



AUDIOVISUAL MEDIA AUTHORITY

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1. EXECUTIVE SUMMARY

In respecting fundamental principles during audiovisual activities with regard to guaranteeing freedom of speech, freedom of the media, and the right to information, and while believing that Albanian audiovisual services should reflect the Albanian society identity and values, the completely independent development of the sector and quality editorial efficiency, and in fulfilling its international obligations regarding the digitalization process, AMA in its institutional entirety has mainly implemented the recommendations made by the Albanian Parliament.

As regards the engagement of the Authority to complete all the phases of the digitalization process and finalize the process, AMA has undertaken relevant activities during 2016, among which the following should be listed:

- i. The licensing of national private numeric operators. There are now 5 AMA licensed operators in the Albanian audiovisual market that offer national numeric broadcasting, which concludes the licensing process for seven national numeric networks, with two networks being allocated for the RTSH and one network each for TV Klan sh.a., Digit-Alb sh.a., Top-Channel sh.a., Media Vision sh.a., and ADTN sh.a.
- ii. The coordination with the Albanian public operators regarding the implementation of the two numeric networks, and the fulfillment of bilateral legal obligations, while playing a stimulating role with regard to the RTSH undertakings during 2016, specifically focusing on:
 - Defining legal, programming, technical, and financial conditions and requirements that should be included in the service contract to be entered into by AMA and RTSH, which was finalized with an approval by AMA.
 - Defining the conditions and requirements of the model contract that will be entered into by the RTSH and local/regional operators.

The Albanian public operator started numeric broadcasting in the regions of the Tirana and Durres on 1 December 2016 and has now also started numeric broadcasting in the regions of Lezha, Fier, Berat, and Dibra. RTSH has built the physical infrastructure in other regions as well, which will accelerate the completion of the digitalization process.

- iii. Coordination with national private operators licensed for numeric broadcasting, regarding compliance with the deadlines for the implementation of the numeric networks, according to the provisions of the licenses they have been granted, the vacating process of frequencies they use illegally, the frequency migration process, and the definition of conditions and requirements for supporting local/regional operators in their networks. Currently, the contracts of 5 audiovisual operators have been deposited, even though RTSH has informed that they have entered into agreements with 10 out of a total of 22 operators. We consider that the local/regional operator porting process to national networks has started in the Tirana allotment (Tirana and Durres regions), even though the number of contracts deposited is low compared to the number of operators offering audiovisual broadcasting in the Tirana allotment. In the meantime, AMA is officially

notifying private local/regional operators in the regions of Lezha, Fier, Berat and Diber to deposit their contracts/agreements entered into with national operators.

- iv. Coordination with local/regional analog operators regarding deadlines set forth in the abovementioned legislation for them to receive support from national numeric networks, including the simulcast period (simultaneous broadcasting in analog and numeric for a one month period after support has been provided by the national networks); coordination in relation to technical solutions foreseen by these operators regarding the frequency migration process, etc. In this framework, AMA has developed the frequency migration plan, which has provided the frequencies that will be made available to local and regional operators to broadcast for a certain period, until they become supported by the national numeric networks for another period of time, prior to the development of their own numeric networks.

AMA has encountered challenges in determining frequencies in the Tirana and Durres regions as a result of the large number of operators in these regions, the unavailability of frequencies open for migration, and especially because of the illegal occupation of these frequencies by local operators. The migration in the Tirana allotment (Tirana and Durres regions) was made possible only after the vacating of frequencies that were used illegally by audiovisual operators in this allotment.

In addition, national operators have repeatedly filed complaints with AMA on the occupation of frequencies that have been granted to them in accordance with the AMA issued licenses starting from April 2016, because this led to challenges in the implementation of their national numeric networks. The complaints filed contain arguments regarding the financial damages stemming from the delays in the implementation of the numeric networks, because national operators have financial obligations attached to the use of frequencies that they had not yet taken control of. These financial obligations totaled at ALL 27,600,000.

Based on the abovementioned concerns, AMA has officially notified on 09/11, 01/12 and 28/12 2016 all operators offering audiovisual services in the Republic of Albania and broadcasting via unauthorized broadcasting points and frequencies, to take adequate measures for vacating unlicensed and arbitrarily occupied frequencies within 31/12/2016. During the frequency vacating process, AMA has encountered the resistance of a number of operators (Ora News, Tring TV), while other operators such as "News 24", "Top Channel" and "Shijak TV" have responded positively.

Currently, the frequencies allocated for the establishment of national numeric networks in the regions of Tirana, Durres, and Shkodra and the migration of audiovisual operators that were using these frequencies to other frequencies outside the numeric plan have been made possible. The frequency migration process will be followed up by AMA until the finalization of the digitalization process, allotment to allotment, based on the availability of free frequencies.

- v. Organization of the information campaign to support the public until the conclusion of the digitalization process. This campaign has been organized in various formats to make it as efficient and reliable for the Albanian public (television ads, brochures, leaflets, Call Center service, television shows, etc.).

With regard to the full-fledged AMA implementation of processes and the approval of internal acts, as required by the applicable legislation, the seventh AMA member was elected in 2016, in addition to the re-election of another three members. Thus all AMA member vacancies were filled, thus avoiding impasse situations that AMA had encountered previously. During 2016, the Audiovisual Media Authority has met 15 times and members have participated in almost all meetings.

In order to enhance governance and its development as an efficient and accountable authority, and committed to the highest governance standards, AMA approved the regulation of the Authority and the regulation “On the Audiovisual Media Authority Organization Structure”, which successfully meeting the functional duties stemming from the implementation of the applicable legislation.

In addition, the Audiovisual Media Authority (AMA) Members Code of Conduct has been approved. The Code closely regulates the activity of AMA members and its administration, or boards that may be established.

During the reporting year, pursuant the fulfillment of legal obligations, and in order to enhance public trust in the regulator, the Authority developed its three-year strategy, defining the methodology for realizing its legal functions. The strategic document includes the mission, vision, values, strategic objectives, and relevant AMA objectives, in line with the legal provisions in force and the principles upon which the functioning of the Authority is based.

In 2016 AMA started the publication of AMA’s Periodic Bulletin as an influx of data from AMSPs. The collection, administration, and publication of information for the audiovisual medial sector in the Republic of Albania as one of the main functions set forth by the law for AMA, was one of the main drivers for starting the periodical publication of this Bulletin presenting to all stakeholders the indicators and performance of the audiovisual media service providers (AMSPs). The impact of developing a Periodical Bulletin with audio and audiovisual market dynamics and indicators is bidirectional:

- firstly, AMA will have a permanent and accessible database referring to a certain period of time for market stakeholders, interested subjects and institutions, and the general public;
- secondly, the circulation of the Bulletin will increase the reporting standard for AMSPs activity and performance indicators. This element will impact the quality and reliability of such a publication, both in print and online.

Also, in the framework of enhancing the implementation of the law, and considering the role of the Authority in developing and implementing adequate policies, during the reporting year AMA has continued its efforts for the completion of the bylaws framework, by developing new regulatory acts and a series of changes to existing bylaws.

Inter alia, the regulation “On granting community audio broadcasting licenses” sets forth rules, requirements, and procedures for licensing and granting audio broadcasting licenses for communities. The adoption of this bylaw has paved the path for the process of granting

community audio broadcasting licenses, and AMA has, with decision No. 245, dated 21.12.2016 determined the frequencies for community audio broadcasting services and has opened the competition for granting community audio broadcasting licenses. Furthermore, in December 2016 AMA publicly announced the procedure for granting community audio broadcasting licenses in 4 service provision areas.

In addition, during the reporting period, work has continued for the revision of bylaws and the development of bylaws as required by the organic law of the Authority.

In fulfillment of its competencies, the Authority regulates and supervises the audio and audiovisual activities in the territory of the Republic of Albania, guaranteeing fair competition in the electronic media field. During the reporting period, AMA has received a series of complaints on broadcasting/copy rights infringements, filed by licensed/authorized and non licensed/authorized subjects, and other interested parties.

AMA has followed with priority all complaints submitted to the Authority, undertaking field inspections or monitoring on a case by case basis. Upon concluding relevant administrative procedures, on a case by case basis AMA has decided to issue a warning or to fine the subjects in question, and in cases when the subjects were found to have exercised audiovisual activities without proper AMA authorization, their audiovisual broadcasting equipment was seized.

In 2016, a total of 257 inspections were undertaken, of which 58 have reached a conclusion to fine the subjects in question. 32 of these fines have been revoked by the AMA Council.

In addition, as regards unlicensed/unauthorized subjects in 2016, AMA has continuously intervened and undertaken a considerable number of actions to fight the informality in which a number of subjects were exercising audiovisual activities.

In this framework, for the reporting period, AMA has stopped and seized audiovisual equipment for a total of 23 audiovisual subjects (cable and iptv) that were exercising unauthorized and unlicensed audiovisual activities. No decisions were submitted to the courts for revocation. The seized equipment has been handled in line with the legislation in force and have been deposited with the State Archives.

Considering the current digitalization process status, existing private national analog operators are still investing in the establishment of numeric networks and are not investing in their respective analog networks. As a result, the coverage percentage with analog signal remains unchanged compared to that of previous annual reports.

In the same line as the previous year, during 2016, special attention was devoted to guaranteeing continuous AMA activity transparency, and communication and cooperation with all subjects involved in the media and broadcast/copy rights field. We should note that the monitoring of broadcasts has found a considerable fall in program broadcasting without having obtained copyrights. This is especially evident with the broadcasting of cinematographic works by local broadcasters, which was limited to the broadcasting of works produced in Albania and by Albanian authors, since securing broadcasting and copy rights for this works is easier, when compared to rights for international works.

A concern remains with regard to a phenomenon of the end of the year and the conduct of some private and legal subjects operating in the Albanian market, which claim that they own cinematographic works copyrights, or broadcasting rights of television programs (channels). AMA has started its work to concretely identify these rights. The main aim assist licensed or authorized audio and audiovisual operators to clearly identify which subject truly owns copy or broadcasting rights.

Due to the engagement of the Authority to improve financial planning, during the reporting year, another increase in Authority revenue was marked, as a result of the measures taken to ensure compliance with the law. In the meantime, as a result of obligations carried over through the years for license/authorization payments and radio-television service fees, in 2016 AMA has made the decision to revoke licenses/authorizations for 32 subjects. Out of these 2 subjects have completely paid off their obligations to AMA, while the other 30 continue to be debtors.

In 2016, the Authority has managed financial resources in line with the budgetary forecasts made at the beginning of the year. 2016 was once again an important year for AMA's role as supporter and driver of audiovisual market studies and research and research on the challenges and issues that the digitalization process will bring to Albania.

During the year the focus was on the digitalization process and to this end research and studies were undertaken that will assist all involved stakeholders in relation to the challenges and unforeseen issues they will face along the process. In addition, AMA has financially supported projects on training of journalists and other audiovisual media stakeholders, while also following up on engagements with counterparts and organizing training to enhance human resources capacities.

Pursuant the transparence program, the AMA official website, www.ama.gov.al provides in the relevant transparence section, updated information on the annual budget, the realization of revenue and expenditures, and information on public procurement procedures undertaken by AMA.

In addition, all other information on the AMA organizational structure, data on education, qualifications, and remuneration of officials that have the obligation to declare wealth, and the salary structure for all other employees, has also been published on AMA's official website. *During the reporting year, AMA has received approximately 140 (one hundred forty) requests, which have also been recorded in the request and reply register on the authority's official website, www.ama.gov.al under the Activities/Transparence Section, including also requests for the authority to provide services.*

2. AUTHORITY GOVERNANCE

The Audiovisual Media Authority (AMA) has the mission to ensure that all audiovisual services completely meet the needs of the citizens of the Republic of Albania by respecting the nation,

language, traditions, religious beliefs, culture, and civil moral, in accordance with the democratic values set forth in the Constitution, especially with regards to the freedom of speech and the media. In exercising its functions, AMA is specifically concerned with the upholding of moral and legal rights and requirements for the protection of minors.

Being an independent regulatory authority in the audiovisual sector, AMA is committed to serving the Albanian society through the regulation, support, and stimulation of the audiovisual market, in order for the audiovisual services to best reflect the values, aspirations, and identity of the Albanian society. In its regulatory role, AMA stimulates mechanisms that make audiovisual services as accessible as possible by the population both technically and technologically. In addition, AMA strives for the content provided to be in compliance with legal provisions on unbiased content in relation to the right of information, political and religious affiliation, personality, dignity, and other fundamental human rights and freedoms, thus allowing the public to form their own free opinion.

AMA's seventh member was elected with decision No. 52 dated 22.7.2016 of the Assembly of the Republic of Albania. In addition, Mrs. Suela Musta, Mr. Zylyftar Bregu, and Mr. Sami Nezaj were reelected in their positions as AMA members, respectively with decision No. 51 dated 22.7.2016, with decision No. 49 dated 22.07.2016, and with decision No. 50 dated 22.7.2016. In the meeting of 06.09.2016, Mr. Sami Nezaj was reelected as AMA Deputy Chairperson with Decision No. 181. Thus vacancies in AMA membership were filled avoiding impasse situations which AMA has come across in previous years.

In 2016, a total of 15 meetings of the Audiovisual Media Authority were held. The members participated in each meeting, with the exception of the meeting of 29.12.2016, where Mr. Zylyftar Bregu was absent.

In the framework of enhancing governance and its development as an efficient and accountable authority, committed to high institutional governance standards, the Audiovisual Media Authority adopted the regulation of the Authority with Decision No. 209, dated 16.09.2016. This regulation sets forth enforceable norms for gathering, activity exercise, voting, and implementation of the decisions of this collegiate body, in function of the competencies provided by law.

On 27.01.2017 with decision No. 1, AMA members adopted the regulation "On the Organizational Structure of the Audiovisual Media Authority", which aims at successfully and completely fulfilling all functional obligations stemming from the implementation of the law.

