Strengthening public interest in Ukraine's media sector

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Summary

— The media environment in Ukraine is complex, diverse and competitive. Most of the country's outlets are privately owned by high-profile Ukrainians who tend to use them for political influence. However, a small number of media organizations uphold high standards of professionalism and integrity and are vital for shaping domestic political and social debate. These are mostly in print and online but also include some broadcasters, such as Suspilne, and international donor-funded multimedia platforms.

— Ukraine has a vibrant community of media experts, activists and NGOs that monitor and analyse the sector. These individuals and organizations create development initiatives, advocate reforms and, to a certain extent, perform self-regulatory functions. Platforms for discussions among media professionals are contributing to an evolving industry culture. But they face challenges including limited authority to implement changes; unsustainable funding, often reliant on international donors; and a lack of consensus on ethical and quality standards within the media community.

— Many outlets provide content for free and domestic audiences are accustomed to this practice. However, there are efforts in Ukraine to encourage consumers to pay for quality content. From early 2020, the biggest media organizations began restricting free access to their output. Meanwhile, smaller independent media are offering subscription and membership models to improve their economic sustainability. The COVID-19 crisis has pushed media organizations to be more proactive in creating business models that do not solely rely on advertising.

— Ukraine's media landscape is threatened by the disruption of traditional information delivery methods and consumption patterns; fake news and disinformation; a changing media economy; competition from social media and tech giants; and political turbulence and hostile actors, particularly Russia.

— Reforms in media regulation – in addition to those in the judiciary and law enforcement agencies – could limit the influence of media owners and protect outlets from political actors determined to attack journalists or manipulate content. Furthermore, support for sustainable revenue models, technological capacity-building and better brand recognition could focus on independent outlets that lack the resources to compete with oligarch-owned media. Improved media literacy efforts are also important for creating long-term audience demand for quality content.

01
Introduction

While oligarchs and political influence overshadow the media in Ukraine, other stakeholders are seeking to challenge the status quo to improve professional standards, media literacy and public trust.

Ukraine's modern mass media landscape emerged in the 1990s. Since that time, the country has had barely three decades to develop a culture of media production, consumption and regulation. Key factors that have shaped this evolution include a weak and oligarch-dominated economy, the political elite and Russian influence. By contrast, in the UK, the US and most member states of the EU, the history of the modern media sector, its audience and regulation spans well over a century.

Ukraine's experience differs from that of its Eastern and Central European neighbours. After 1991, Western owners had a considerable presence in media organizations in Poland, the Czech Republic and Hungary. While this injected much-needed funds into the post-communist markets and introduced a different professional culture, it also brought about a chaotic boom of media outlets in an unprepared regulatory environment. This often resulted in investors' commercial interests being prioritized over quality content or the long-term development of a local media culture. According to Angelika W. Wyka-Podkowka, a researcher of media in Central and Eastern Europe, during the transition from post-communism to capitalism in Poland, Hungary and the Czech Republic:

> Very few companies wanted, in fact, to educate journalists and implement core journalistic values such as professional integrity and reportorial accuracy. Rather, a great majority of them regarded their investments as pure business… It can be argued that the central narrative characterizing the media transformation of Central Europe after 1989 has been the narrative of commercialization and tabloidization.[1]

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[1] Wyka-Podkowka, A. (2014), 'Twenty-Five Years after the Fall: From Communist Monopoly to Foreign Control over Local Owners: Media Ownership and Its Effects on Journalism in Central Europe', *The Political Economy of Communication*, 2(1): pp. 33–48, https://www.polecom.org/index.php/polecom/article/view/29/207.

Overseas investment in these countries began to change in the 2000s, especially after the 2008 financial crisis, when investors started to leave and subsequently sold their media assets to local owners. Martin Ehl, chief analyst of Hospodářské noviny, a Czech economics outlet, and Václav Štětka, a lecturer at Loughborough University, summarized the process in their piece for *The American Interest* in 2018:

> [W]e can conclude that foreign ownership can play a positive role in shielding independent journalism… But when bad economic times hit, the same foreign owner will care only about making a quick and painless exit from the market. Prevailing foreign ownership has also meant, historically, that profits have been channelled out of Central European countries without contributing to the broadening of the base of independent media. This has ultimately left media in Central Europe weak, easy prey for oligarchs and vulnerable to external pressures.[2]

Ukraine has not had a comparable level of investment from Western media organizations or individuals. This created an opportunity for oligarchs to dominate the sector, which is a trend that is also now emerging in the media markets of the Czech Republic and Hungary.

As Western investors leave Central and Eastern European media markets, and the sector faces serious profitability and sustainability challenges around the world, it is unlikely that Ukraine will attract new media investment from overseas in the short term.

For the most part, Ukrainian oligarchs operating in the media sector did not establish the outlets and organizations they now own. State media institutions, US investors, Russian companies, and local media professionals and journalists established and co-founded the most popular broadcasters. For example, ICTV, a channel that is now part of Victor Pinchuk's StarLightMedia, was started in 1991 by the Ukrainian Broadcasting, Radiocommunications and Television Concern (BRT) and Story First Communications (CTC Media after 2004), a Russian private company originally registered in the US. Meanwhile, the initial co-owners of Ihor Kolomoisky's Studio 1+1 included Oleksandr Rodniansky and Borys Fuksmann as well as US-based Central European Media Enterprises Ltd.

Oligarchs gradually bought up and established control over these media assets in the 1990s and 2000s. As the oligarch-owned media companies developed, they dwarfed the national public broadcaster (the various predecessors of Suspilne) in terms of outreach, quality of content and resources. These powerful organizations are entrenched players in Ukraine's media scene and continue to impede the evolution of a domestic media culture.

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2 Ehl, M. and Štětka, V. (2018), 'When Oligarchs Buy Media: A Central European Tale', *The American Interest*, 30 November 2018, https://www.the-american-interest.com/2018/11/30/when-oligarchs-buy-media-a-central-european-tale.

As Western investors leave Central and Eastern European media markets, and the sector faces serious profitability and sustainability challenges around the world, it is unlikely that Ukraine will attract new media investment from overseas in the short term. Moreover, the experiences of Central European media organizations in receipt of Western investment show that such funding models do not guarantee the long-term sustainable development of a country's media environment. A particular challenge is preventing investment from Russian media organizations, which tend to discourage high-quality independent journalism, prudent media practices or unbiased content.

While the role of oligarchs overshadows discussions about the media in Ukraine, the political elite, civil society, journalists, editors and the media watchdog community are also important actors in the sector.

This paper documents the main media sector developments in Ukraine since 2014 and examines the current landscape and key stakeholders – from oligarchs and politicians to the audience and civil society. It looks at new projects and experiments in the field that could eventually benefit the domestic media environment. This includes efforts to improve the country's culture of media production and consumption, and proposed changes to legislation governing the sector.

