal allocations, leaving vulnerable financial instability. Commercial media claim they cannot sustain operations or provide high-quality content without more substantial state support. The small size of Montenegro's media market, compounded by limited advertising budgets and competition from regional media, exacerbates these challenges.

Public service media like RTCG dominate funding, receiving 20 times more state support than all commercial media combined, creating an uneven playing field. While the Media Diversity and Pluralism Fund aims to support projects of public interest, clearer regulations and expanded resources are necessary to prevent misuse ensure effective allocation. The government's recent media strategy emphasizes the need for transparent ownership, robust financial support, and media pluralism to protect public trust. Proposed legislation seeks to stabilize funding for local public broadcasters, tying allocations to a percentage of municipal budgets to address financial disparities and promote competition.

IN MONTENEGRO SMALL MEDIA COMPETE WITH LARGE FOREIGN GROUPS

Foreign ownership dominates Montenegro's media landscape, with all four commercial TV stations with national frequencies controlled by foreign companies. Luxembourg-based United Media S.A.R.L. owns TV Vijesti and TV Nova M, while TV Prva is owned by Cyprusbased Kopernikus Corporation LTD. The media market, consisting of over 182 outlets, struggles due to limited local advertising million annually. The revenue of €11 Montenegrin Agency for Electronic Media warns this foreign dominance may prioritize opinion-shaping over motives, further sidelining smaller local media. Current laws prevent monopolistic control among broadcasters but leave gaps in regulating print and online media ownership.

Despite foreign media's financial stability, local media face challenges in producing in-house content, with production averaging 23% for smaller broadcasters due to high costs. The government funds public broadcaster RTCG with €17 million annually and offers limited financial support to commercial and local media, though distribution remains uneven. Calls for greater state funding and support emphasize the need for preserving media pluralism and fosterina local content production to address economic instability and the competitive pressures of regional media giants.



MEDIA OWNERSHIP MONITOR: A CRITICAL INSIGHT INTO MONTENEGRO'S MEDIA LANDSCAPE

In 2023, BIRN Montenegro unveiled a comprehensive Media Ownership Monitor report, shedding light on significant issues in the country's media landscape. This initiative, conducted in collaboration with the Global Media Registry (GMR), aimed to address the lack of transparency in Montenegro's media ownership and market operations. The findings, accessible at Media Ownership Monitor Montenegro, highlighted challenges critical to the development of a pluralistic and independent media environment.

Lack of transparency and public data

Montenegro is one of the few European countries without publicly accessible data on its media market, including audience metrics and advertising revenue. No state authority or independent organization provides reliable information about media consumption or market size. Metrics for television, radio, print, and online media are either nonexistent or privately held, raising doubts about their credibility. The absence of a unified system for measuring media reach undermines public trust and hinders informed decision-making by advertisers, media professionals, and policymakers.

Foreign dominance and ownership concerns

Foreign ownership dominates Montenegro's media landscape, with most influential outlets controlled by foreign entities. Simultaneously, the small domestic media market is highly exposed to content from neighboring countries due to shared linguistic ties. This concentration raises concerns about potential biases and external influences shaping public opinion. While audio-visual media are under the jurisdiction of the Agency for Electronic Media, which enforces local laws, the ownership of online media and print outlets remains largely unregulated, complicating efforts to ensure transparency.

Economic challenges in a saturated market

Despite having over 180 registered media outlets, Montenegro's small advertising market—estimated at only €11 million annually—cannot sustain this volume. Many outlets, including prominent ones, rely heavily on state support for financial viability. This disproportionate number of media in relation to the market size jeopardizes the sustainability of diverse content and the financial independence of media organizations.

Ownership gaps and concealed interests

The Monitor revealed that basic ownership information for several media outlets is inaccessible, raising concerns about hidden stakeholders influencing content and operations. Transparent ownership is vital for evaluating media reliability, protecting journalistic integrity, and preventing monopolistic practices. Ownership structures also affect resource management within the media industry, impacting its economic strength and appeal to potential investors.

Recommendations for reform

BIRN's research provides a critical foundation for media reform in Montenegro. The European Union's latest progress report underscores the urgency of adopting changes to ensure media independence, reduce concentration, and enhance transparency. These reforms are essential to fostering a healthier democracy, where diverse voices can flourish without undue influence from hidden interests.

Through this project, BIRN Montenegro emphasized the need for systemic reforms to address transparency gaps, ensure balanced market dynamics, and protect pluralism.

Published stories

To further disseminate these findings, BIRN Montenegro published three investigative stories, exploring the risks of foreign dominance, the lack of reliable audience metrics, and the economic challenges of sustaining a diverse media landscape. These stories serve as a vital resource for stakeholders advocating for a more transparent and equitable media environment in Montenegro.

Presenting Media ownership Monitoring

BIRN presented the conclusions from the monitoring of media ownership, which relate to the Montenegrin media landscape, at the regional conference on media literacy, as well as at the press for journalists, where the database on media ownership was presented along with the conclusions of the complete monitoring.

FINANCIAL HIGHLIGHTS

The overall budget of BIRN Montenegro for 2023 was 112.634 Euros. Out of the overall amount, almost 48 thousand were spent on journalism, 30 thousand was spent on programmatic activities, almost 19 thousand was spent for office set up and running costs while remaining 16 thousand was spent on administration and finance.

Administration & finance 14.2%

Journalism - 42.2%

Programmatic - 26.5%

Office set up & running 16.8%



CONTACT US

At BIRN Montenegro, we are dedicated to keeping our audience informed and engaged with the latest investigations, stories, and monitoring reports. If you would like to stay updated on our work, we encourage you to follow us on our social media platforms and visit our website for the most recent updates.

Stay connected:

- Email: birn.montenegro@birnnetwork.org
- Website: www.birn.me

As we look back on 2023, BIRN Montenegro continues to be a reliable source of information, advocating for transparency, media pluralism, and the rule of law in Montenegro.

We have embarked on an important journey toward fostering a more informed and democratic society, and we invite you to be part of it.

Get in touch

For any inquiries or further information about our work, please do not hesitate to contact us. We look forward to hearing from you and working together to contribute to a stronger media landscape in Montenegro.

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