In addition, with AMA Decision No. 56 dated 04.04.2016, the Code of Conduct of the Audiovisual Media Authority (AMA) Members, which closely regulates the activity of AMA members and administration, or the boards that it may establish. This Code was developed in compliance with Law No. 97/2013 "On Audiovisual Media in the Republic of Albania", and Law No. 9367, "On preventing conflict of interest during the exercise of public functions". The Code of Conduct sets forth conduct rules for officials, aiming at providing norms in compliance with the applicable

legislation on their activity, at enhancing ethics during the exercise of their duty, at avoiding conflict of interest cases, and at promoting institutional values.

Pursuant the provisions of Law No. 97/2013 “On audiovisual media in the Republic of Albania” among the main competencies of the Audiovisual Media Authority are issuing and revoking licenses and authorizations for the provision of audio/audiovisual media services. In order to ensure plurality through the strategic review of broadcasting services, AMSP licensing procedures, and carefully addressing issues of ownership and broadcasting contractor monitoring, during 2016 AMA decided to:

- Grant licenses for 5 national private audiovisual broadcasting subjects;
- Grant authorizations for 15 subjects to provide audio/audiovisual programming services or to relay audio/audiovisual programming services through cable/OTT/IPTV networks;
- Renew audio broadcasting licenses for 37 subjects, to renew and replace analog audiovisual broadcasting licenses for 29 subjects, and to renew authorizations for 20 subjects;
- Not grant audiovisual broadcasting licenses for 4 subjects, not to grant authorizations for 3 subjects, and not to review authorizations for 2 subjects;
- Revoke licenses and/or authorizations for 8 subjects, to find the licenses and/or authorizations of 24 subjects invalid, and to suspend renewal application review for 1 subject.

During the reporting year, in order to fulfill legal obligations and enhance public trust for the regulator, the Authority developed its three-year strategy reflecting the methodology for the realization of its legal functions. The strategic document comprises the mission, the vision, the values, strategic objectives, and relevant AMA objectives, in accordance with applicable legal provisions, and the principles based on which the Authority functions. The core AMA values that shape and inform its approach to its regulatory function are as follows:

- Motivated by the public interest;
- Fairness and proportionality;
- Independence and impartiality;
- Accountability, transparency, and cost efficiency.

AMA’s strategic objectives for the three-year period of the strategy, where each strategic objective also comprises specific objectives, are:

- Ensuring diversity and plurality;
- Enhancing transparency and accountability;
- Promoting responsible broadcasting in relation to audio/audiovisual content;
- Enhancing governance and the development of the Authority.

The Strategic Document Action Plan sets forth scheduled priority actions, and expected results for the fulfillment of strategic objectives, for the 2017 to 2019 period for the following activity fields:

- Migration to numeric broadcasting;
- Completion of the legal framework, bylaws, and policies;
- Supervision and Compliance Activities;

- Broadcasting and promotion of responsible broadcasting in relation to audiovisual content;
- Licensing Activities;
- Communication and Sector Development;
- Finance and Authority Governance;
- Development of Human and Organizational Resources.

In addition, in the framework of the project for developing the Strategy, AMA has undertaken a public consultation process with various stakeholders and has submitted strategic documents to Parliament, the MIAP, AKEP, and the Competition Authority for opinion, and has reflected all the suggestions of the Minister for Innovation and the Public Administration. In conclusion, in January of 2017, in the framework of the discussions on the strategic priorities on the regulation of the audiovisual market and the enhancement of the public consultation efficiency, the Council of Europe in cooperation with the Authority organized the joint activity entitled “AMA Strategic priorities – Public Consultation and establishment of partnership as a basis for achieving it”. Suggestions and recommendations gathered during the public consultation process have been reflected in strategic documents.

During this reporting year, the Authority has continued its work for the finalization of selection of the Chair and the member of the Complaints Council, pursuant the general and specific requirements set forth in AMA’s Decision No. 30, dated 16.04.2015. AMA Members approved with a qualified majority, with Decision No. 70 dated 04.04.2016, to appoint Mrs. Monika Stafa to Chair of the Complaints Council and with Decision No. 71 dated 04.04.2016 to appoint Mr. Urim Bajrami to member of this council.

3. DIGITALIZATION

The digitalization of audiovisual broadcasts, as a process which stimulates the variety and quality of audio/audiovisual services, while creating conditions for the development of plurality in the media and guaranteeing complete respect of the right to information and freedom of speech, has been followed by AMA with priority.

Pursuant the duties set forth in law 97/2013 and the strategy on switching to numeric networks, AMA has undertaken important activities during 2016, among which we would list the following:

- Licensing of national private numeric operators. There are now 5 AMA licensed operators in the Albanian audiovisual market that provide numeric broadcasting at the national level.
- Coordination with the Albanian public operator regarding the implementation of two numeric networks, and the fulfillment of bilateral legal obligations.
- Coordination with national private operators licensed for numeric broadcasting, regarding meeting deadlines for implementing their numeric networks pursuant the provisions of their licenses, the process of vacating illegally used frequencies, the

- frequency migration process, and determination of conditions and requirements to support local/regional operators in their networks.
- Coordination with local/regional analog operators regarding the deadlines set forth in the abovementioned legal acts for them to receive support from national numeric networks, including the simulcast (simultaneous broadcasting in analog and numeric for a one month period after becoming supported by the national networks) period; coordination regarding the technical solutions foreseen by these operators to bring their signal close to the national operators' Head Ends during the frequency migration process, etc.
 - Organization of the information campaign to support the public until the conclusion of the digitalization process. The campaign has been organized in various forms to be as efficient and far reaching into the Albanian public (television spots, brochures, leaflets, Call Center structure, television shows, etc.)

In the framework of the digitalization process, AMA representatives have been part of important decision making at the Inter-Institutional Committee established with Order No. 144 of the Prime Minister, dated 7.4.2014, to follow up on the implementation of the Strategy for switching to numeric broadcasting and at the Technical Secretariat, which is a structure supporting the Inter-Institutional Committee.

3.1 Licensing of national numeric networks

Upon adoption of regulatory acts for the licensing of numeric networks and their programming based on the *"beauty contests"* procedure and conclusion of application review procedures for applications submitted for national private audiovisual licenses, AMA in its meeting of 01.02.2016, decided with decisions No. 32, No. 34, No. 35, not to grant licenses for "TV Klan" sh.a., "Top Channel" sh.a., and "Digit-Alb" sh.a., because of the lack of the legally required quorum. In the meantime, the Authority decided with Decision No. 33, dated 01.02.2016 not to grant a license to the "Supersport" sh.a. Company, because its application was not compliant with the requirements of legal acts and relevant bylaws.

After these decisions the "Digit-Alb" sh.a., "Tv Klan" sh.a., and "Top Channel" sh.a., companies filed with the First Instance Administrative Court of Tirana, requesting the changing of AMA decisions No. 32, No. 34 and No. 35, dated 01.02.2016.

The First Instance Administrative Court of Tirana, with decision No. 80-2016-1028, dated 07.03.2016, decided to change the AMA administrative acts and decided to grant national audiovisual broadcasting licenses to the "Digit-Alb" sh.a., "Tv Klan" sh.a., and "Top Channel" sh.a. Companies.

After this, AMA, with the aim to accelerate the analog broadcasting termination process, adopted with decision No. 218, dated 12.10.2016, the regulation "On requirements and procedures for issuing national audiovisual broadcasting licenses and national audiovisual programming service

licenses". In November 2016, AMA publicly announced the opening of the competition for the awarding of 2 national private numeric audiovisual broadcasting license for numeric networks identified with Nos. 006 K and 007 K and 5 applications were submitted with AMA.

Upon reviewing the documentation submitted by the applicants, AMA decided to:

- Award a national private audiovisual broadcasting license to the "Media Vizion" sh.a. Company;
- Not award a national private audiovisual broadcasting license to the "ADTN" sh.a. Company
- Disqualify applicant subject "ABC News" sh.a.
- Disqualify applicant subject "Tring Tv" sh.a.
- Disqualify applicant subject "ORA" sh.a.

Upon reviewing the request deposited by the "ADTN" sh.a. Company, AMA in its meeting of 27.01.2017, approved the national private audiovisual numeric license for this subject.

With the awarding of this license, the licensing process of the seven national numeric networks, two of which have been awarded to RTSH and one each to "Tv Klan" sh.a., "Digit-Alb" sh.a., "Top-Channel" sh.a., "Media Vizion" sh.a. and "ADTN" sh.a. was concluded.

3.2 Digitalization of national numeric networks

The establishment of numeric networks and the coordination with the RTSH to meet legal obligations.

The national numeric network establishment process and coordination for the fulfillment of joint AMA-RTSH duties in the digitalization process framework, have marked considerable progress. AMA has played a stimulating role with regard to RTSH undertakings, because during 2016 a series of meetings were organized and the organizations have exchanged continuous correspondence and have cooperated to identify legal and technical solution to digitalization related issues.

The meetings organized with the participation of management or technical level representatives and the joint AMA-RTSH working group established to follow up on digitalization process related issues, focused their discussions on the following issues:

- Determining the phases of the implementation of the two RTSH numeric networks, in order to coordinate with national private operators and local/regional operators on their being supported by the first RTSH network.
- Determining the locations of connection points between RTSH and local/regional subjects in each allotment, so that solutions are as efficient and low cost for local/regional operators.
- Determining the technical capacity to be made available to local/regional operators by the RTSH in order to enable the program support for a considerable number of local/regional operators, while at the same time ensuring quality of signal.

- Determining legal, programing, technical, and financial conditions and requirements that should be included in the service contract entered into between AMA and RTSH, finalized with its approval by AMA.
- Determining conditions and requirements for the model contract to be entered into between the RTSH and local/regional operators.

In addition, AMA has organized consultation meetings with local and regional television operators, mainly focusing on issues of their being supported by the RTSH network. A concern raised by the operators was the fee they will have to pay, claiming that it is very high and expressing a request that at least for the first year it should be subsidized by the state.

The Albanian public operator has started numeric broadcasting in the regions of Tirana and Durres on 1 December 2016 and has now switched on the numeric signal in the regions of Lezha, Fier, Berat, and Dibra. The RTSH has built the physical infrastructure in other regions of the country as well, which will lead to the acceleration of the conclusion of the digitalization process, since the construction of the RTSH networks is of special importance, considering that one of these networks will be used to support the programs of local/regional operators.

3.3 Digitalization of existing operators' analog networks

The transitional provisions of Law No. 97/2013 "On audiovisual media in the Republic of Albania", as amended, set forth that local private analog television operators shall have the right to have their programs supported by the public television numeric network or other national private numeric networks licensed in accordance with Law No. 97/2013.

In line with the above, AMA has requested from existing local/regional existing analog subjects in the regions of Tirana and Durres, where national numeric operators have started numeric broadcasting, to deposit their model contracts entered into with one of these operators (public or private). Currently, contracts have been deposited by 5 audiovisual operators, even though RTSH has informed us that to date, they have agreements with 10 operators out of a total of 22. We believe that the process of porting local/regional operators to the national networks in the Tirana allotment (regions of Tirana and Durres) has started, even though the number of contracts submitted is low in comparison with the number of operators providing audiovisual broadcasts in the Tirana allotment.

Meanwhile, AMA is officially informing local/regional private operators of the regions of Lezha, Fier, Berat, and Dibra to deposit their contracts/agreements with national operators.

3.4 The AMA- RTSH Contract

The public broadcast service contract is considered as the act regulating relations between AMA, as the audiovisual broadcasting regulatory authority, and the RTSH, as the public operator whose

mission is to inform, educate, and entertain the public including national minorities. During the reporting period, AMA and RTSH have kept continuous written correspondence related to the development of the public broadcast service contract.

Upon conclusion of the public consultation process, undertaken by the RTSH, the latter submitted to AMA in November 2016 the signed public broadcast service contract. AMA made its proposals and comments on the draft contract developed by the RTSH. AMA's comments and suggestions focused on the clarification of some contract provisions related to the RTSH broadcasting networks and the program catalog. In addition, a proposal was made for the contract to regulate how the public operator reports to AMA on the annual balance and productions commissioned through the independent production fund.

The RTSH Executive Board approved, with decision no. 18, dated 31 January 2017, the public broadcasting service contract and has sought AMA's approval.

Upon a complete assessment of the document in the spirit of Law No. 97/2013 "On Audiovisual Media in the Republic of Albania", as amended, AMA found that the new document submitted for approval is in compliance with the requirements of the abovementioned law and approved the public broadcasting service contract with Decision No. 18, dated 02.03.2017.

This contract regulates legal, technical, programming, and financial issues of the relation between AMA and RTSH and sets forth the nature and number of hours for children programming, and science and technology programming. A part of the public broadcasting service contract sets forth requirements and regulatory measures for the joint use of the RTSH broadcasting infrastructure, the RTSH audiovisual programming list, the RTSH broadcasting infrastructure, and measures to ensure access to information for disabled persons.

3.5 Frequency migration process

The digitalization process is coupled with the migration process of operators licensed by AMA for analog broadcasting from the frequencies they are currently using, which have been planned for the establishment of national numeric networks, to other frequencies outside of the national numeric plan.

In this framework, AMA has developed the frequency migration plan, which defines the frequencies that will be made available for local and regional operators to broadcast from for a certain period of time, until they are provided support by the national numeric networks, and the frequencies for national operators for a period of time until the development of their numeric networks.

AMA has faced challenges in determining frequencies in the regions of Tirana and Durrës, as a result of the high number of operators in these regions, the unavailability of frequencies for migration, and especially because of illegal frequency occupation by a number of local operators.

Migration in the Tirana allotment (Tirana and Durres regions) was made possible only after vacating frequencies that were illegally used by audiovisual operators in this allotment.

The illegal occupation of television frequencies by some operators had resulted in the lack of free frequencies to be used during the migration process to the predetermined frequencies in accordance with the legislation in force and in compliance with the International Agreement of Geneva 06.

In addition, national operators have repeatedly submitted to AMA complaints related to the occupation of frequencies that were assigned to them according to AMA issues licenses, starting in April 2016, because this resulted in obstacles towards the implementation of their national numeric networks. The complaints made arguments of the financial damages that these delays in numeric network implementation resulted in, considering that national operators were paying financial fees for frequencies they had yet to take in use. These damages reached a total amount of ALL 27,600,000. These complaints escalated to declarations on interruption of payment for financial obligations related to frequencies, until these frequencies were fully allocated according to the terms of the license.