Finally, this paper looks at ongoing media sector discussions aimed at challenging the influence of oligarchs and politicians, improving professional standards, and boosting media literacy and public trust.

02
Ukraine's media landscape

The current media sector in Ukraine discriminates against quality journalism and independent outlets. However, improved economic sustainability, competitiveness in content delivery and better regulation may offer solutions.

Pluralism and distortion

Since independence, television has heavily dominated Ukraine's media landscape as a source of information and entertainment. Websites and social media platforms are the second most popular form of media. As the sector adjusts to rising online engagement, these various platforms can be grouped and used in combination to target different segments of the audience. Unsurprisingly, those seeking political influence make use of these clusters – comprised of TV, news and social media channels – to cross-communicate messages and amplify their reach.

Political influence is most apparent when there are changes in media ownership – and subsequent shifts in editorial policy – or when new well-funded outlets linked to political actors suddenly appear. It tends to be characterized by a clear bias in favour of certain political figures or agendas, alternatively some organizations may take a more subtle approach. This activity rapidly increases during pre-election periods, but some media clusters serve longer term agendas, such as the promotion of pro-Russia narratives or particular business interests, regardless of election cycles.

In recent years, TV has lost some of its popularity as a source of information. According to the Kyiv International Institute of Sociology (KIIS) and Detector Media, an industry watchdog, the popularity of television as a source of information fell 11.7 per cent from February 2018 to February 2019 – the period of intense campaigning prior to the 2019 presidential election. Another survey by InMind for Internews Ukraine and USAID shows a 19 per cent decrease in the use of TV as a source of news from 2015 to 2019, and an increase of 17 per cent and 12 per cent,

respectively, for social media and news websites.[3] In 2020, the overall use of social media as a source of information rose dramatically compared to 2019, reaching 44 per cent of the population, and exceeding 60 per cent in groups aged 18–39. Other popular sources of information included friends and family, messenger apps and local media in the context of the COVID-19 pandemic.[4] The proactive expansion of major private-owned broadcasters into the digital domain illustrates how they are responding to this trend. Other forms of media are also increasingly focused on developing digital and multimedia platforms, although the extent of this depends on their often scarce financial resources.

Figure 1. Sources of information used by Ukrainians
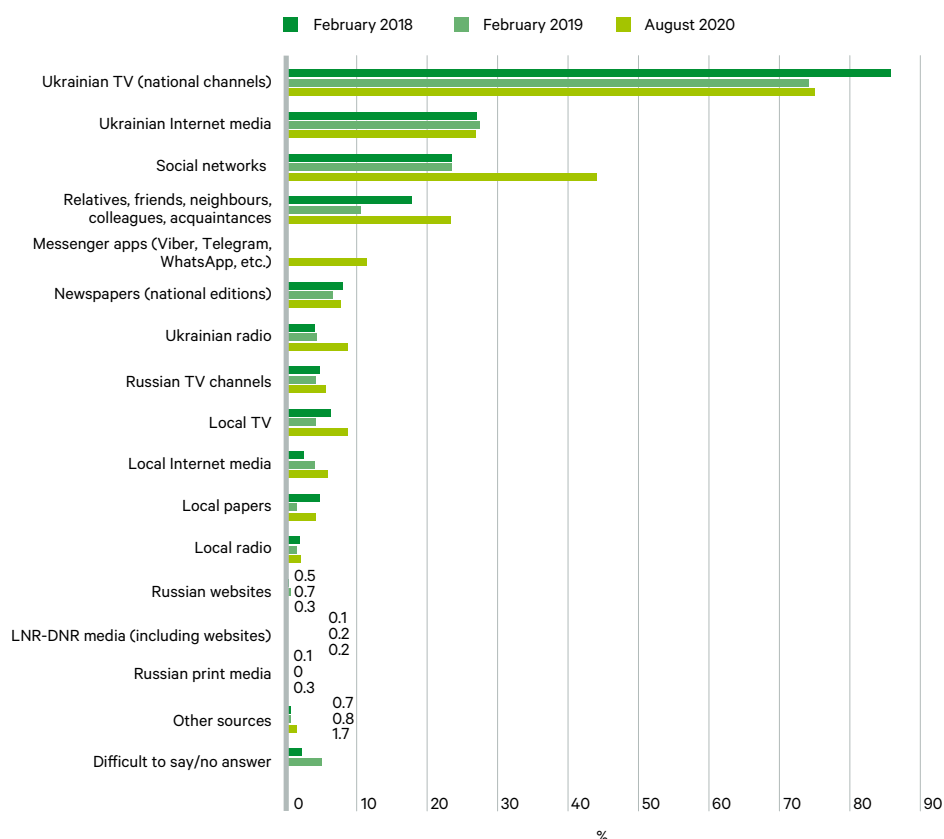
Source: KIIS and Detector Media (2019), *Sources of Information, Media Literacy and Russian Propaganda: Nationwide Survey Results;* Razumkov Center (2020), 'How preferences and interests of Ukrainians for mass media changed after the 2019 election and the start of the COVID-19 pandemic'.

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3 According to the 2019 Media Consumption Survey, an annual poll by InMind for Internews Ukraine and USAID, the proportion of the population that used TV as a source of news plunged from 77 per cent to 66 per cent from 2018 to 2019, while the consumption of news via social media went from 53 per cent to 68 per cent over the same period. Of those polled, 59 per cent used media websites to view the news in 2019, down from 60 per cent in 2018. Internews Ukraine (2019), 'Online and Social Media Overtake TV in Popularity in Ukraine – a New USAID-Internews Media Consumption Survey Says', 22 October 2019, https://drive.google.com/file/d/1cRPOx_T5g4OWpG9BeYxPZu4k6x7cIv71/view.
4 The survey took place in 110 populated areas across all the regions of Ukraine except the Autonomous Republic of Crimea. In the Donetsk and Luhansk regions this only included the territories that are currently controlled by Ukraine. Razumkov Center (2020), 'How preferences and interests of Ukrainians for mass media changed after the 2019 election and the start of the COVID-19 pandemic [*Як змінились уподобання та інтереси українців до засобів масової інформації після виборів* 2019 *р. та початку пандемії* COVID-19]', Survey by the Razumkov Center and Ilko Kucheriv Democratic Initiatives Foundation commissioned by Detector Media, https://razumkov.org.ua/napriamky/sotsiologichni-doslidzhennia/yak-zminylys-upodobannia-ta-interesy-ukraintsiv-do-zasobiv-masovoi-informatsii-pislia-vyboriv-2019r-ta-pochatku-pandemii-covid19-serpen-2020r.

Ukraine's media sector has a number of structural distortions, one of which is the appearance of pluralism. The country's media landscape is crowded with outlets and owners that provide a wide range of information sources. This prevents centralized control over the media narrative. However, this was not always the case. For example, in the early 2000s, Ukrainian media reported on attempts by the presidential administration to 'curate' media narratives according to government-approved *temnycky* or 'topics of the week'.[5]

Although on the surface there is pluralism, many outlets align their media work with the interests of their owners and connected political parties, which causes the over representation of certain groups in the political conversation. This is especially true for some of the most popular and affluent broadcasters. As a result, such media outlets focus on agenda-setting rather than informing the audience and make no significant contribution to resilience in the media community, professional integrity or media literacy among the audience. This polarizes the industry – and audiences – along the lines of media owners' political interests. A similar trend has emerged in many Western democracies, especially those experiencing socio-political crises. But it has a stronger negative impact in countries like Ukraine that have fewer reputable institutions resilient enough to act as checks and balances.

This environment has also created an unfair playing field that is heavily in favour of established media companies and oligarchs. Support from owners and a lack of financial transparency helps oligarch-owned broadcasters to stay afloat and modernize. Their size and resources, compared to independent media organizations, allow them to offer unrivalled advertising opportunities to big businesses and aggressively expand into the digital domain. They dominate Ukraine's advertising market and receive the bulk of available marketing revenues: in 2020, for example, the top four media groups in Ukraine accounted for over 95 per cent of the TV advertising market.[6] This restricts available sources of income for smaller media companies looking to produce high-quality, professional and informative content. For this reason, they struggle to invest in their own development and economic resilience.

With a significant audience share, oligarch-owned broadcasters remain highly popular and have the resources to develop the technological capabilities to follow their viewers as they shift from conventional media to online platforms. In this respect, broadcasters can maintain their relevance as a tool of influence for their owners.

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5 Ukrayinska Pravda (2002), 'Князь Тьми та Темників [The Lord of Darkness and Temnycky]', 8 October 2002, https://www.pravda.com.ua/news/2002/10/8/2990971; Ukrayinska Pravda (2002), 'Князь Тьми та Темників-2 [The Lord of Darkness and Temnycky-2]', 11 October 2002, https://www.pravda.com.ua/news/2002/10/11/2991039; Kipiani, V. (2005), 'Влада Тьми і Темників. Хрестоматія з політичної цензури в Україні. *2001–2004* [The Power of Darkness and Temnycky: The Anthology of Political Censorship in Ukraine 2001–2004]', Prosvita Lviv-Kyiv-Kharkiv, http://library.khpg.org/files/docs/temniki.pdf.
6 Biloskurskyi, O. (2020), 'ТБ-реклама в 2021 році: хто виграє та програє від нової конфігурації продаж [TV advertising in 2021: Who will win and lose in the new setup of sales]', Detector Media, 17 December 2020, https://detector.media/rinok/article/183419/2020-12-17-tb-reklama-v-2021-rotsi-khto-vygraie-ta-prograie-vid-novoi-konfiguratsii-prodazh.

At the same time, oligarch-owned broadcasters drive the development of popular content production, the advertising market and digital transformation in the sector.[7] The prominence of Ukrainian broadcasters prevents there being a vacuum that could otherwise be filled by Russian media organizations. Ukraine started blocking Russian TV channels in 2014 and reducing the quantity of Russian media products on Ukrainian TV in 2016. The following year, access was restricted to Russian social media and some websites. Consequently, consumption of Russian media shrank in Ukraine.[8] However, there is a rising trend of Ukrainian audiences accessing both Russian television and online sources via satellite, internet and pirate channels. In 2020, 5.6 per cent of Ukrainians obtained their information from Russian TV channels, up from 4.7 per cent in 2018 and 4.3 per cent in 2019.[9]

There is a rising trend of Ukrainian audiences accessing both Russian television and online sources via satellite, internet and pirate channels.

This contrasts with some of Ukraine's neighbours, such as Moldova and Belarus, where Russian media products remain prominent. A 2018 study by the Belarusian Association of Journalists summarized the narratives promoted via Russian media content broadcast in Belarus, such as the two countries' common history as part of the USSR; the fraternity of the two nations; their shared struggle against other countries; Russia as a key geopolitical pole in the new multipolar world; the decay of the EU and the threat the US poses to world peace; and messages attacking Ukraine's domestic and foreign policies. Communicated through both information and entertainment content, this messaging achieves a greater cumulative effect and is more impactful than straight propaganda.[10]

Another study of 14 countries, *Disinformation Resilience in Central and Eastern Europe*,[11] also looked at Russia's efforts to influence information in neighbouring states. It ranked Moldova as the most vulnerable to propaganda out of the

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7 In recent years, Ukrainian producers started selling their series abroad. For example, *Servant of the People* starring Volodymyr Zelenskyy is on Netflix, and *Kriposna* (A Serf), a melodrama series about 19th century life in northern Ukraine, was a hit in Poland in 2019 and sold to more countries, including Lithuania, Montenegro, Serbia, Macedonia, Slovenia and Croatia.
8 Monitoring by the National Council for Television and Radio Broadcasting revealed that in 2018 Russian media products were no longer dominant on Ukrainian television: the share of such products from 'third countries', including Russia, fell to 7 per cent in 2018 compared to 13 per cent in 2017. The shares of Ukrainian, European or US content increased dramatically. Detector Media (2018), 'Російський продукт перестав домінувати в ефірі українського телебачення — Нацрада [Russian media products no longer dominate Ukrainian television: the National Council for Television and Radio Broadcasting]', 20 June 2018, https://detector.media/rinok/article/138697/2018-06-20-rosiiskii-produkt-perestav-dominuvati-v-efiri-ukrainskogo-telebachennya-natsrada).
9 KIIS and Detector Media (2019), *Sources of Information, Media Literacy and Russian Propaganda: Nationwide Survey Results*. For the purposes of a comparison, the *2019 Media Consumption Survey* by InMind for Internews and USAID found that 13 per cent of Ukrainians used Russian media in the same month of the survey and that trust in Russian media was low. Internews Ukraine (2019), 'Online and Social Media Overtake TV in Popularity in Ukraine – a New USAID-Internews Media Consumption Survey Says'; Razumkov Center (2020), 'How preferences and interests of Ukrainians for mass media changed after the 2019 election and the start of the COVID-19 pandemic'.
10 Belarusian Association of Journalists (BAJ) Media Watch (2019), 'Monitoring of Pro-Russian Propaganda in Belarusian Media', newsletter, 6 March 2019, https://baj.by/en/analytics/monitoring-pro-russian-propaganda-belarusian-media.
11 Foreign Policy Council 'Ukrainian Prism' and Eurasian States in Transition Research Center (2018), *Disinformation Resilience in Central and Eastern Europe*, http://prismua.org/wp-content/uploads/2018/06/DRI_CEE_2018.pdf?fbclid=IwAR2hjC9cipNVv401k_4W0Etp0KDal8BJkkLWNgHuChgRh7OrZXN5_S4r6uI.

countries in Central and Eastern Europe, due to the domination of Russian content broadcast on its most popular TV channels and in other media. When presenting the study in 2018, Hennadiy Maksak, chairman of Ukrainian Prism, a contributor to the research, noted that Russia's propaganda has specific narratives for different countries and regions, but these share common threads, including messages about the EU as a failed project, Ukraine as a failed state, and negative messages about NATO.