In the contexts of the abovementioned concerns, AMA officially notified on 09/11, 01/12, and 28/12 of 2016 all operators providing audiovisual services in the Republic of Albania, broadcasting from unauthorized broadcasting points and frequencies, to take relevant measures for vacating arbitrarily occupied and unlicensed frequencies within 31/12/2016. In addition, the Authority organized a special meeting with national (public and private) numeric operators licensed by AMA and the operators that had illegally occupied frequencies in the Tirana and Durres regions, to explain the current situation and the legal obligations that should be met by all stakeholders in the audiovisual market. During the frequency vacating process, AMA has encountered the resistance of some operators (Ora News, Tring TV), while other operators such as News 24, Top Channel and Shijak TV have responded positively.

Currently, the vacating of frequencies determined for the development of national numeric networks in the regions of Tirana, Durres, and Shkodra and the migration of audiovisual operators using these frequencies to other frequencies outside the numeric plan have been made possible.

The frequency migration process will be followed by AMA until the complete conclusion of the digitalization process, allotment to allotment, based on the availability of free frequencies.

3.6 Vacating of the Digital Dividend band

Vacating of the 790-862 MHz (DD1) band, has been a continuous concern for AMA because of the damaging interference that Albanian audiovisual operators caused in neighboring countries, which use this band to provide mobile services and who had submitted repeated complaints to

Albanian authorities and had even imposed measures and sanctions foreseen when international agreements related to the administration of the frequency band were not complied with.

Further more, the DD1 band has been foreseen for the provision of mobile services in the National Frequency Plan and AKEP started at the beginning of the year the Public Consultation procedure on granting use rights for the 800 MHz frequency band.

As a result, vacating the DD1 frequency band was an emergency for AMA and in order to resolve the abovementioned issues, the Authority took a series of steps to vacate this band, among which we would like to stress the following:

- The notification sent to all operators broadcasting illegally in the DD1 band, and the determination of the 31.12.2016 deadline to vacate the relevant frequencies.
- AMA has encountered challenges with some operators meeting the required deadlines, and has undertaken and continues to undertake all measures provided for in the law to complete vacate arbitrarily occupied frequencies.
- The notification of all analog operators using DD1 band frequencies to migrate to other frequencies outside this band, and determination of tight deadlines for vacating their frequencies. Official letters have been sent to a total of 14 audiovisual operators using DD1 band channels.
- Monitoring undertaken to verify that DD1 band frequencies have been vacated.

A number of DD1 band channels in the areas close to the national border have been vacated due to the abovementioned actions, which has led to lack of interference caused by Albanian audiovisual operators in the mobile networks of these countries (such as Montenegro).

In the meantime, intensive work is being done to vacate all channels within this band, in order for the entire band to be vacated by 30 June 2017, which is the deadline set for the final vacating of the DD1 band by the Inter-Institutional Committee for the implementation of the Strategy on Switching from Analog to Numeric Broadcasting.

3.7 The public information field

One of the duties of the Authority as provided for in law no. 97/2013 “On Audiovisual Media in the Republic of Albania”, as amended, and the Strategy on Switching from Analog to Numeric Broadcasting, is the continuous public information campaign on the process itself and new broadcasting.

Coordination with operators on the digitalization process – from the start of the digitalization process, AMA has considered local operators and viewers to be a very important part of the successful start, implementation, conclusion of the process.

On 19 February 2016, AMA organized a consultation meeting with local private analog operators to discuss the fee for support by the RTSH numeric network. AMA had also invited RTSH to participate and led the discussion on the fee that these operators will need to pay in order to receive support for their programming from the public television numeric network. In line with AMA proposals, the fees proposed by the RTSH only considered the financial lines related to numeric network maintenance, and did not include network establishment costs, as proposed in the Strategy, thus lowering fees by up to three times.

RTSH's proposal to differentiate fees for different allotments, was also discussed during the meeting, with the Tirana allotment charging a fee double of the proposed fee, the coastal area and Korça allotment charging a one and a half times fee compared to the proposed one, and the other areas charging half the fee compared to the proposed one.

In the same line, AMA organized an information consultation with the Tirana-Durres allotment operators on the digitalization process in September 2016. The meeting was organized in a *workshop* format, and the operators had the opportunity to discuss their questions on issues concerning them directly. In order to provide complete answers to the issues, the meeting was also attended by representatives of the Albanian Radio and Television and the State Ministry of Innovation and Public Administration. One of the main topics of the meeting was the fee defined by the RTSH and approved by AMA to support local operators with the Public Operator network. The monthly support fee in one allotment will not be implemented for more than 1 year, and AMA will issue a decision for the following years based on the assessment of financial lines that will be reported in the actual operation situation of the terrestrial numeric network during the first year. The RTSH network support fee for the Tirana-Durres allotment during the first year will be set at 2,146 Euro, and for following years the fee will be estimated based on actual data on network maintenance. Private local operators in the Tirana-Durres allotment will choose to receive support from the RTSH network, or whether they will broadcast their programming from 9 broadcasting points installed in these regions.

During the meeting participants were also informed on various legal, technical, programming, and financial issues in the framework of the switching from analog to numeric broadcasting process and the support to be granted by the networks that RTSH is developing. On their part, the operators raised concerns regarding the coverage areas, financial obligations, type of decoders and method for providing these decoders to households in need, and other technical enquiries.

Special interviews with radios and televisions – From the beginning of September to the end of December 2016, AMA has organized 272 radio and television programs in the main radio and television channels of the country. The guests of these shows were specialists and experts of various AMA fields. The main aim of these shows was to correctly explain the digitalization process, how the broadcasting transfer will be carried out, and many other technical, programming, and legal details of the process. To the same end and in the same framework, a series of reportages were organized at the Authority offices, which were in turn broadcasted in the media.

The call center structure – Since April 2016, AMA has made available the 04-410-44-55 and 04-410-44-56 Call Center numbers. These numbers are open for any enquiries from 09:00 to 21:00 hrs. A total of 3,500 calls have been received.

Brochures – The information brochure aims at reaching all audiovisual institutions, bodies, and operators, and all parties interacting with AMA in the framework of the fulfillment of duties set forth in the legal framework. The brochure information is detailed and contains information on the process in general, on technical aspects, and on the benefits that the viewer will get upon the execution of this process. In addition, these procedures also indicate the risks and measures that each should be aware of in order to receive uninterrupted television signal. The brochure contains information on the decoders and television systems that should be used after the switch to numeric broadcasting is complete.

The brochure is intended for both users and broadcasters, especially local ones, journalists, and researchers, and non profit organizations which are interested in the information field and may assist with the dissemination of information. A total of 1,200 brochures have been disseminated.

Leaflets – The information included in the leaflet is directed at the end user. The leaflet is directed at the user that is the target of the communication and aims at penetrating into each Albanian household. The leaflet aims at educating the consumer on the new technologies. To date, a total of 300,000 leaflets have been disseminated door to door.

Spots on radio and television – Television and radio spots were produced to notify the audience on the digitalization process, to provide details on decoders that all should buy to access digital broadcasting, after analog broadcasting is interrupted. The spots started being broadcasted since mid April 2016 on the main radio and television channels in the country in order to provide information on the process, practical technical details on the purchase of decoders and television systems, connection of the equipment, etc.

The “Digitalization” tab on AMA’s official website – The AMA official website publishes notices and keeps all stakeholders informed in real time on what is happening with the process. In the “Digitalization” tab stakeholders may find detailed information on the digitalization process, such as the regulatory framework, the numeric frequency plan, general information, the brochure developed for the process, the leaflet developed for the process, the Call Center contact information, the link to the AMA Facebook page, and all interviews and special shows on the digitalization of audiovisual broadcasting.

The Authority official email address: among others, the Authority’s official email address info@ama.gov.al receives random citizen enquiries regarding the digitalization of broadcasts. According to the specifics of the question, it is forwarded for reply to the relevant directorate, which provides a reply within the timeframe set forth by law 119/2014 “On the right to information”.

The Authority’s Facebook page “Autoriteti i Mediave Audiovizive – Digjitalizmi” (Audiovisual Media Authority – Digitalization): all the information related to the process is also published on

the Authority's Facebook page. In addition, all question received in the inbox of this social media are replied to with the same procedure as those sent to info@ama.gov.al. We would like to stress that AMA will continue to inform the public on the process and relevant developments until digital broadcasting is active in the entire Albanian territory.

4. THE COMPLAINTS COUNCIL

The Complaints Council was established as a unit in the organizational chart of the Authority in compliance with the legal requirements for its functioning. It aims at analyzing audiovisual communication ethics, information and privacy rights reports, and has the priority to protect public interest and respect individual dignity. The scope of work of the Complaints Council comprises the supervision of the implementation of the code and regulations approved by AMA mainly addressing respect for human dignity and fundamental rights, especially protection of minors, the right to information and raise awareness in the public opinion, and the respect of moral and ethical norms in the broadcasts of audiovisual service providers.

During the reporting year, the Complaints Council has been and continues to be a body thoroughly engaged in the service of all AMSPs and the public at large, while striving to be transparent, open, and fair with each comment or warning of infringements to the Broadcasting Code and regulations approved by AMA. The Complaints Council has been ready to provide an opportunity to continuously improve its service, focusing also on problematic issues during its work activities. The Complaints Council has approached this reflection through transparent and fair communication with the public opinion, impacted parties, and audiovisual subjects.

Under its work slogan that enhanced communication and improved cooperation with other influential stakeholders enables citizens to be more morally aware, the Complaints Council has not allowed the intervention of worthless arguments that only resemble ethical dilemmas, and has always made room for the good tradition of practical philosophy, aiming to enrich the public opinion with as much ethical knowledge as possible and enabling citizens to self-educate on its main principles. The Complaints Council aims at stimulating the ethical culture of supervision of operators, while avoiding harsh language in the mediation between institutions, and has provided an example of a model regulator of European standards. Thus, the Authority has the role of the regulator at the forefront of issues, where public opinion is extremely sensitive to the infringement of ethical principles, such as threatening of privacy, dignity, and personality, or as regards sexual behavior taboos.

The development of regulations on procedures for addressing AMSP complaints and the exercise of the right to reply have been priorities in the Work Plan of the Complaints Council during the first six months of its activity. The objective and goal of this regulation also set forth the procedures to be followed for addressing complaints related to the implementation of article 33 of Law No. 97/2013 "On Audiovisual Media in the Republic of Albania". A description of the

procedure to address AMSPs complaints is also provided, which should address all relevant complaints submitted in writing or in person by any legal or natural person on the programming broadcasted by them, on the quality of the service provided or fulfillment of contractual obligations of subscription services, in the framework of the requirements of article 33 of this law. In addition, the manual on the internal complaints recording and addressing process has been developed.

The development of a special section on AMA website for complaints from the public and other subjects, was one of the first Action Plan priorities since the first days of complete functioning of the CC office. The section includes the entire information necessary for the filing of a complaint, and the legal obligation of the parties, written in a simple to understand manner. The goal of the guidelines is related to the assistance provided by the Complaints Council by identifying best practices and the main features of an efficient complaints system. The best experience is when television operators establish the complaints system in their facilities to receive complaints directed at their programming, always in reference to the Code of Broadcast. These guidelines will be especially relevant for them in the framework of future assessments of the complaints process activities.

In addition, the Complaints Council Bulletin, which for some time had been absent in the audiovisual market as a guide to audiovisual programming contents, is the official document developed and published to report the results of the reviewed complaints, claiming infringements of principles, rules, requirements, and practices of audiovisual broadcasting in the Republic of Albania in 2016. The review of the Bulletin shows that regardless of the undeniable progress of developments in the audiovisual market, threats to ethic's norms and rules have not been absent. It has been noted that journalists themselves are aware of the situation, but they lack the stimulation and will to improve it. Similarly, media owners, do not seem to be especially interested in stimulating the implementation of standards put forward. Many of them do not have structures such as ethic's advisory boards, serving as regulators for journalism or editorial activities related to program content, even though their functioning would enable a more rigorous implementation of AMA Code of Broadcast and the law on media.

Many complaints have been addressed to the Audiovisual Media Authority since April, the majority of which focusing on the issue of addressing child rights in audiovisual broadcasting. There have been dozens of reactions on this topic, especially from social media, and from public institutions and nongovernmental organizations. Other complaints related to infringements of ethical norms have been fewer in number. The issue of the publication of sensitive data of children has been a continuous concern of the Complaints Council in addressing complaints with such content.

The protection of child rights in the current audiovisual broadcasting environment remains a special concern and represents a difficult challenge. These requests are especially raised before the public broadcaster, as there have always been higher expectations for this broadcaster to provide services with higher values and norms. Taking into consideration the periodical infringement of child rights by audiovisual broadcasters, or the infringements of the right to

privacy and other infringements of ethical rules of the Albanian society morality, the Complaints Council has been concerned with regard to the enforcement of the legislation in force.

Even though the issue of the protection of child rights should always be in focus, the undertaking of some technical measures and a series of harsh legal sanctions to ensure the respect of the rights children should enjoy in accordance with international conventions, there is still more to do in this regard. There is a combination of regulatory authorities requests based on the production of content to be broadcasted by operators, with quality education on digital media and division of responsibilities between various stakeholders. In this case cooperation is very important.

Based on the best experiences of regulators, the Audiovisual Media Authority and the Complaints Council especially, taking into consideration the situation described above, have prioritized the stimulation of a series of stakeholders to engage in discussing possibilities to establish an efficient self regulation practice of ethics in the audiovisual market. Regardless of the challenges and obstacles present because of a market with a lack of convergence of ethical principles from the parties, recent efforts have been insisting in nature, energetic and coordinated with other stakeholders to improve the situation and awareness raising.

In line with its functional duties, the Complaints Council has commissioned a survey of the performance of the Code of Broadcast and has, in cooperation with the Department of Journalism and Communication of the University of Tirana, implemented the market research methodology to determine public perception on a series of relevant and sensitive issues.