Shaping an alternative

A number of developments are challenging the monopoly of conventional broadcasters. At the forefront of this is the rise of online media and competition from over-the-top (OTT) platforms, especially for entertainment. According to the KIIS 2019 survey, 27.5 per cent of Ukrainians used online media as a source of information in February 2019, up from 27.1 per cent in 2018. In both 2018 and 2019, 23.5 per cent used social media.[12] The more recent Media Consumption Surveys by InMind found that online media and social media became more popular than TV as sources of news for the first time in 2019[13] and this trend continued in 2020.[14]

Ownership is more diversified in online media due to lower entry barriers for new players, and some have already established themselves as reputable brands at the national and local levels. While this lower barrier to entry increases the diversity of media ownership, it also blurs the line between genuine and quasi-news organizations, which is a bigger concern when audiences are not media literate.[15] This is a global issue. One of the conclusions of the 2018 digital news report by Nic Newman from the Reuters Institute for the Study of Journalism was that 'fact-checking, news literacy, and transparency initiatives fail to stem the tide of misinformation and low trust'.[16] However, this stream of low-quality content does push reputable media and watchdogs to focus on monitoring professional standards and raises awareness about quality, bias, manipulation and fake news.

The digital upheaval has not stopped chronic issues in Ukraine's conventional media from spreading to online platforms, where oligarchs and political actors are still prevalent. Some digital media outlets, not owned by oligarchs, remain profitable through tabloid-style content and questionable practices, such as the hidden endorsement and promotion of political actors or businesses (referred to as *dzhynsa* in Ukrainian).

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12 KIIS (2019), *Sources of Information, Media Literacy and Russian Propaganda: Nationwide Survey Results*.
13 Internews Ukraine (2019), 'Online and Social Media Overtake TV in Popularity in Ukraine – a New USAID-Internews Media Consumption Survey Says'.
14 Internews Ukraine (2020), 'USAID-Internews 2020 Media Consumption Survey', August 2020, https://internews.org/sites/default/files/2020-10/2020-Media-Consumption-Survey-FULL-FIN-Eng.pdf.
15 The 2019 Media Consumption Survey by InMind for Internews (with the support of USAID) found that almost 80 per cent of Ukrainians are aware of *dzhynsa* (hidden endorsements) in media outlets and say that their ability to recognize this content is improving. The share of people who said they knew how to spot paid news increased 12 per cent compared to 2018. Yet, when the respondents were tested, just 11 per cent were able to identify authentic and false information in all three news stories presented to them, and two-thirds correctly identified one out of three.
16 Newman, N. (2018), *Journalism, Media and Technology Trends and Predictions in 2018,* Reuters Institute for the Study of Journalism and University of Oxford, https://reutersinstitute.politics.ox.ac.uk/our-research/journalism-media-and-technology-trends-and-predictions-2018.

Online media websites and companies have failed to cultivate a willingness to pay for quality content among audiences. To change this, an increasing number of media outlets have introduced paywalls and donation systems, but it is not yet clear how profitable this will be.

Legislation regulating the media began to change following the 2014 Euromaidan protests, in a sign that the government was attempting to challenge the status quo. The 2015 law on transparency of media ownership mandated that each year, on their websites, broadcasters must disclose their ultimate beneficiaries and affiliated persons, sources of significant funding and changes in ownership structure.[17] This allows audiences to easily find out who owns any TV channel and who may be influencing it.

Monitoring of TV news by NGOs during the latest presidential campaign found that UA:Pershyi, the public broadcaster's flagship channel, was the only media source with no signs of hidden political advertising.

A new draft media law (see following section) has been proposed to address some outstanding issues, such as regulation of digital media actors, as well as further harmonize Ukrainian media laws with the EU Audiovisual Media Services Directive and strengthen the protection of intellectual property in Ukraine. It would introduce similar ownership transparency requirements for all media agents, a term that includes outlets, providers and OTT platforms.[18]

Another important development since 2014 is the reform of Suspilne, the public broadcaster. Monitoring of TV news by non-governmental organizations (NGOs) during the latest presidential campaign found that UA:Pershyi, the public broadcaster's flagship channel, was the only media source with no signs of hidden political advertising.[19] UA:Pershyi saw a considerable increase in its audience share during the election period, although its viewer numbers were still below that of the top infotainment channels. This represents a significant shift in the quality of public broadcasting. Suspilne's challenges include its capacity to improve its ratings and expand its audiences, as well as its financial stability.

17 Verkhovna Rada (parliament) of Ukraine (2015), 'Закон України про внесення змін до деяких законів України щодо забезпечення прозорості власності засобів масової інформації та реалізації принципів державної політики у сфері телебачення і радіомовлення [The Law of Ukraine on Amending Laws of Ukraine on Ensuring Transparency of Mass Media Ownership and Implementation of State Policy in the Area of Television and Radio Broadcasting]', 3 September 2015, https://zakon.rada.gov.ua/laws/show/674-19/ed20180211?lang=uk.
18 Verkhovna Rada (parliament) of Ukraine (2019), 'Draft Law on Media No. 2693', 27 December 2019, http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=67812.
19 Commission on Journalism Ethics (CJE) (2019), 'Підсумковий звіт за результатами незалежного моніторингу висвітлення в медіа президентської виборчої кампанії в Україні [Summary report on independent monitoring of the presidential campaign coverage by the media in Ukraine]', May 2019, http://www.cje.org.ua/ua/zvity/pidsumkovyy-zvit-za-rezultatamy-nezalezhnogo-monitoryngu-vysvitlennya-v-media-prezydentskoyi.

In spite of the weaknesses described above, Ukraine's media environment has always had outlets and journalists that have served the public interest, held those in power to account, and set professional standards domestically. These have mostly been in print, online and through multimedia outlets.

While they seek to deliver quality journalism and develop business models allowing them to remain independent, outlets and journalists focusing on the public interest are also the hardest hit by crises. When Ukraine locked down to curb the COVID-19 pandemic, some independent outlets, as well as the public broadcaster, saw their audiences grow by up to 100 per cent, but advertising revenues plummeted. Advertisers tend to avoid any association with content that can trigger concern or anxiety, such as coverage of COVID-19. Furthermore, in this context, outlets like Suspilne lost content that previously attracted big audiences, such as sporting events or Eurovision. This has pushed many media organizations to move towards diversified models that rely on both advertising and direct revenues from the audience. Approaches include paywalls and asking for donations or offering membership options to build a community of engaged readers. Regardless of how long the pandemic lasts and how hard it hits these outlets, it may contribute to the public's awareness of the cost and the role of independent journalism.

International funding from democratic governments has been a significant source of support for projects offering an alternative to oligarch-funded or tabloid media. This support ranges from grants for the operation of media outlets and the production of content to financial support for analytical and advocacy work, as well as funding for events that amplify professional discussions in the media sector. Branches of foreign broadcasters in Ukraine – such as the BBC, Deutsche Welle (DW) or Radio Free Europe/Radio Liberty (RFE/RL) – and local media projects supported by international funding, such as Hromadske, offer alternatives to private broadcasters in terms of professional standards and the opportunity for journalists to work in an independent environment. Some of the public broadcaster's new content and formats are created with the funding, technical support and expertise of donors and public broadcasters from other democratic countries.

This international effort is an important counterweight to the media segment controlled by oligarchs and political actors. However, the resources from different donors are dispersed among many projects rather than being pooled together to invest in the institutional development of a few outlets that could grow into strong competitors to the current dominant media forces. This international support is also important in terms of helping the Ukrainian media community to integrate into the global movement for quality media and to resist the information and media influence from non-democratic actors.

Regulation

Ukraine currently regulates its media sector in two ways that largely operate in parallel. One approach is through government regulators that are responsible for a wide range of issues, including licensing, the allocation of frequencies for radio and TV stations, supervision and policy development. The other form of oversight is self-regulation by media organizations, which has no enforcement mechanism.

The first approach is administered by agencies like the National Council for Television and Radio Broadcasting and the State Committee for Television and Radio Broadcasting, each with functions including supervising the information space and media actors, developing and implementing policies in the industry and allocating frequencies. These agencies are susceptible to political influence: members of the National Council are appointed by the president and parliament, while the head of the State Committee is nominated by the prime minister and approved by parliament. The new draft media law proposes merging a number of these government regulatory bodies to consolidate their functions, eliminate overlaps and widen their scope, including online media and video-on-demand (VOD) or OTT platforms.[20] The resulting new body would have more power but the mechanisms for appointing its members would not change.

Self-regulatory functions of the media are divided among many associations and NGOs. The National Union of Journalists in Ukraine is a long-established membership association and a legacy of the Soviet period. Its functions include consultation on draft legislation and initiatives for industry reforms, monitoring violations against journalists, awareness-raising events and discussions on media-related topics.

In 2016, representatives of media watchdogs and NGOs established the Independent Media Council to carry out various tasks including monitoring media standards, analysing complaints and overseeing the legislative compliance of media actors. The Commission for Journalist Ethics is another entity that looks at conflicts around coverage in the media based on the standards of the Ethics Code of Ukrainian Journalists. These associations can be effective with the outlets that seek to comply with professional standards voluntarily, but they otherwise lack authority or instruments of influence beyond public analysis or condemnation of violations. However, they contribute to the debate about professional standards in Ukraine and work proactively to propose reforms that could improve the media sector.

The new draft media law proposes a mechanism of co-regulation as an additional approach to media oversight, one which brings together the state and industry players. The intention is to bridge the gap between government-led regulation and the industry's self-regulation in certain areas, such as on standards and distribution. Under the draft media law, one or several licensed or registered media agents can set up co-regulators for different segments of the media. Participation in co-regulation is voluntary, but it offers members more engagement with the

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20 Verkhovna Rada (parliament) of Ukraine (2019), 'Draft Law on Media No. 2693'.

government regulator and, potentially, influence in its decisions or policymaking for the sector. Membership of co-regulators would be open to any licensed or registered media agent or an industry association in the media sector.

Under the proposed legislation, co-regulators will be funded by their members and have input from highly qualified experts in their operation, such as in drafting codes or rules. This approach offers a mechanism of independent expert assessment for the National Council, the main regulator, when it examines violations where co-regulation applies. Members of co-regulators commit to complying with agreed rules, but the proposed legislation does not stipulate any sanctions for non-compliance, and enforcement authority ultimately lies with the state regulator. Also, it remains to be seen what will happen in cases where media actors create competing co-regulators or if a co-regulator is dominated by representatives of oligarch-owned outlets that have thus far shown little interest in professional prudence. Analysis by the Institute of Mass Information (IMI) points to a number of other flaws in the proposed draft law, stating that it does not provide a detailed enough description of the co-regulation mechanism, nor does it clarify how co-regulators interact with the government regulator or specify how they might resolve disagreements.[21]

21 IMI (2019), 'Плюси та мінуси драфту законопроекту про медіа. Експертна оцінка IMI [Benefits and flaws of the draft v: IMI's expert opinion]', 27 December 2019, https://imi.org.ua/monitorings/plyusy-ta-minusy-draftu-zakonoproyektu-pro-media-ekspertna-otsinka-imi-i31074.

03
Ukraine's main media actors

Shifting patterns of consumption and advances in technology are pushing Ukraine's media to innovate at a time when they must tackle issues of transparency, standards and ownership.

Television

Since 2002, the Television Industry Committee, an association of broadcasters and media holdings in Ukraine, has annually published its TV Panel rankings of the country's television channels.[22] The top 10 channels, which are mostly owned by four media conglomerates, have barely changed between 2009 and 2019.[23] Their ultimate owners are businesspeople with influence in politics, who own key assets in other sectors including metals, mining, oil and gas, electricity, communications, chemicals and banking.