For the result to reflect the reality of the Code of Broadcast performance as much as possible in the framework of audiovisual subjects, the methodology of this survey was mainly based on the principle of data comparison and cross sectioning. Taking into account that the Complaints Council (CC) of the Audiovisual Media Authority (AMA) is the “guardian” of ethics in the audiovisual broadcasting, this part of the survey is especially important, not only as a part of the whole, but also in touching on hot topics of the discussion on media today, focusing on shows – and not only shows – threatening the psychological and educational development of children, or the misuse of child images on the screen, while also considering the question whether there is sufficient entertaining content for children in Albanian televisions.

In order to collect a realistic perception, the survey included both sexes (females and males), various levels of education (middle, upper middle, higher education, graduate studies), and three age groups (18-34 years of age; 35-49 years of age, and 50 years of age). This sampling did not only aim at collecting diversified responses, but also an overview of the Albanian media, freedom of journalists, television shows and issues discussed therein for various points of view, such as sex, education level, and age.

The survey, the results of which have now been published in the complaints bulletin, aimed at ensuring an overarching perception of the current media situation in Albania, especially focusing on the work of journalists, their freedom of expression, the relation of the screen with citizens and access of the latter, political interference in televisions, etc. An important part of the survey was the collection of opinions/perceptions on potential infringements to the Code of Broadcasts

during television programs, i.e. whether there was offending, libel, and threats to dignity, and if there were, what the level of these infringements was.

5. THE AUTHORITY AS REGULATOR FOR A RESPONSIBLE AUDIOVISUAL MARKET

5.1 Analytical assessment of broadcasted content

Features of content broadcasted by AMSPs – Three were the main directions in which analytical review of content broadcasted by AMSPs was organized in 2016, on compliance with law 97/2013 and AMA's Code of Broadcast:

- respect of child rights by AMSPs, especially focusing on the Albanian Public Television, TVSH;
- management of advertisement and commercial nature communication slots;
- slots that national AMSP provide for European productions.

a) Child protection and their presence in audiovisual programs

Considering child protection during audiovisual broadcasting and the coverage of child related topics as one of the priorities of the Authority, in April 2016 an analytical review was undertaken on the respect of child rights in the information programming of four television channels, namely TVSH, Klan, Top Channel and Vizion Plus. The impact on and importance for the audience of the national audiovisual operators in the Albanian media landscape and directly on the audience, combined with the mission and obligation of AMSPs for the protection, education, and enhancement of the mental and moral health of children aimed at:

- identifying issues of information programs;
- noting types of news stories more frequently infringing legal and ethical requirements for children;
- presenting typical cases of lack of knowledge of implementation of the law and the Code of Broadcast.

Based on the findings of this analytic review, the following are the conclusions for *Klan Television*:

- it published personal child information for public interest in compliance with legal requirements;
- there were cases of negligence in implementing legal and ethical requirements during reporting on children;
- it promoted children in shows and activities in compliance with legal requirements and ethical standards;
- isolated cases of child rights not being respected were identified in news casts not directed at children (crime and accident stories in newscasts).

Conclusions for *Top Channel* television:

- it respected fundamental audiovisual principles on children in their newscasts;
- legal requirements for the protection of child right during news report on and for children were complied with;

- in one case, the Code of Broadcast and ethical standards for news reports not directly related to children were not complied with;
- legal requirements for reporting of crime and accident stories and the treatment of disabled persons in newscasts were complied with.

Conclusions for the *Albanian Public Television, TVSH*:

- legal and Code of Broadcast requirements on child rights in newscasts were complied with;
- the legal requirement to broadcast a newscast in sign language for disabled persons was complied with;
- there was frequent repetition of news stories on children within the same 24 hour period and the following days;
- news stories on children were included with the aim to stimulate and raise public and institutional awareness on children;
- there was a lack of reporting and promotion of TVSH produced children programming during newscasts.

Conclusions for *Vizion Plus* television:

- over-reporting of violent political language in newscasts, regardless of the fact that reports are not directly meant for children;
- broadcasting in compliance with the law, but insufficient broadcasting of activities for and with children.
- compliance with legal and ethical requirements during reporting of crime and accident stories.

Children in programming slots of the Public Broadcaster – Another analytic review was undertaken in June 2016 for children programming in the Albanian Television, TVSH, to monitor the implementation of legal and Code of Broadcast requirements in the main channel of the Public Broadcaster. The focus of the review was the programming structure, which includes newscasts, social and cultural programs, music, entertainment, films and documentaries, children programming, animated and children movies, concerts for children, sports, audiovisual commercial communications, etc.

The data and the findings of the review showed that, in general, TVSH complies with and implements current legal requirements and standards regarding quantities, types, and nature of programming, aiming to cover a wide and varied range of viewer demands. For every day of monitored broadcasted programming, there was a broadcasting plan with programming for children, shows and animated movies, translated into Albanian, taking up a part of the general airtime, according to a somewhat determined structure. The TVSH is more consolidated as regards content for various age groups, and has the highest level of show variety, including culture, education and entertainment, targeting children.

However, issues were also identified, and the following are some of the main ones:

- programming with and for children has an average airtime of 2 hours daily, which is a relatively low percentage in relation to the rest of the daily programming;
- there is a lack of children programming during the 16:00 to 20:00 hrs. slot, which is considered the time frame with the highest children viewership, while current airtime for

children is concentrated in the 07:00 to 14:00 hrs. slot, when children are presupposed to be mainly away from the screen;

- content for the 14 and above age groups is very rare, which does not reflect the features and specifics of interactive productions, based on the preferences of this generation for modern media;
- on specific days, rebroadcasts of shows or segments broadcasted previously within the same show, was noted;
- as regards the monitored programming, TVSH complies with ethical requirements and standards, but rarely uses child protection warning signs.

The findings of this review were presented to the General Directorate of RTSH and the Steering Council, via the submission of comprehensive information.

b) Promotional space in audiovisual media

Advertisement and commercial communications in the audiovisual market, are a very important element for operators. This is true because as part of content broadcasted for the audience they require design, creative, and production energy, and should attract viewers. On the other hand advertisement or commercial communications directly impact the public, because they provide information and persuasion on a service, product, activity, etc.

In 2016, efforts to undertake analytical reviews for AMSP performance to identify problematic and concerning issues continued. AMSPs were also informed on the findings and relevant issues via submissions of information on (non)compliance with legal requirements.

Two meetings were organized with monitored operators, in addition to the establishment of partnerships with institutions and subjects engaged in the advertising and commercial communications field in audiovisual media, such as the State Agency for the Protection of Child Rights, the Albanian Order of Physicians, the Albanian Order of Pharmacists, the National Drugs and Medical Equipment Agency, etc.

The AMA undertaken analytical reviews found that one issue with the performance of some operators was *the length of advertisement blocks*, with cases where the time limit of 12 minutes per hour of airtime allowed by law, was exceeded by more than double. Paragraph 1, article 41 of law 97/2013 sets forth: “... Advertisement or television sales airtime shall not be longer than 12 minutes per hour of airtime. This shall not include AMSPs information on its own programming and support products for these programs, information on sponsorship and product placement in programs.”

Split screen advertising. Televisions with an information format broadcast split screen advertising (advertisement in the corner of the screen) and scrolling text advertising (subtitles) in the bottom of the screen. Article 38 of law 97/2013, paragraph 3 (d) sets forth that the corner or subtitled advertising is included within the same advertisement broadcasting time limit, namely the abovementioned 12 minutes. This legal requirement is not complied with, because this type of advertising is broadcasted almost nonstop, and is interrupted only when main newscasts or

forum format programming, documentaries, various specials, etc. are broadcasted. In addition, subtitled advertising at the bottom of the screen is broadcasted uninterruptedly.

Product placement. Product placement is not identified in some types of programs, mainly cooking, but also entertainment and leisure. There is no clear distinction between program content and audiovisual commercial communications, especially with regard to sales through television or product placement. Paragraph 51, Article 3 of Law 97/2013 defines that “Product Placement” shall be any form of audio and/or audiovisual commercial communication form, which include or are target at a product, service, or brand, shown or mentioned in a broadcast against payment or other similar benefits. In addition, Paragraph 4, Article 44 sets forth that “programs including product placement must be clearly identified at the start, during, or end of broadcasting, and when the program concludes after a commercial break, in order to avoid viewer confusion.” Paragraph 3 (b, c), Article 44, sets forth that these type of commercial communications: “should not directly stimulate the purchase or use of goods or services, especially without first expressly promotionally mentioning these goods and services, and these goods should not be paid extensive attention”.

Distinction between advertisement and direct sales. There have been examples when there is no clear distinction between the content and the direct sales within a program, thus infringing paragraph 1, article 43, according to which “Advertisement and direct sales should be distinguishable and separate from the rest of the content under editorial responsibility, and they should be separated from the rest of the program content even when broadcasted at the same time, via visual and/or audio and/or split screen methods”.

Advertisement during newscasts. Produced as reports of an economic, health, education, cultural, social, etc. report, audiovisual content containing hidden commercial communications have been noted, which is in infringement of article 3 of the law. “Hidden commercial nature audiovisual communication” is the representation in words or images of goods, services, names, brands, or activities of a goods manufacturer or service provider in programs, where such representation by the media service provider aims at serving as advertisement and could defraud the public on its nature ...”.

Virtual advertising. They appear on screen as logos, which are categorized as virtual advertisement and are broadcasted without prior visual or audio warning for the viewer, thus not complying with paragraph 4 (a), article 38 of the law “AMSPs should inform on the presence of virtual advertising during broadcasts”.

c) Compliance with legal requirements on European productions

The airtime reserved in national televisions to European productions was the focus of an analytic review undertaken in October and November, in accordance with the requirements of law 97/2013, set forth in paragraph 1, article 35, noting that “AMSPs shall reserve the majority of their airtime to European productions, excluding airtime for newscasts, sporting events, game shows, advertising, teletext and direct sales services”.

National televisions were in focus as a result of the legal requirements, because paragraph 3 of the same article sets forth that European production requirements “... shall not be implemented for television broadcasts directed at local audiences that and that are not part of the national network”.

The review was also based on the provisions of article 3 (definitions), paragraph 52, which sets forth what are to be considered European productions in audiovisual broadcasting, and the legal requirements on quantity, as per paragraph 2, article 35, of law 97/2013 “On Audiovisual Media in the Republic of Albania”, which sets forth that the European productions airtime goal shall be achieved gradually, taking under consideration responsibilities of information, education, culture and entertainment that AMSPs have towards the public.

The estimation of the total airtime allocated to European productions in minutes, hours, and percentage in national television programs, was done by excluding the airtime taken by newscasts, advertisements, game shows, sporting events, teletext and direct sales services, which were not considered as part of the total time of broadcasting, in line with the provisions of paragraph 1, article 35 of law 97/2013.

This review found that televisions complied with this legal requirement, impacting the information and education of the audience with European values via the broadcasting of such content, in the framework of Albanian aspirations for EU integration. The monitoring of this aspect of audiovisual programming of national subjects will remain a priority for AMA in accordance with the requirements of law 97/2013.

5.2 Audiovisual sector information administration and publication

For the first time in 2016, AMA started the publication of AMA’s Periodic Bulletin, containing a flow of information from AMSPs and their performance. The audiovisual media market has an extraordinary impact on general development dynamics in Albania. Audio and audiovisual broadcasting is firstly an infrastructure in favor of the information, education, and entertainment of the population; an employment and revenue generation sector providing products and services; a “ring” with inevitable competition subjects with their staff and ideas; an environment where journalism, technical, and technological projects are applied with head-spinning speed; a sector of uninterrupted transformation and innovation; and continuous effort to sync up with what happens in global media markets.

The collection, administration, and publication of information on the audiovisual sector in the Republic of Albania, as one of the functions granted to AMA by law, was one of the main drivers behind the start of the periodic publication of this Bulletin. The goal is to provide all stakeholders with performance indicators of the audiovisual media service providers.

The Bulletin has been developed around a series of main pillars of collected data:

- economic and financial activity indicators;
- ownership in audiovisual activities and connection to various industry sectors;
- features of personnel engaged in AMSPs;
- technical and coverage aspects of signal coverage;
- monitoring of broadcasted content;

- advertisement volumes and biggest promotional airtime buyers.

These indicators have been aggregated in sections and subsections and provide a picture for a determined period of time, providing access and opportunities for anyone wishing to undertake quantitative, qualitative, and comparative, partial and complete assessments, as a baseline for market research and analyses of the current situation and of what is foreseen in the future.

The main information source for the Bulletin is the data that AMSPs have officially submitted during their period of application for licensing/relicensing or authorization/reauthorization of their activities in the audiovisual market, but other partial data collected as a result of their performance is also been used. As regards aspects of broadcasted content, mainly in main newscasts, volume of advertising on national AMSPs, and coverage with signal, the data has been collected by the Authority via systematic monitoring.

For economic and social indicators, AMSP provided data and periodical statements they make to national and regional public institutions on payment of social and health insurance contributions and taxation on income from employment, and records of new, retained, and leaving employees have been used.

The reference material and information on AMSP ownership and co-ownership aspects, and contributions of owners and shareholders outside the audiovisual market was taken from the information of the National Registration Center. For a series of indicators, the information was cross sections with other information held by other public institutions with which AMA has cooperation agreements, such as the General Taxation Directorate, the State Labor and Social Services Inspectorate, etc.

The impact of the development of a Periodic Bulletin with indicators from audio and audiovisual market dynamics in the Republic of Albania is twofold:

- firstly, AMA has a standing database of a defined period of time, which is accessible at all times by the stakeholders of the market, interested subjects and institutions, and the general public;
- secondly, the circulation of the Bulletin will enhance the reporting standard of AMSPs activity and performance indicators, which will in turn impact the quality and reliability of such a publication in both print and online formats.

Currently, the audiovisual landscape in Albania is in transition and in the process of implementing one of its most important priorities, that of switching television broadcasting from analog to digital terrestrial. The conclusion of the process will lead to changes in AMSP performance, which are to be grouped in numeric platforms. This will lead to different indicators from those reflected in the first edition of the Bulletin for the first half of 2016.

In addition, the provision of audio and audiovisual services online, is expected to overcome its current latent and spontaneous phase, and become a vital part of the market in general. This is another argument for a reconfiguration of the indicators in future editions.

5.3 Frequency specter planning and administration

In the framework of the frequency specter planning and administration, as a limited resource to be used efficiently, AMA has periodically assessed vacant frequency capacities and has updated the frequency use plan for audio and audiovisual services.

AMA has undertaken technical studies using the professional ICT Telecom program in relation to the requests filed by audio/audiovisual subjects on changes to technical broadcasting characteristics or change of the service area. The studies consist in undertaking technical estimations on the coverage of the service area with signal and avoiding various interferences domestically and across the border.

Audio/audiovisual frequency administration and planning is undertaken in the framework of audio/audiovisual operator licensing, who use the frequencies of the audio/audiovisual band. In 2016, a total of 5 national private numeric networks were licensed to provide audiovisual services, while 4 subjects were licensed to provide audio services as community radio.

Audiovisual service frequency planning – AMA determined technical broadcast characteristics and developed the Technical Documentation to open the licensing competition for the 5 (five) national private numeric networks, in accordance with which 3 national private numeric operators were licensed in April, while the other two national private numeric operators were licensed in December 2016 and January 2017. The numeric networks granted to the 5 operators are listed below:

- The MUX3 network was granted for use to Klan
- The MUX4 network was granted for use to Digitalb
- The MUX5 network was granted for use to Top Channel
- The MUX6 network was granted for use to Vizion +
- The MUX7 network was granted for use to ADTN

The determination of technical broadcasting characteristics on the development of terrestrial numeric networks is done in accordance with Final Acts of the Regional Radio Communications Conference on the planning of terrestrial numeric broadcasting in parts of regions 1 and 3, in frequency bands 174-230 MHz and 470-862 MHz (RRC-06), Geneva 15 May - 16 June 2006, excluding the Digital Dividend band (DD1).

The frequencies determine by AMA for the development of national public and private numeric networks was done according to the table below:

Frequency channels for the 2 national public numeric networks of the RTSH in the UHF band

Public Networks	Shkodra Allot.	Kukes Allot.	Dibra Allot.	Lezha Allot.	Tirana Allot.	Elbasan Allot.	Fier Allot.	Berat Allot.	Korça Allot.	Gjirokastra Allot.	Vlora Allot.
MUX-1	28	26	38	43	34	23	27	25	43	26	23
MUX-2	41	32	24	23	21	33	31	30	45	37	39

Frequency channels for the 5 national private numeric networks in the UHF band

Private Networks	Shkodra Allot.	Kukes Allot.	Dibra Allot.	Lezha Allot.	Tirana Allot.	Elbasan Allot.	Fier Allot.	Berat Allot.	Korça Allot.	Gjirokastra Allot.	Vlora Allot.
Klan MUX-3	34	50	55	33	41	42	35	32	51	44	46
Digitalb MUX-4	59	40	30	46	53	48	28	36	55	29	57
Top Channel MUX-5	45	42	25	29	59	49	22	54	57	50	43
Vizion + MUX-6	22	36	54	-----	57	46	29	24	21	48	-----
ADTN MUX-7	51	52	60	-----	39	40	45	47	27	35	-----

The following are vacant frequency channels for the VHF and UHF bands:

	Shkodra Allot.	Kukes Allot.	Dibra Allot.	Lezha Allot.	Tirana Allot.	Elbasan Allot.	Fier Allot.	Berat Allot.	Korça Allot.	Gjirokastra Allot.	Vlora Allot.	Tirana Allot.
Vacant VHF channels	9	9	8	9	10	7	10	5	6	8	8	6
Vacant UHF channels		56				56	51	52	28	38		26
						58			59	53		37
										56		44
										58		50
										60		60

Vacant channels will be planned by AMA depending on licensing requests submitted to the Authority by local and regional operators.

Audio service frequency planning – With decision No. 55, dated 04.04.2016, AMA approved the regulation “On granting community audio broadcasting licenses”. The object of the regulation is the determination of rules and procedures for granting community audio broadcasting licensing.

Article 58 of law no. 97/2013 “On audiovisual media in the Republic of Albania”, as amended, sets forth that AMA shall, through a regulatory document, determine the frequencies available for community audio broadcasting services and the geographic area covered by the service, in compliance with the National Frequency Plan.

Pursuant the regulatory act developed/approved by AMA, technical broadcasting characteristics were determined for the 4 audio subjects that expressed interest to be licensed to provide community radio audio services.

In the framework of the license renewal process for audio operators in the market, the licenses of some audio operators that had not complied with the conditions of the license were revoked, thus increasing frequency availability.

On the basis of these changes, the audio Frequency Use Plan was developed, identifying all occupied and vacant frequencies for each broadcasting point.

In the framework of the efficient use of the audio frequency specter, AMA has foreseen in the 2017 budget, the undertaking of an in depth technical study, in order to use this specter as efficiently as possible and to pave the way to license new operators in the audio market.

National Frequency Plan – Pursuant article 19 of law 97/2013 “On Audiovisual Media in the Republic of Albania”, AMA cooperates with the Minister for the development of the National Frequency Plan.

In this framework, with Order no. 23, dated 21.07.2016 of the Prime Minister, the working group on “Updating the National Frequency Plan (NFP) and Developing the Specter Policy Document (2016-2020)”, in which AMA is represented by three members considering the relevance of these legal acts.

As regards the development of the National Frequency Plan, it was important for the working group to determine the relevant institutions that will be the administrators of the 790-862 MHz frequency band (band DD1) and the 694-790 MHz frequency band (band DD2). AMA made its proposals, which were taken under consideration by the working group and were reflected in the final draft that should be approved presently. In the meantime, the working group continues to work on the development of the National Frequency Strategy.

5.4 Addressing complaints

Complaints Council complaint addressing process – Pursuant Law No. 97/ 2013 “On Audiovisual Media in the Republic of Albania” and the Code of Broadcast, viewers and listeners of audiovisual subjects have the right to bring complaints on audiovisual broadcast content, if they believe and think that the subjects in question have threatened or infringed ethical principles and rules, set forth in in Law No. 97/2013 on Audiovisual Media and the Code of Broadcast.

However, in order to raise a complaint, the program or show to which the complaint is referred should be initially identified, along with the date and time of broadcast. In addition, the complainant should explain what threat/infringement has been noted in the program content that has driven them to bring the complaint in question. It is very important to clearly establish the arguments of a complaint, even though the program or commercial content does not comply with the principles, rules, requirements, and practices set forth in Law No. 97/2013 and the Code of Broadcast. One of the sections of AMA’s official website, www.ama.gov.al, is the “Complaint form for infringement of Code of Broadcast” where, in compliance with the complaint process, the viewer or listener should submit the complaint to the address found at the bottom of the complaint form, after having carefully read the guidelines for filling it out, and especially the principles and rules of the Code of Broadcast.

In some cases, the public may address the complaints filled out directly to the AMSPs, when they believe that this is a quicker way and that the subject will reflect on the complaint. When the viewer or listener is not satisfied with the reply of the broadcaster, or if the broadcaster fails the reply, then the complaint may be addressed to the Complaints Council at the Audiovisual Media Authority, on its official website or by mail.

As regards addressing complaints, the Complaints Council reviews all complaints received in accordance with the codes and rules provided for in the law, the written material submitted by the relevant parties, and the broadcasted material. Complaints are reviewed at the executive level by the Complaints Council in cooperation with other AMA directorates, such as the Programming Directorate, the Legal Directorate, and the Supervision Directorate.

Details of the review, and the decisions on complaints regarding audiovisual broadcast content taken by the Complaints Council have been published in the document entitled the Complaints Council Bulletin. Decisions are made on the case and whether a program or commercial communication has or has not respected relevant legal requirements and the rules of the Code of Broadcast. Decisions are not related to the approval or support provided for parties in the complaint and they are not a result of the addressing of each detailed aspect of the complaint itself. The Complaints Council does not undertake any special or independent review outside of the issues raised in the complaint.

The Complaints Council at the Audiovisual Media Authority has received complaints from state institutions, nongovernmental organizations, and various individuals. The Council has addressed and reviewed all complaints carefully and has based its replies and decisions on arguments and the articles and rules provided for in the Law on Audiovisual Media, No. 97/ 2013.

Among these, the more sensitive complaints concerned those rules and principles the infringement of which leads to the infringement of child rights in audiovisual broadcasting. We would like to note that the Code of Broadcast guarantees, as one of its fundamental principles, child protection and their absolute right to privacy.

Of the many complaints receive, some of them were on the infringement of child rights, to which the Complaints Council has responded immediately, continuously reminding audiovisual operators the contents of the Code of Broadcast. Other issues addressed are those on ethical infringements in audiovisual broadcasting, namely infringement of dignity and privacy, and issues on Copy Rights, which were not within the competencies of the Complaints Council and were forwarded to other AMA directorates, namely the Supervision Directorate.

In addition, the Audiovisual Media Authority has also received a series of Open Letters raising the issue of the Code of Broadcast implementation, which have been submitted for review the Complaints Council as the structure that has the competence to monitor the implementation of these bylaws developed by AMA. Complaints that were not considered as such based on the rules and bylaws included in the Code of Broadcast has also been received.

The decisions on these complaints have been made during the meetings held by the Complaints Council during the second half of 2016.

6. THE AUTHORITY AND COMPLIANCE WITH APPLICABLE LEGISLATION

6.1 Completing the necessary bylaw framework for the exercise of ASMP activity

During the reporting year, AMA has continued its work to complete the bylaw framework by developing new regulatory acts and also undertaking a series of changes to existing regulations. In this context, AMA has approved the following acts:

-Regulation “On procedures and requirements for granting audio broadcasting licenses” (decision No. 153, dated 18.07.2016, amended with decision No. 232, dated 03.11.2016).

this regulation sets forth the licensing rules, requirements, and procedures for granting audio broadcasting licenses in compliance with Law No. 97/2013 “On Audiovisual Media in the Republic of Albania”. The approval of this bylaw has paved the way for the licensing of subjects with a private radio activity.

-Regulation “On granting community audio broadcasting licenses” (decision No. 55, dated 04.04.2016). It sets forth licensing rules, requirements, and procedures for granting community audio broadcasting licenses. The approval of this bylaw has paved the way for community audio broadcasting license granting process. In accordance with legal requirements this service is licensed through a public competition. Based on this legal obligation, AMA approved, with decision No. 55, dated 04.04.2016, the regulation on granting licenses for community audio

broadcasting. Pursuant these acts, community broadcasting shall be audio broadcasting for communities that:

- offer themselves to the social development and interests of the community;
- reflect cultural and linguistic needs;
- offer programs in accordance with the interest of the community they serve;
- have informative, educational, and entertainment typology;
- are based on volunteer work of the community members;
- create opportunities to allow the greatest access possible for all community members; and that have managing and representative structures of the community they serve.

With decision No. 245, dated 21.12.2016 AMA has determined frequencies for community audio broadcasting services and has opened the competition for the granting of community audio broadcasting licenses. Afterwards, in December 2016, AMA publicly announced the procedure for granting community audio broadcasting licenses for 4 service provision areas. AMA received 3 applications by the deadline decided for submission, by the Albanian Autocephalous Orthodox Church, the World Bektashi Headquarters, and the “Radio Maria” Association respectively. The applications are currently undergoing the administrative review process.

-Regulation “On free of charge broadcasting of information, messages, and announcements of high interest for the general public” (decision No. 76, dated 04.04.2016). – The aim of this regulation is to determine the type and typology of information, messages, and announcements that are considered to be of high interest to the general public, the subject that will emit this type of information, and the conditions for broadcasting this information for audio and audiovisual media service providers.

-Regulation “On determining requirements and procedures for listing audio and/or audiovisual services that are supported by numeric networks” (decision No. 218, dated 12.10.2016, amended with decision No. 246, dated 21.12.2016). – This act sets forth the rules, requirements, and procedures for assigning identification numbers for audio and/or audiovisual media service providers.

-Regulation “On requirements and procedures for granting national audiovisual broadcasting licenses and national audiovisual program service licenses” (decision No. 219, dated 12.10.2016). – The approval of this bylaw has paved the way for the process of national audiovisual numeric broadcasting licenses. AMA, in compliance with the legal competencies, on establishing fees based on the principles of objectivity, transparency, non discrimination, and proportionality, has approved changes to existing decisions on fees payable for licenses and authorizations.

In addition, during the reporting period, work has ensued for the review of secondary legislation, and the development of bylaws required by the organizational law. In more detail, the bylaws currently under review are as follows:

-Regulation “On requirements and procedures for granting authorizations”, which was approved with AMA’s decision No. 56, dated 10.07.2015. - During the implementation of this regulatory

act, applicants have faced a series of challenges related to the preparation of the documentation required for authorization. Thus, in the abovementioned bylaw, requirements for being granted authorization were the same for all types of authorizations, regardless of the service provision method, such as OTT, IPTV, or Internet system, even though these services have distinguishing features. In addition, the existing bylaw did not foresee rules and requirements for expansion, and restriction of the coverage area, or authorization renewal. This draft act is undergoing the public consultation process. AMA has requested, with letter Protocol No. 3005, dated 04 October 2016, the opinion of licensed/authorized subjects on the proposed draft bylaw, and in reply to the abovementioned letter, AMA has received proposals on the abovementioned draft regulation by some private audiovisual subjects.

-Regulation “On inspection/monitoring procedures for audio and/or audiovisual media service providers’ activity”, approved with AMA decision No. 21, dated 27.12.2013. – This regulation foresees audiovisual media service providers’ activity inspection and monitoring procedures. As a result of new technological developments and the approach of audio/audiovisual subjects, and since this regulation did not set forth the principles, rights, and obligations of parties during the inspection activity, the need to review this bylaw arose. In the framework, the amended draft regulation more clearly sets forth AMA’s and subject rights and obligations, especially regarding the fundamental principles on which the entire inspection activity will be based. This regulation aims at making the inspection activity as transparent and efficient as possible, providing inspected subjects (AMSPs) with more rights in their interaction with the AMA administration. Pursuant article 48 of Law No. 97/2013, as amended, the regulation has been published on AMA’s official website, requesting the opinion of interested parties.