The six most popular TV channels broadcast infotainment: a combination of information (news and talk shows) and entertainment (such as films and talent shows). This approach clearly appeals to mass audiences. The remainder of the top 10 offer niche entertainment products such as films, content for teenage audiences or animation. A 2016 study by IMI and Reporters Without Borders noted that this is a highly concentrated TV market with four main media owners, over their various channels, capturing nearly 76 per cent of the audience between them.[24]

The ownership of news-based TV channels is more diverse: almost every news channel in the TV Panel top 10 for this category had a different owner in 2018. The top 20 included independent outlets, such as Hromadske TV, a project

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22 Television Industry Committee (2019), 'TOP channels in December, 2019 (Age 18–54, cities 50+)', 2009–19 rankings, http://tampanel.com.ua/en/rubrics/canals.
23 The four main conglomerates are StarLightMedia, owned by Viktor and Olena Pinchuk; 1+1 Media, owned by Ihor Kolomoiskiy; Inter Media, co-owned by Dmytro Firtash, Valeriy Khoroshkovsky and Serhiy Liovochkin; and Media Group Ukraine, founded and owned by Rinat Akhmetov.
24 IMI and Reporters Without Borders (2016), *Media Ownership Monitor Ukraine*, http://ukraine.mom-rsf.org/en/findings/indicators.

launched in the aftermath of the Euromaidan anti-government protests of 2013–14, as well as some international outlets, such as CNN and CNBS. However, this changed during the 2018–19 election campaigns. In the run-up to the snap parliamentary election, Taras Kozak, the official owner of 112 and NewsOne channels and a close ally of Viktor Medvedchuk, a pro-Russia politician, bought ZIK and announced the creation of Novyny (news) holding. This indicated a consolidation of the news media in the hands of a politically influential group that promotes a pro-Russia agenda in Ukraine and uses media assets for political ends.[25] Managers and journalists at ZIK left in droves in protest against the new owner.[26]

Public broadcaster

The transformation of the public broadcaster Suspilne began in earnest in 2017, following years of discussions, draft reforms and advocacy. Firstly, Suspilne streamlined its internal structure, including its extensive regional network of more than 30 TV and radio channels. The broadcaster has reduced its staff numbers, starting with its central office before making cuts in its regional teams. The strategy of reform offered by Zurab Alasania, current chair of the National Public TV and Radio Broadcasting Company (Suspilne's legal name), entails modernization of production processes and a decreased staff of 3,810–3,900 people.[27]

Secondly, to attract new audiences, Suspilne has introduced a change of programming and innovative formats. For example, the show *Countdown*, created with funding from USAID via Internews and featuring popular journalists as hosts, 'offered a real discussion with tough moderation and fact checking' in contrast to similar debates on commercial broadcasters 'that were in the format of "warm baths" for candidates, promoted spin doctor messages or fanned artificial conflicts', according to the Detector Media report on election coverage.[28] The national debate broadcast two days before the second round of the presidential election on UA:Pershyi, Suspilne's flagship channel, and also available on all of Suspilne's platforms – TV, radio and social media – temporarily increased the channel's audience by six-fold.[29] Projects for younger audiences include *A Strange History of Ukraine* (*Дивацька історія України*), a digital series of short history explainers for school students, and *What? How?* (*Шо? Як?*), a science show aimed at teenagers.

25 In February 2021, President Zelenskyy approved sanctions proposed against Taras Kozak, Viktor Medvedchuk and a number of other individuals close to them, for illegal financial dealings with the Donetsk People's Republic (DNR) and the Luhansk People's Republic (LNR). The sanctions affect their assets, including their media outlets, which were subsequently blocked in Ukraine.

26 Ukrayinska Pravda (2019), 'Із "медведчуківського" ZIKу масово звільняються топ-менеджери й журналісти [Top managers and journalists leave Medvedchuk's ZIK in droves]', 14 June 2019, https://www.pravda.com.ua/news/2019/06/14/7218206.

27 Zhuk, O. (2020), 'National Public TV and Radio Broadcasting Company sends a new staff structure with staff cuts to regional offices [Ukrainian]', Detector Media, 15 January 2020, https://stv.detector.media/reformuvannya/regional_movnyky/nstu_napravila_do_filiy_noviy_shtatniy_rozpis_de_peredbacheni_skorochennya_pratsivnikiv.

28 Detector Media (2019), 'Electoral contest on television. Trends of March 2019', 27 March 2019, Detector Media, https://detector.media/in-english/article/165858/2019-03-27-electoral-contest-on-television-trends-of-march-2019.

29 UA:Pershyi (2019), 'Трансляція національних дебатів підвищила рейтинги слоту UA:Pershyi у понад шість разів [Broadcasting of the national debate increased UA:Pershyi's slot rating more than sixfold]', 22 April 2019, http://1tv.com.ua/news/channel/105626.

In early 2020, Suspilne launched a new digital platform for news, Suspilne News (*Суспільне Новини*), which filled a crucial gap in its portfolio. NewsHouse, the department of the public broadcaster in charge of this platform, was established with the assistance of international partners, including BBC Media Action, DW, NIRAS and Sveriges Television (SVT). Suspilne also plans to buy more entertainment content – films and TV series – and to co-produce content with public broadcasters in other countries. Furthermore, the public broadcaster is rebranding its channels from UA:Pershyi, or its regional variants, to Suspilne to create a recognizable, consistent brand. All these efforts are supported by international donors and implemented with the help and technical expertise of global media partners.

Regional broadcasting is where Suspilne could compete with major private broadcasters for audiences and advertising revenues.

Finally, Suspilne is focused on adjusting its approach to regional content, in terms of its appeal to both the respective local communities and the national audience. This is especially relevant as regional newspapers are the targets of a major privatization drive, and many will not survive, leaving limited available sources of local information. Regional broadcasting is where Suspilne could compete with major private broadcasters for audiences and advertising revenues.

In an interview with Detector Media, Suspilne's Yaroslav Lodyhin, who leads the production department, shared his team's development plans.[30] These included consolidating the broadcaster's channels under the Suspilne brand, to provide 'a source of confidence' in an environment that often sensationalizes stories and contributes to a general sense of insecurity; to develop cross-platform capabilities to cater for broader audiences; to build strong news programming that is competitive in content, visual quality and impact; and to expand its entertainment content, for example by purchasing films and series from other broadcasters and establishing co-productions with them.[31] In terms of Suspilne's reach, Lodyhin expected the flagship channel to be among the top three media companies in Ukraine within the next 5–7 years, providing it receives the funding prescribed by law. However, its funding problems continued in 2019 and 2020.

30 Dankova, N. (2019), 'Ярослав Лодигін про "UA:Pershyi": "Тактика на найближчий рік: сильні новини і сильні програми довкола новин" [UA:Pershyi: Tactics for the upcoming year – strong news and strong programmes around news, an interview with Yaroslav Lodyhin]', Detector Media, 4 September 2019, https://stv.detector.media/reformuvannya/tv/yaroslav_lodigin_taktika_na_nayblizhchiy_rik_silni_novini_i_silni_programi_dovkola_novin.
31 Amendments to the law on the public broadcaster allow Suspilne to enter into co-production projects with other media, including public broadcasters from the EU and democratic third countries, and mandate that at least 50 per cent of its funding from the public budget is spent on content production. Verkhovna Rada (2019), 'Draft Law on amending the Law of Ukraine On the Public Broadcaster of Ukraine (to improve the effectiveness of the National Public Television and Radio Broadcaster) No. 2576', 12 December 2019, http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=67614.

Currently, UA:Pershyi lags behind private broadcasters in ratings and advertising revenues, but it performs better in the news and information TV channel rankings. The reformed broadcaster takes a different approach to programming than that of privately owned TV channels, which is a much-needed alternative in a market heavily dominated by commercial entertainment content.

Figure 2. Audience share held by major TV channels
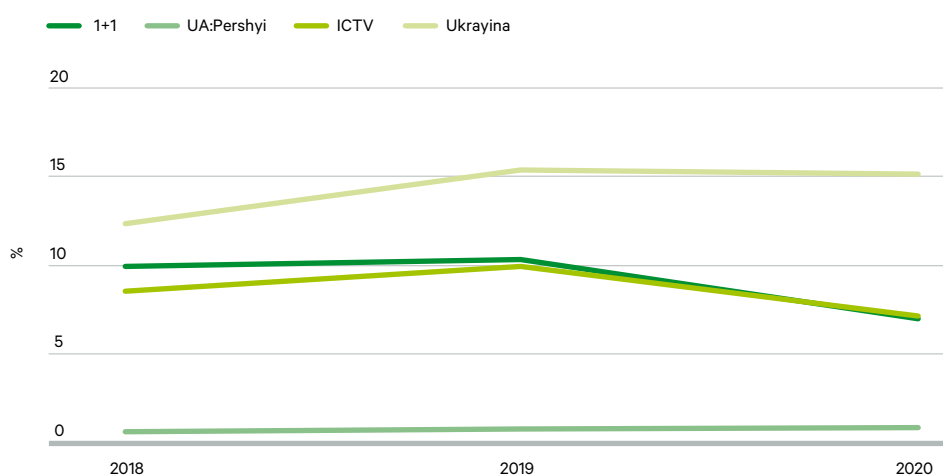
Source: Television Industry Committee (2020), 'TOP channels', 2018–20 rankings, http://tampanel.com.ua/en/rubrics/canals/.
Note: The figures are for audience members aged four and over.

UA:Pershyi's audience grew in 2019 due to its broadcast of the presidential debate held before the second round of the election; *Countdown*, a talk show covering the election; sporting events such as the FIFA U-20 World Cup, the Biathlon World Cup, the European U-21 Championship; and Eurovision. However, due to the infrequent nature of these events it remains to be seen if the audience increase is temporary or permanent. Daily COVID-19 lockdown coverage in March and April 2020 also increased its ratings anywhere between 25 per cent and over 100 per cent for different groups of the audience.[32]

However, the national broadcaster has struggled to expand its audience across its different channels and strengthen its brand. A 2017 survey mapping popular awareness and perception of the country's TV channels found that 63 per cent of adult Ukrainians knew of UA:Pershyi and just 26 per cent were aware of UA:Kultura, the public broadcaster's channel on culture and the arts.[33] This was far behind the top privately owned TV channels 1+1, Inter and ICTV, which

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32 UA:Pershyi (2020), 'Марафон "На карантині" на телеканалі UA:Перший щодня дивляться 1,7 млн. глядачів [1.7 million viewers watch In Lockdown marathon at UA:Pershyi daily]', 2 April 2020, https://tv.suspilne.media/news/channel/109067.
33 Detector Media report on the survey on the perception of the public broadcaster by Kantar TNS with the support of the Council of Europe's Strengthening Freedom of Media, Access to Information and Reinforcing Public Broadcasting System in Ukraine. Detector Media (2018), '50% населення України обізнані, які канали та радіостанції входять до Суспільного мовлення. Дослідження [50% of the population in Ukraine know what channels and radio stations are part of Suspilne. Survey]', 16 February 2018, https://stv.detector.media/kontent/movlennya/50_naselennya_ukraini_obiznani_yaki_kanali_ta_radiostantsii_vkhodyat_do_suspilnogo_movlennya_doslidzhennya.

were recognized by 99 per cent, 98 per cent and 96 per cent of those questioned, respectively. The survey also showed that the level of trust in the public broadcaster was comparable to that placed in private broadcasters.

Suspilne has been underfunded since reforms began. The law states that 0.2 per cent of the country's total budget expenditure in the previous year should be allocated to the public broadcaster in the following year. However, it received around half of that sum in 2018 and 2019. For now, funding depends on the political will of the government and parliament to draft and approve a budget. Parliament slashed the 2019 budget for Suspilne, despite harsh criticism from the media community, civil society and international organizations. The 2020 budget initially allocated the highest annual sum yet to Suspilne, but it was still around 15 per cent below the funding originally promised, and budget sequestration in response to the COVID-19 crisis led to further cuts.

To address this chronic funding problem, media experts have advocated reform of the budgeting approach.[34] The proposed solution is to set up a secured fund for the public broadcaster based on certain taxes or rental fees for the use of radio frequencies. This would make the funding independent of political influence and provide much needed stability. If the broadcaster manages to increase its reach and popularity, it will be able to attract more advertisers. Yet, Ukraine's advertising market remains relatively small and Suspilne's team sees itself as an outlet that should work primarily in the public interest, not for commercial gain.

Online media

Ownership in the online sector is more diverse than in traditional media organizations. In September 2020, according to a ranking of the leading online media outlets by IMI, 10 individual entities owned the top 10 news websites.[35] An earlier study by IMI and Reporters Without Borders showed that oligarch-controlled media groups account for three out of the four largest owners of online media outlets in Ukraine.[36] However, many of the listed outlets are owned by individual entrepreneurs, journalists or companies that are not part of major holdings.

Online media outlets fall into different categories, the first of which is largely comprised of established and reputable organizations covering politics, society, business, economics and culture. Some of these are purely online news or analytical outlets, such as Ukrayinska Pravda, Liga.net or LB.ua. Others are online versions of print publications, such as *Dzerkalo Tyzhnia, Ukrayinskiy Tyzhden* or *Novoye Vremia*. A handful are not privately owned: such as UkrInform, a state news agency, and multimedia platforms from international broadcasters, such as the

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34 Miskyi, V. (2018), 'STV Detector Media, A new model of funding for the public broadcaster in Ukraine: Ensuring budget sustainability for the National Public TV and Radio Company of Ukraine', Detector Media, 5 March 2018, https://stv.detector.media/kontent/ekspertna_dumka/nova_model_finansuvannya_suspilnogo_movlennya_v_ukraini_yak_zabezpechiti_byudzhetnu_stabilnist_nstu/undefined.
35 IMI (2020), 'Рейтинг топсайтів України [The ranking of top websites in Ukraine]', 11 September 2020, https://imi.org.ua/monitorings/rejtyng-top-sajtiv-ukrayiny-i34992.
36 IMI (2018), 'Half-light, half-darkness: (lack of) transparency of online media outlets ownership – IMI research', 3 December 2018, https://imi.org.ua/en/monitorings/half-light-half-darkness-lack-of-transparency-of-online-media-outlets-ownership-imi-research.