Regulation “On procedures and requirements on granting local audiovisual broadcasting licenses during the transition period”. – With this regulation, AMA aims at setting forth the rules, requirements, and procedures for granting local audiovisual broadcasting licenses for the transition period, in compliance with the provisions of article 139, Law No. 97/2013 “On audiovisual media in the Republic of Albania”. The scope of this regulation is to determine requirements and rules to receive a local audiovisual broadcasting license by local analog subjects that are licensed to provide audiovisual program services in the area that is planned for coverage by an SFN network.

Regulation “On procedures for complaint addressing by the Complaints Council and the right to reply”. – This regulation sets forth the rules and procedures to be followed by the Complaints Council to meet the objectives of its work as provided for in Law No. 97/2013 “On audiovisual media in the Republic of Albania”, with regard to the supervision of code and regulation implementation by audiovisual media service providers and the Albanian Radio and Televisions, and the addressing of complaints submitted to AMA. Taking under consideration that the organizational law is completely harmonized with the ‘*acquis communautaire*’, and the regulation of complaints addressing procedures is in full compliance with EU Directive 2010/13/EU “On audiovisual media services”. AMA requested, with letter Protocol No. 3528, dated 11 November 2016, licensed/authorized subjects to provide opinions on the proposed draft regulation and in reply to the abovementioned letter, AMA has received proposals on the abovementioned

regulation from a number of private audiovisual subjects, a part of which have been reflected in the document.

Decision “On approving the list of events of high public interest for the public and the method of free of charge broadcasting by qualified AMSPs”. – With this decision, AMA aims at expressly determining events considered of high interest for the public within the territory of the Republic of Albania, pursuant the requirements set forth in law No. 97/2013 “On audiovisual media in the Republic of Albania”, as amended, and to determine the free of charge broadcasting for a highly important event, whether it should be broadcasted live, recorded, or both ways, and whether it should be broadcasted in a part or the entire territory of the country. The list was developed in accordance with the obligation set forth in Law No. 97/2013 “On audiovisual media in the Republic of Albania”, as amended. Taking into account that the organizational law is harmonized with the “*acquis communautaire*”, the determination of highle important events results in compliance with Council Directive 89/552/EEC “On television without frontiers” and 2010/13/EU “Audiovisual media services”.

6.2 Approach to the piracy phenomenon in audiovisual broadcasting

The Audiovisual Media Authority, in compliance with its competences provided for in law no. 97/2013 “On audiovisual media in the Republic of Albania”, regulates and supervises audio and audiovisual activity in the Republic of Albania territory, guaranteeing fair competition in the electronic media sector. With the goal of organizing and supervising audiovisual activities, AMA established, through changes in its organizational structure, the Supervision Directorate, which started its operations at full capacity in May 2016.

Some of the main functions of the Supervision Directorate include:

- The supervision of audio and audiovisual activity in the Republic of Albania territory, in accordance with the provisions of Law No. 97/2013 “On audiovisual media in the Republic of Albania” and the legal acts in force, guaranteeing fair competition in the media market;
- Addressing issues encountered in the broadcast and copy rights field during the audio and/or audiovisual activities to prevent and minimize the infringement of broadcast/copy right phenomenon;
- Monitoring the frequency band, identifying causes and avoiding damaging interference caused by and in the frequency band managed by AMA;
- The development and maintenance of a database/archive with records and monitoring of audio and audiovisual media service providers content.
- The establishment, maintenance, and update of records of:
 - (i) documentation submitted to AMA by AMSPs in relation to the transferring of broadcast and copy rights;

- (ii) complaints on broadcast rights;
- (iii) complaints on copyrights;
- (iv) inspections and administrative procedures initiated against AMSPs for infringements of legal provisions.

During the reporting period, a series of complaints have been submitted to AMA in relation to infringements of broadcast/copy rights by (un)licensed/(un) authorized subjects, and by other interested parties.

Based on priority, AMA has followed up on all complaints submitted to the authority, undertaking filed inspections or monitoring on a case by case basis. Upon conclusion of the administrative procedures, AMA has decided on a case by case basis, to warn or fine subjects, and when subjects have resulted to have exercise unauthorized audiovisual activities, their broadcasting equipment has been seized.

The Inspections Sector of the Supervision Directorate has followed with priority all piracy complaints submitted to the Authority and has undertaken field inspections or monitoring on a case by case basis. Upon conclusion of administrative procedures, the authority has fined subjects for infringing broadcast rights, and for not allowing inspectors access to the space where the audiovisual equipment of the licensed and/or authorized subject was installed, or when refusing to provide the information requested by them.

In total, 257 inspections were undertaken in 2016, which resulted in the following measures. Upon conclusion of the reviews, there were 58 decisions for fines, of which 32 were revoked by the AMA Council.

In addition, with regards to unlicensed/unauthorized subjects in 2016, AMA has continuously undertaken a considerable number of actions to put an end to the informality in which some audiovisual subjects were exercising.

In this framework, during the reporting period AMA has held and seized the audiovisual equipment of 23 audiovisual subjects (cable tv and iptv) that exercised unlicensed or unauthorized activities. None of these decisions has been brought to court. The seized equipment was handled in accordance with the legal acts in force, and were handed over the State Archives.

As a result, more awareness has been noted in 2016 among audiovisual subjects regarding their obligations to uphold broadcast and copy rights, which has also been reflected in the documentation submitted by the AMSPs on transferring broadcast rights for programs, and the relevant documentation on meeting obligations towards copyrights collective administration licensed agencies.

As was the case last year, in 2016, special attention was paid to guaranteeing continuous transparency on AMA's activity, and uninterrupted communication and cooperation with all subjects involved in the media and broadcast/copy rights fields. In this respect, during the reporting period AMA did not prioritize repressive sanctions, but ensuring continued communication with AMSPs regarding the protection and respect for broadcast and copy rights.

We would like to note that the monitoring of broadcasted programs has found a considerable decrease of program broadcasting without securing copy rights. Especially the broadcasting of cinematographic works by local broadcasters, has been limited to broadcasting of works produced in the Albania and by Albanian authors, since securing the broadcasting and copy rights for these works remains easier, compared to the rights of international works.

A concern remains regarding a recent phenomenon and the behavior of some private and legal subjects operating in the Albanian market, which claim that they own copyrights of cinematographic productions, or broadcasting rights of television programs (channels). AMA has started its work to identify the current situation of these rights. The main goal is to assist audio and audiovisual operators licensed or authorized by it, to correctly identify which subject effectively possesses broadcasting or copy rights. The work on this started at the conclusion of the reporting year and is continuing.

6.3 Content monitoring

The Monitoring Sector of the Supervision and Archives Directorate has recorded and monitored the programming of audio and audiovisual subjects broadcasting in the city of Tirana and that of some local subjects, basing their broadcasting on various platforms.

For subjects that cannot be monitored by the Monitoring and Archives Studio, AMA has requested the recording of emitted (broadcasted) content for various periods of time. The requests have been made pursuant article 37, law No. 97/2013 "On audiovisual media in the Republic of Albania"

We would like to stress that for the recording of subjects, the Monitoring Studio has been provided with 14 recording computers, which according to a monthly plan (that may change according to requests of the sectors or needs of the arising issues) record from 07:00 hrs. to 04:00 hrs. of the following day, to restart recording at 07:00 hrs. again.

A portion of these computers are used for the monitoring of the Digitalb Satellite, Tring Satellite, Tring Terrestrial, Albtelekom and Abcom IPTVs platforms, in accordance with the requests of other directorates or from complaints. One of the computers records 2 national radio stations, namely Radio Tirana and Top Albania Radio. The same computer is also used when recordings of local radios to monitor copy rights compliance is undertaken.

From the statistical point of view, a total of 70,000 hours of audiovisual broadcasting and approximately 5,000 hours of audio broadcasting were recording during the reporting year.

- The Monitoring Studio covers the following monitoring fields:
- Advertisement;

- Newscasts;
- Programming obligations;
- Addressing of public complaints;
- Addressing of operator complaints;
- Monitoring of broadcasting rights;
- Monitoring of copy rights;
- The following is a summary of statistical figures:
- Total of approximately 14,000 hours of monitored advertising broadcasted by national audiovisual subjects;
- Total of approximately 1,500 monitored newscasts (900 broadcasted by national audiovisual subjects and 600 by national audio subjects);
- Approximately 300 hours of recording for fulfillment of programming obligations;
- Approximately 50,000 recorded hours during the January to December 2015 period to monitor institutional advertisement for 11 (eleven) local television broadcasters.
- 3,300 hours broadcasted by local subjects monitored for broadcasting rights;
- 1,250 hours of broadcast monitored for broadcasting rights.
- 400 hours broadcasted by music channels monitored for broadcasting rights.

Only since May 2016, when the Supervision Directorate started to operate at full capacity, the Monitoring Studio has undertaken the following:

- **120** monitoring activities of Audiovisual Media Service Providers were undertaken and there were 41 requests for recording of programs by AMSPs, which could not be monitored by the Monitoring Studio.
- A total of **67** Administrative Investigations were undertaken as a result of these recordings and requests for recording, with the following decisions:
 - **16** warnings and **7** notifications.
 - **27** fines, of which **16** were revoked by AMA's Council upon administrative complaint of the relevant subjects.

The work for the establishment of the institution's archives was completed in 2016. All existing and current recordings have been archived in both external HDDs and LTO tapes. Each of the sectors of the directorate has been provided with its own database for administrative investigations, recordings, and any step or measure undertaken in accordance with administrative procedures.

6.4 Supervision of the frequency specter use

During 2016 monitoring was undertaken at all broadcasting points in the country in relation to the monitoring of the frequency band, the identification of causes and avoiding of damaging interference caused by and in the frequency band managed by AMA. This monitoring consisted in controlling the use of the frequency specter 174 -230 Mhz and 470 – 862 MHz band for audiovisual services and 88 – 108 MHz for audio services.

Taking under consideration the current digitalization process situation, existing national private analog operators are investing in the development of numeric networks, and are not undertaking investments in relevant analog networks. Consequently, the coverage percentage with analog signal remains unchanged compared to the previously reported years.

The monitoring has verified whether:

- Licensed subjects are currently broadcasting;
- Subjects whose license has been revoked are broadcasting;
- Subjects are broadcasting illegally;
- Subjects have interrupted broadcasting from more than 30 days;
- Subjects have expanded beyond the licensed coverage area;
- There is lack of coverage in the licensed area.

Based on the monitoring undertaken, the following are the infringements identified:

- Subjects failing to cover with service the area for which they are licensed. These subjects have officially been notified to take immediate measures to meet coverage requirements according to the license;
- Subjects broadcasting beyond the licensed coverage area (they have expanded broadcasting areas without AMA approval). Audio subjects (FM radio) were officially notified to shut down broadcasting within the deadlines set by AMA. The infringement of these deadlines would be followed by sanctions.
- Audio subjects that had interrupted their broadcasting for more than 30 days.
- Audiovisual subjects broadcasting numerically without authorization. In these cases, when the frequencies occupied by these subjects were part of the numeric plan, the subjects were sent letter to immediately shut down broadcasts.

6.5 Addressing interference caused in neighboring countries

In addition to monitoring the specter, in 2016, special attention was paid to addressing complaints on interference submitted to AMA by neighboring countries. These were related to:

- Addressing interference complaints by neighboring countries such as Greece regarding interference in their air navigation band by our audio subjects.

- Complaints on interference submitted by Montenegro and Italy regarding (numeric and analog) broadcasts in the DD1 frequency band (790 -862 Mhz).

In 2016, AMA has addressed with priority the use of the DD1 band by monitoring the band, and in cooperation with the administrations of neighboring countries we have identified the sources of interference, while concrete measures have been taken to eliminate them. More concretely, at the Tarabosh broadcasting point, all unauthorized numeric broadcasts have been shut down and analog subjects licensed in the DD1 band have migrated to other frequencies outside this band.

The interferences caused in neighboring countries are related to the use of the 790-862 MHz (DD1) band by audiovisual operators in our country. The DD1 band is widely used in neighboring countries for mobile services and for this reason our audiovisual operators interfere in these networks.

Repeated complaints filed by Montenegro have been a concern for AMA and have been addressed with priority, endeavoring to provide adequate solutions. In the continuous correspondence with with Montenegrin regulator, has also been forwarded to MIAP, in the framework of stimulating the acceleration of the digitalization process, which would in turn lead to the vacating of the DD1 band.

Currently, the interference caused in Montenegro by audiovisual operators broadcasting in Shkodra has been resolved, because DD1 band channels used by these operators have been vacated.

7. THE AUTHORITY AS AUDIOVISUAL SECTOR DEVELOPMENT PROMOTER

7.1 Engagement of the Authority in the audiovisual market technological development

AMA has now established close cooperation with authorities in the region and beyond. In this process AMA in becoming invested to stimulate a spirit of partnership with institutions and domestic and international organizations active in the audiovisual market field. These exchanges have also impacted the regulations or acts developed and adopted by AMA, which have benefited from consultation with Authorities in the region and beyond.

During the Regional Seminar on Europe and CIS on specter management and transition to digital terrestrial broadcasting held in March and organized by the ITU in cooperation with the Ministry of Communications and Information Society and the National Authority for Communications Management and Regulation (ANCOM) of Romania, some of the most important issues addressed and discussed included:

- The switch to digital terrestrial broadcasting process;
- The legal and regulatory framework on the switch to numeric broadcasting process;

- The activities during and after the switch to numeric broadcasting process;
- Use of the digital dividend;
- Structures to manage the specter and electronic tools used (tools);
- Activities organized after the conclusions of the Global WRC-15 Conference.

AMA and KPM organized a consultation meeting on regulatory bylaws on providing media services via cable and internet networks, in order to exchange experiences between the authorities. The focus was also on the consultation on regulatory bylaws on the provision of media services via cable and internet networks. The main topics discussed were the harmonization of secondary legislation on authorized operators and the renewal of audio/audiovisual programming, the determination of the coverage area, methods to determine fees, etc.

On 20 May, the Audiovisual Media Authority, in cooperation with the Ministry of Innovation and Public Administration organized the “Next Generation Media” Conference in the framework of the Innovation Week. The latest developments from the world of technology and information applied in Albania in various numeric, terrestrial, satellite, CaTV, IPTV, etc. broadcasting infrastructures were presented during the event. During this new stage of digitalization that Albania is approaching, the media is expected to have a more engaged role as regards guaranteeing the basic democratic principles and in promoting the freedom of speech, pluralism, ethnic and cultural diversity, and editorial policy independence.

The main operators in the audiovisual broadcasting field presented an overview of the investments made in recent years in audio and audiovisual technology in the country. These investments were made in both the broadcasting infrastructure and the provision of programming services. During the presentations, issues related to the challenges and commitments of the audiovisual market in the framework of new development in audiovisual broadcasting and telecommunications technologies, were also addressed. The conference was attended by journalists, audiovisual subjects, international organizations, media researchers, telecommunications companies, and all other stakeholders in the media and technology field.

7.2 Cooperation in audiovisual market regulation

AMA, in line with its legal obligations as a regulatory body, cooperates with stakeholders, audio and audiovisual subjects exercising their activity throughout the Albanian territory. The aim is for audiovisual activity to be free, so that the public has the opportunity to enjoy a variety of quality products and services provided in the market. AMA’s approach in the last two years has focused on partnership with television subjects, numeric networks, radios, and cable television providers, by developing direct and transparent communication to raise awareness on the necessity of the laws and bylaws approved, financial obligations, compliance with the conditions of the license on coverage areas, drastic reduction of piracy by cable televisions, etc.

Reporting of child issues in local audiovisual media – While in 2015 the project of the Albanian Media Institute (AMI), “Improvement of reporting on child issues in local audiovisual media” was implemented only with the newsrooms of Tirana ASMPs, in 2016 the beneficiaries included reporters and editors of audiovisual media from the regions of Korça, Shkodra, Gjirokastra, Vlora and Elbasan.

The two-day training sessions for each module, in addition to being comprehensive, created information opportunities for participants on the legal and regulatory framework on audiovisual broadcasting, AMA’s Code of Conduct, including constitutional provisions and conventions on the rights of children, and aspects of professional reporting, which touched on topics and techniques for reporting on children in the media, especially as regards sources and interviewing techniques. The training sessions were organized to be interactive, with the trainers allowing the use of social media, and providing information on the issues of this new medium. The discussion focused on the ethical problems noted, but attention was also paid to the efficient use of social media to present and elaborate topics related to children, while also promoting positive examples.

Quality improvement in news writing and broadcasting – The cooperation between AMA and the “Media Aktive” Center was put in place for the implementation of an intensive internship in radio and television journalism, as a space dedicated to the training on and familiarization of young reporter with many of the concepts and actual working conditions, and to provide opportunities to practice, conceptualize, and act more with new technology applications and the internet. At the same time, they strove to improve the quality of their news writing and broadcasting product, in relation to the respect for human rights and freedoms, especially child rights, but also gender equality, avoiding discrimination of any form, respecting minority groups, etc. in accordance with law No. 97/2013 and the Code of Broadcast.

The activities calendar in the framework of this project included 30 activities, with the participation of approximately 40 beneficiaries. The project was designed in two main phases:

- first, beneficiaries focused on topics concerning radio, television, television direction, and editing;
- second, they were engaged in working groups undertaking concrete actions and developing a product in the context of work in a newsroom, and producing radio and television programs and reports.

The participants’ product on social topics, discrimination based on race or sexual orientation, on unemployment, public transport, the environment, domestic violence, violence against women, gender inequality, poverty, etc. were made available to the public via the www.archive.org website.

Protection of children from violence in Albania – The Second National Conference organized by the State Agency for the Protection of Child Rights, UNICEF, and CRCA Albania in cooperation with the Terre des Hommes, World Vision, Save the Children, Partners for Children, ALO 116, QSHPLI, TLAS, the Child Rights Observatory Albania, Arsis, Children Today, and Shkej organizations, in partnership with the Ministry of Social Welfare and Youth and the Faculty of Social Sciences. The Complaints Council of the Audiovisual Media Authority participated at this conference with a presentation entitled “*On the functioning of legal, monitoring, and institutional*

mechanisms to guarantee ethical rules and norms compliant programs in audiovisual broadcasts”.

The Audiovisual Media Authority participated at the 44th EPRA meeting in Yerevan in October 2016. The meeting was attended by 126 representatives from 42 regulatory authorities from 40 states. Media experts shared their contributions on the issues at the center of the discussion, including Media during crises and the role of Regulatory Authorities, Study cases on editorial policies regarding advertisement content, Audiovisual platforms, etc. In addition, the Audiovisual Media Authority participated in the following meeting with 175 representatives from 50 countries, where the main aim was to ensure the adequate tools for regulatory authorities to better understand the complexities and convergences arising in the media field. Various experts focused on social, economic, and technical complications caused to the audience and the service provider by the reallocation of the frequency specter. Another topic of the meeting was the exchange of experiences and best practices regarding issues of internal governance, functioning, and daily regulatory authority work activities.

The meeting of the Mediterranean Network of Regulatory Authorities (MNRA) was organized in Madrid in July 2016 and the meeting focused its discussions on audiovisual content. The discussion in the first two session of the meeting focused on presentations on sports aspects in television and the keeping of gender balance. Studies on sexist stereotypes in commercial communications and advertisement were also presented with regard these topics.

In July 2016 the Council of Europe organized, in the framework of the *“Reinforcing Judicial Expertise on Freedom of Expression and the Media in South-East Europe (JUFREX)”* Project a regional conference for regional media regulatory bodies entitled *“European standards and best practices on hate language and child protection”* held in Montenegro, where the Complaints Council presented its own research entitled: *“Hate speech in Albania, the origin and types of hate speech”*.

In September 2016 the Officer of the Commissioner for the Right to Information and Protection of Personal Information, in cooperation with the Technical Assistance and Information Exchange Instrument of the European Commission (TAIEX) organized a seminar on *“The Media and Compliance with the Principles of Data Protection”*, with the participation of many well-known international experts. The Complaints Council presented its research entitled *“Protection of personal information of children and media responsibilities”*.

In November 2016 a meeting was organized in Brussels between media experts in the field of Media Education: *Media Literacy Expert Group*. Approximately 90 participants from 28 member states, 4 candidate counties, UNESCO, the Council of Europe, civil society and professional media organizations from 2 European countries participated in the meeting and exchanged opinions on new communication strategies in Media Education.

In February 2017, the National Consultation Meeting on Media Education and Information (MEI) was organized in Albania between the Albanian Media Institute, the Ministry of Innovation, the

Ministry of Education, and the Audiovisual Media Authority. The Complaints Council presented the topic: *Media education and information related practices, strategies, and legislation. The role of information mediators, regulatory bodies, and mechanisms to raised public awareness on the media and information.*

7.3 Authority contribution in support of scientific research

The Authority has established partnerships outside the audiovisual market as well. In the framework of many aspects related to the emission of AMSP content, the Authority has established cooperation bridges with specialized institutions and organizations thus creating synergy in two main pillars of the audiovisual market dynamics, namely:

- firstly, undertaking studies and market research on audiovisual trends and broadcasts, as a premise for long-term regulatory policies and strategies; and
- secondly, working with the journalist, editor, and field reporter community to improve performance in covering current and future stories and topics.

This partnership is conditioned by the requirements of Law No. 97/2013 "On Audiovisual Media in the Republic of Albania", which sets forth among others that AMA "shall undertake, organize, support, and promote research on audiovisual media issues", or "shall cooperate with other bodies, including representative bodies within the audiovisual media sector to support training activities in the audiovisual media sector". The law stresses that the Authority "shall undertake, stimulate, and support research and relevant activities, related to the role of the media, including cooperation with broadcasters and other sector subjects".

Concretely, in 2016, AMA has undertaken cooperation projects with the Journalism and Communication Department at the University of Tirana, the Department of Communication Sciences at the Beder Higher Education School, the Albanian Media Institute, and the Media Aktive Center.

Study entitled "Television and the television set – the dynamics of a gradual 'divorce'"

After the organization of the International Conference on Digitalization in November 2015, AMA cooperated again with the Department of Journalism and Communication at the University of Tirana for the implementation of an approximately 6-month project focusing on the research study entitled "Television and the television set – the dynamics of a gradual 'divorce'".

The goal of the field study, the analysis of findings, and subsequent publication was to shed light on the mechanisms, factors, and challenges of technology innovation in the audiovisual media industry in Albania. These fundamental indicators were taken into consideration in relation to their impact on the behavior of stakeholders, content offerings, and the Albanian media landscape.

This serious effort to monitor and analyze audiovisual market dynamics in our country, undertaken by the professors of the Department with the engagement of the students, yielded

a quality and standardized product that AMA required to concretely assess what the current market situation is, in addition to future trends and phenomena. However, the study was also useful in relation to the following:

- the stakeholders, AMSP currently in the market, were able to consider their own standing in the market, and their survival potential when considering competition with others, the implementation of the legal framework, etc.;
- the media industry (including audiovisual media) is considered as an important part of the development of a country, and for this reason indicators of its dynamics are relevant for research outside the media focus, such as economic and financial landscape studies, statistical data considerations, and when parameters of market economy and democracy functioning, or fulfillment of Albania's European integration requirements are assessed, etc.;
- the researchers and academics of the field can use this as a baseline for the presentation of their scientific work and the discussion thereof;
- all those interested about the development of the media in general and audiovisual media especially, can access the study, as it was not just discussed in a wide ranging forum in the Faculty of History and Philology, but it was also published as a separate publication for circulation.

Challenges of local and regional broadcasters in the provision of online services

Another cooperation was realized with the Department of Communications Sciences of the Beder Higher Education School – “Hëna e Plotë”, in the framework of a scientific research effort on the performance of the audiovisual market, but from a different point of view. This effort focused on the challenges faced by local and regional broadcasters when approaching online service provision.

One of the main products was the survey that included AMSPs in Durrës, Korça, Pogradec, Elbasan, Shkodra, Mamurras, Laç, Gjirokastra, Saranda, Vlora, and Tirana. The survey was administered with over 200 journalists and approximately 40 managers from local and regional audio and audiovisual subjects. The data and the responses to the questionnaire were processed and the resulting database was initially disseminated to all researchers and academics participating at the Scientific Conference on these issues organized in Tirana in mid December 2016, with the participation of 28 researchers and academics of the audiovisual media field from Albania, Kosovo, and Macedonia.

In addition to AMA, the other partners of the conference were the Department of Journalism and Communication at the Faculty of History and Philology of the University of Tirana, and the ABB College in Prishtina. The participation of researchers from the three countries provided for a wider specter of consideration of the challenges and issues of the local audiovisual market in the context of the internet and new media developments. The study on the challenges of local and regional broadcasters to online service provision and the presentations of the conference were summarized in a special publication that was disseminated to AMSPs, research centers, journalism departments at universities, and all interested parties.

“European standards and best practices on hate language and protection of minors” was the regional conference organized by the Council of Europe. In July, Authority representatives participated at the conference supported by the European Union and organized by the Council of Europe on the regional experience in relation to audiovisual issues such as hate language and protection of minors in accordance with European standards. The conference included presentations of best practices and proposals on solutions related to the main topic of the conference. Experts from Croatia, Albania, Serbia, Montenegro, Macedonia, and Kosovo, clearly stressed the role and the extent to which regulatory authorities can intervene in the fight against hate language and for the protection of minors.

8. THE AUTHORITY’S COMPLIANCE WITH TRANSPARENCY PRINCIPLES AND ENHANCEMENT OF THE INSTITUTIONAL IMAGE

8.1 Transparence program

In the framework of the transparence program, the Audiovisual Media Authority is engaged in periodically updating public information in compliance with the Law on the Right to Information. AMA’s official website www.ama.gov.al, is an information source for many experts, journalists, international organizations, etc. and takes into account the highest interest of the public, and especially guaranteeing maximum access to public information. This is achieved by making available information without prior request, in order to limit the need for individual information requests.

AMA’s website was reformatted during the reporting year becoming more interactive with stakeholders and richer in information. One of the novelties of the reformatted website in the framework of proactivity, are the complaint forms for each field of Authority activity. The relevant forms are listed below:

- Complaint form on “infringement of code of broadcast”
- Complaint form on “licensing and authorization”
- Complaint form for “the supervision directorate”
- Complaint form on “AMA approved annual fee measures”
- Complaint form on “the right to information”
- Complaint form on “frequency allocation”

In accordance with the transparence program, AMA’s official website, www.ama.gov.al includes in the relevant transparence section, updated information on the annual budget, the execution of revenue and expenses and information on public procurement procedures followed by AMA.

In addition, AMA’s official website publishes all information regarding AMA’s organizational structure, data on education, qualifications, and remuneration of officials that have the obligation to declare wealth, and the salary structure for all other employees.

During the reporting year AMA has received approximately 140 (one hundred forty) requests, which have also been reflected in the request and reply record on the official website www.ama.gov.al under the Activities/Transparence Section, which also includes the requests for provision of services by the authority.

This transparence program is in full compliance with the law on the right to information, and considerably improves Authority governance and institutional image.

For a total of 18 decisions made by AMA during 2016, the relevant parties have exercised to right to court procedures, with the claim that their rights were infringed upon. In addition to the decisions appealed for the first time during the reporting period, AMA's activity in relation to court proceedings continued also with regard to the cases that were being heard at the Tirana District Court, the Administrative Appeals Court, and the Administrative College of the High Court. On the other hand, AMA within its rights as a legal subject, has brought 9 cases to the court as a plaintiff.

Currently, AMA is involved in a number of court trials, of which 5 cases are being tried at the civil and administrative first instance courts, 66 are being heard at the civil and administrative appeals courts, and 29 are being heard by the High Court. The majority of trials were started in previous years.

8.2 Management of human resources performance

During the reporting year, in accordance with the work objective for the organization and execution of duties related to the management of human resources in line with the legislation in force, AMA has focused its activity in developing and enhancing human resources administrative and technical capacities, in improving efficiency and professionalism, and in respecting norms of ethics.

Human resources management is the key element for the development of a professional, efficient, and responsible civil administration, which is why AMA has aimed at improving and harmonizing the human and administrative resources management system with the best European standards and practices in the media field.

The Administration has organized and led the work for full compliance with the legislation on civil service, by strengthening the principle of merit in recruiting, efficiency in actions, career development within the civil service, and improvement of the employee training system.

The Human Resources and Foreign Relations Directorate has, in line with its functional duties and in cooperation with other organizational units of the Authority, developed at the start of the reporting year a training schedule based on the foreseen training needs for each employee. The training sessions in the schedule include obligatory training, needs based training, and other training/participations. The training process management was realized by clearly setting staff training needs based on issues identified during daily work.

Pursuant the policy and strategy of the Authority on the enhancement of existing administrative capacities, alternated with an efficient legal recruitment process, and in order to successfully finalize the great step of switching from analog to numeric broadcasting, the training process during the reporting year has provided all existing employees to review their skills and to work more efficiently.

Training have been realized in a number of ways, starting with direct training within the institutions, the job place, training at the Albanian School of Public Administration, and all the way to experience exchange with international organizations.

A total of 15 employees were trained by the Albanian School of Public Administration in 2016. The types of training these employees participated at the school are listed below:

✓ **In depth training (total 11 employees)**

This training focuses on knowledge that the employee should obligatorily obtain during the probation period regarding:

- Introduction to public administration
- Managerial skills
- Ethics and conflict of interest
- Writing of official letters
- The Constitution and administrative act hierarchy
- Organization and functioning of the Public Administration
- Administrative procedures
- European integration
- Law on civil service

✓ **Needs based training (total 4 employees)**

Cases when needs for adaptation to the job position have been identified. Training includes:

- Use of the state data central system (HRMIS) for the management of personnel files and the Central Personnel Register, attended by 2 employees at ASPA
- Development of human resources curriculum.
- Staff performance management and policy.
- Integrated planning system management.

In addition, employees were trained based on needs at the institution of the Commissioner for the Right to Information and the Protection of Personal Information, in cooperation with TAIEX (the Technical Assistance Instrument for Information Exchange of the European Union, entitled: "The Media and Compliance with Data Protection Principles").

The participants were trained on issues of interest on the media such as:

- The legal framework on journalism related protection of information in Albania and the EU;

- Importance of the Code of Ethics in the media, professional integrity and investigative journalism;
- Advantages and challenges in maintaining balance between good journalism and individual privacy in the community;
- Balancing the right to privacy and destruction of information of public interest;
- Respect for personal and private information in the digital age;
- Use of hidden cameras for investigative journalism purposes;
- Addressing of concrete privacy infringement cases, especially regarding protection of personal information of minors; etc.

Another efficient training method was the one used during the training entitled “Improvement of the institutional image through efficient communication methods”, which was attended by 37 employees and where the staff was trained on the Code of Ethics in Television, communication ethics and AMA’s relations with and transparency in the media.

In addition, the Human Resources Sector in order to enhance work quality and improve the performance of employees, has required that staff become familiar with relevant manuals on the management of human resources, performance and policies, and orientation of new personnel.

8.3 Information and knowledge infrastructure

In order to increase work efficiency, AMA in 2016 updated its electronic equipment and at the same time added new equipment in the institution, including:

- The replacement of approximately 80% of the computer equipment used by AMA employees, because the computers were out of date and had become a burden to efficient progress of work.
- The procurement of the central server as a necessity for increased control, security, and employee efficiency, and the procurement of the central UPS system to provide for uninterrupted work and at the same time protect the institution’s computer equipment, in case of electricity interruptions.
- Procurement of the information system (software) for the digitalization and automation of all AMA licensed or authorized audio/audiovisual subject data, to increase work efficiency and development of the institution’s professional staff.

AMA has improved the electrical installations, ensuring a separate line for computers independent from the rest of the electric network, thus increasing safety at work. In addition, two independent internet lines have been secured for the internal communication between employees, thus ensuring continuation of work in case of defects. In this context, the AMA’s domain was also set up to increase the security and quality of employee communication data.

In the framework of regulating AMA information and data administration, safeguarding, functioning, processing, and management processes, regulations and procedures to be implemented by AMA employees have been developed. These are being approved as follows:

No.	Procedure	Object
1	Terminal equipment change procedure.	The aim of this procedure is to determine required steps to be taken should changes to terminal technical equipment is necessary for AMA.
2	Terminal equipment incident management procedure.	The aim of this procedure is to determine steps necessary to be undertaken for managing terminal equipment incidents.
3	Monitoring and maintenance procedure.	This procedure includes daily activities, periodic controls, and step by step actions in case of maintenance or equipment replacement.
4	Technical room (server room) changes procedure	The aim of this procedure is to determine the necessary steps to be undertaken when changes to the IT network infrastructure in the technical environment (server room) are required.

9. FINANCIAL INDICATORS AND RESOURCE MANAGEMENT

9.1 Financial resources management

The Audiovisual Media Authority as a self finance institution ensures the fulfillment of its functions through its own financial resources. In the framework, the improvement of the Authority's financial activity indicators and the increased efficiency of using these resources was one of the main objectives realized in 2016.

The achievement of these objectives was focused on on:

- Increased revenue collection, both regarding financial obligations from previous years and fees due in 2016;
- Follow up on subjects owing AMA their annual fees for more than one year, in line with legal provisions;
- Channeling financial resources to fulfill AMA functions.

Compared to previous years, there was a considerable increase in Authority revenue in 2016, as a result of the measures taken to ensure the implementation of the law.

The realization of the “Revenue from obligations for annual license fees” line for the 2012-2016 period is as follows:

Collection of annual revenue per year	2011	2012	2013	2014	2015	2016
Annual revenue amount due	131,455,318	118,061,085	116,958,810	102,413,197	140,277,514	160,610,044
Realized revenue collection	60,363,439	43,291,430	42,899,741	61,525,629	111,769,232	140,241,752
Realization in %	46%	37%	37%	60%	80%	87%

In 2016, as a result of carried over obligations for license/authorization payments and fees for radio and television services, AMA made decision to revoke licenses/authorizations for 32 subject, of which 2 have since completely paid off back obligations to AMA, while the other 30 are still debtors.

The total obligations of these debtors, amount to ALL **93,722,615**. The list of subjects the license/authorizations of which have been revoked is given below:

NO.	TYPE OF SUBJECT	NAME	PAYMENT FOR LICENSE	CTV (CABLE TV)/FEE FOR RADIO AND TV SERVICES (FM AND TV)	TOTAL OBLIGATION
1	CABLE TV	Bajrami Net	2,410,000	231,000	2,641,000
2	CABLE TV	Apollnet	3,130,000	399,000	3,529,000
3	CABLE TV	Tv kabllor Dushk	362,500	23,625	386,125
4	CABLE TV	Albania Shkodër	3,050,000		3,050,000
5	CABLE TV	Albania Kombi	2,150,000		2,150,000
6	CABLE TV	Kombi	3,554,170		3,554,170
7	CABLE TV	Sky digital	20,511,500	2,244,000	22,755,500
8	CABLE TV	CA Përmeti	600,000	48,000	648,000
9	CABLE TV	Dire	480,000	65,280	545,280
10	CABLE TV	Mirdita	733,630		733,630
11	CABLE TV	Lissus	352,000	40,200	392,200

12	CABLE TV	Alb Pajovë	868,670	93,840	962,510
13	CABLE TV	Hudenisht	149,910		149,910
14	CABLE TV	Lushnjë	749,800		749,800
15	IPTV	Tring IPTV	18,520,000		18,520,000
16	AMSP	Stream online	430,000	54,000	484,000
17	RADIO	Boom-Boom	106,900	60,000	166,900
18	RADIO	Univers	635,100	374,400	1,009,500
19	RADIO	Clazz	497,500	249,600	747,100
20	RADIO	Capital	218,870	144,000	362,870
21	RADIO	Glob	29,020	20,800	49,820
22	RADIO	Hit	69,100	23,200	92,300
23	SATELLITE TV	Al-Sat	24,557,700		24,557,700
24	LOCAL TV	Përmeti	143,000	451,500	594,500
25	LOCAL TV	Riviera 11	170,400	240,000	410,400
26	LOCAL TV	2A	51,400		51,400
27	LOCAL TV	Era	34,300	120,000	154,300
28	LOCAL TV	7	45,800		45,800
29	LOCAL TV	Veleçik	321,400	192,000	513,400
30	LOCAL TV	Koha	2,035,500	1,680,000	3,715,500
TOTAL OBLIGATIONS					93,722,615

In 2016, the Authority has managed financial resources through budgeted forecasts at the start of the budget year and approved with AMA decision No. 101, dated 09.12.2015. Once again 2016 was an important year as regards AMA's role as a supporter and stimulator of audiovisual market research, and solutions for the challenges and issues that the digitalization problem will give rise to in Albania. A series of studies and research activities were organized during the reporting year on the digitalization process, which will assist the stakeholders involved in the process to overcome the challenges and unknown issues that will be faced during the process.

In addition, AMA has financially supported projects related to training of journalists and audiovisual media stakeholders, while also following up on the engagements with counterparts and staff training to enhance human resources capacities.

In addition, in support of the Strategy on switching from analog to digital broadcasting, funding in the amount of **ALL 105,000,000** was secured from the State Budget for the implementation of the public information campaign according to the activities set forth in this Strategy, such as:

- Broadcasting of awareness raising advertisements;
- Broadcasting of special programs;
- Broadcasting of notices.

In line with the abovementioned activities, AMA procured in 2016 goods and services in the amount of ALL 102.350.000, according to the specific weight lines and the number of broadcasts determined in the Strategy. Fund allocation according to the lines determined above and the realization of these funds in 2016 has been shown in the table below:

Expense line	Dispersion of the funds allocated by the MoF (in ALL)		Realization in amount	Realization in %
	60,000,000	45,000,000		
Expenses for spot broadcasting	42,195,557	44,350,000	49,291,557	57
Expenses for special programs	11,728,523		11,728,523	100
Notices for 1 allotment	4,075,920		4,075,920	100
Total in ALL incl. VAT	58,000,000	44,350,000	65,096,000	

9.2 Financial Statements

Assets and liabilities statement for 2015 - 2016		
	31.12.2016	31.12.2015
Assets		
Inventory situation	3,039,950	2,582,335
Requests for collection to third parties	313,109,857	302,138,821
-Clients for license	70,699,449	72,043,762
(Collectibles from clients)	18,298,879	72,043,762
(Clients with revoked licenses)	90,167,115	
(Clients with revoked licenses, written off)	-37,766,545	
-Clients for radio and TV services fee	10,307,801	12,436,424
(Collectibles from clients)	6,752,301	
(Clients with revoked licenses)	3,555,500	
-Fined clients	231,625,817	216,650,608
-Late fee clients	476,790	1,008,027
Other requests to third parties	68,907	191,782
-Advances	64,166	139,758
-Differences from state for taxation	4,741	52,024

Coffers and Bank	100,617,029	80,913,101
Total of short term assets	416,835,743	385,826,039
Long term assets		
Studies and research	6,308,708	3,798,277
Net sustainable assets	51,078,663	16,099,287
- Economic inventory	264,270	
- Technical installations, equipment, work tools	11,367,490	
- Transport vehicles	4,547,661	
- Expenses for administrative facilities	34,899,242	
Total of long term assets	57,387,371	19,897,564
Total of assets	474,223,114	405,723,603
Own funds	74,459,019	197,709,647
MoF allocation for Public Information Campaign on Digitalization	105,000,000	
Annual financial result	-39,205,869	-123,250,627
Short term obligations to third parties		
-Obligations to clients	230,064,562	218,937,286
-Obligations to suppliers	11,234,158	67,590
-Obligations to state for taxation and contributions	1,586,605	911,137
-Creditors from previous years	89,494,892	111,348,570
-Creditors for layaway means	1,589,747	
Obligations Total	333,969,964	331,264,583
Liabilities Total	474,223,114	405,723,603

<i>Income and expenses statement on 31 December 2015 and 31 December 2016</i>			
No.	Name	2016	2015
A	Current period income	196,156,075	151,734,678
1	Revenue from Licensing/Authorizations	178,623,198	132,362,046
2	Revenue as tax agent	992,725	865,594
4	Revenue from administrative processing	5,440,000	3,720,000
5	Revenue from bank interests	120,838	185,796
6	Other revenue from fines, late fees	10,979,314	14,601,242
B	Operational expenses	89,316,932	192,196,676

1	Office supplies	1,584,513	2,283,925
2	Salaries, bonuses, and other staff expenses	73,068,973	59,705,639
3	Building maintenance	879,500	288,100
4	Electronic equipment maintenance	378,970	1,286,520
5	Supply services	5,607,447	3,378,438
6	Transport and vehicle maintenance	2,640,621	3,213,688
7	Local taxes	15,000	11,770
8	Legal, court expenses	5,141,908	122,028,596
C Expenses for AMA's functional activity			
		22,358,406	14,540,828
1	Consultations, training, market research	4,668,837	2,622,134
2	Representation expenses	4,770,021	5,981,894
3	Digitalization expenses	12,919,548	5,936,800
D Special MoF fund for the Public Information Campaign			
		67,095,980	
E Annual losses			
		8,621,100	50,600,500
	Annulment of fines	3,840,000	40,120,000
	License/authorization revocation, adjustments	4,781,100	10,480,500
F Amortization and depreciation of incorporated assets			
		10,202,981	16,528,633
G Transfers to foreign organizations			
		0	1,118,667
H Risk fund			
		37,766,545	
TOTAL		-39,205,869	-123,250,627

Notes to financial statements:

1. The "Extraordinary expenses" line includes losses from annulment of fines from previous years as decided by AMA and the losses from debtors of previous years, which have had their obligations to AMA adjusted for various reasons, such as decrease in the service provision area.
2. The "Legal and court expenses" line includes carried over court proceedings from previous years, turned to executive titles in 2017.