BBC, DW and RFE/RL. Many of these outlets have joined Media for an Informed Choice,[37] an initiative made up of nearly 70 outlets, journalists and NGOs focused on boosting compliance with high standards of political reporting during the 2019 election campaigns.

To further improve nationwide socio-political media coverage, quality niche and regional outlets in this category are experimenting with formats, storytelling and visual presentation, and innovative approaches to attract audiences. They combine niche content delivery, audience targeting, crowdfunding and cross-platform partnerships.

The second category of online media outlets is made up of popular websites that adhere to lower quality standards and opt for a tabloid-style approach, often with clickbait headlines and some *dzhynsa* or manipulative content. They produce their own news, exclusive content, and have editorial teams and reporters representing them.

Quasi-news websites that work exclusively as tools of political PR or agenda-setting make up the third category. It is difficult to identify their editors or reporters, and most of their content is directly copied from other sources without proper attribution under clickbait headlines. They engage in producing manipulative viral content, hidden political endorsements, smear campaigns and scandals. Some choose names that an inattentive reader might easily confuse with those of reputable outlets, or they replicate websites of established media. In one example, in 2019, Facebook removed 168 profile pages, 149 accounts and 79 groups,[38] many of which were linked to Znaj Media, a rapidly growing network of clickbait news websites and social media accounts.[39] A Facebook review described this as inauthentic coordinated activity and linked it to Pragmatico, a Ukrainian political PR firm that advertises its services as reputation protection on social media and promotion of personal brands. Media watchdog IMI found that just 16 per cent of news on Znaj, one of the network's flagship websites, met the standards of professional journalism, such as separating facts from comments, credibility and a balance of opinions.[40]

Although an informed or critical reader will not use these websites as a source of information, they still account for roughly half of the Ukrainian Internet Association's top 100 news outlets, ranking alongside – or sometimes higher than –

37 Detector Media (2019), 'Memorandum of the Media for an Informed Choice Movement', 5 February 2019, https://detector.media/community/article/144612/2019-02-05-memorandum-rukhu-media-za-usvidomlenii-vibir.
38 Facebook (2019), 'Removing Coordinated Inauthentic Behavior from Iraq and Ukraine', Facebook news article, 16 September 2019, https://about.fb.com/news/2019/09/removing-coordinated-inauthentic-behavior-from-iraq-and-ukraine.
39 tech.liga.net (2019), 'Узнай про Znaj. Кто стоит за крупнейшим медиахолдингом Уанета, ставшим жертвой Facebook [Get to know Znaj. Who is behind the biggest media holding in ua.net that has fallen victim to Facebook]', 18 September 2019, https://tech.liga.net/technology/article/uznay-pro-znaj-kto-stoit-za-krupneyshim-mediaholdingom-uaneta-stavshim-jertvoy-facebook.
40 IMI (2020), 'Compliance with professional standards in online media. 2nd wave of monitoring in 2020', 2 July 2020, https://imi.org.ua/en/monitorings/compliance-with-professional-standards-in-online-media-2nd-wave-of-monitoring-in-2020-i33901.

established media.[41] Their main approaches for reaching an audience are social media, clickbait content and promotional tools based on algorithms and purchased referral traffic.

Aggregators from platforms such as ukr.net or i.ua play an important role in the visibility of online news media, especially as internet usage rises in Ukraine. A major flaw of such aggregators is that they treat low-quality or quasi-news websites in the same way that they treat reputable outlets, which results in them being perceived as equivalents on newsfeeds. This situation is not unique to Ukraine. The *Journalism, Media and Technology Trends and Predictions 2019* report for the Reuters Institute for the Study of Journalism explores this problem in aggregator apps. It says that, like social media platforms, they 'will need to start facing up to their wider responsibilities and that will increasingly mean putting in some kind of editorial oversight'.[42]

Aggregators from platforms such as ukr.net or I.ua play an important role in the visibility of online news media.

Online outlets are currently not required to register as mass media organizations under Ukrainian legislation, although many choose to register as information agencies, media companies or advertising agencies.[43] Online versions of TV, radio or print outlets automatically qualify as media and are regulated as such. It is more difficult, albeit possible, to hold unregistered online outlets accountable for manipulative or inaccurate information they publish. Unless employees of these organizations hold a press card from the National Union of Journalists in Ukraine or another registered media organization, they lack journalist credentials and the accompanying rights and protection mechanisms that this provides.[44]

Opaque ownership and funding is a big problem in online media. In 2017, IMI and Reporters Without Borders found that only 14 per cent of the 50 most popular news websites in Ukraine were transparent about their ownership structure.[45] Transparent organizations disclosed their contacts, as well as information about their editor-in-chief and the owner or ultimate beneficiary; 62 per cent were semi-transparent, providing incomplete information. Some of the missing data is available but it is spread across different public records and thus difficult to uncover.

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41 Ukrainian Internet Association (UIA) (2019), 'Top 100 socio-political news websites in June 2019', 9 July 2019, https://inau.ua/news/top-100-novynnyh-saytiv-suspilno-politychnoyi-tematyky-za-cherven-2019.
42 Newman, N. (2019), *Journalism, Media, and Technology Trends and Predictions 2019*, Reuters Institute for the Study of Journalism and University of Oxford, https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-01/Newman_Predictions_2019_FINAL_2.pdf.
43 CEDEM (2019), 'Як зареєструвати онлайн-ЗМІ [Registration of online media]', 25 January 2019, https://cedem.org.ua/consultations/yak-zareyestruvaty-onlajn-zmi.
44 CEDEM (2019), 'Про що варто знати онлайн-медіа? [What should online media know?]', 24 June 2019, https://cedem.org.ua/consultations/pro-shho-varto-znaty-onlajn-media.
45 IMI (2018), 'Only 14% of nationwide online media demonstrate transparency of their data – IMI study', 23 November 2018, https://imi.org.ua/news/lyshe-14-zahal-nonatsional-nykh-internet-zmi-demonstruiut-prozorist-svoikh-danykh-doslidzhennia-imi.

The proposed draft media law[46] introduces regulation for online media. It stipulates that online outlets, as well as content-sharing platforms, can choose to register voluntarily. This could give them the same level of protection and access to accreditation that registered or licensed outlets have. It would also give them access to state support and opportunities to engage in co-regulation. Both registered and non-registered online outlets will have to comply with the restrictions of content prohibited by Ukrainian legislation – such as hate speech or content that is harmful for children – and protect intellectual property. In addition, the proposed draft law establishes transparency requirements for all online media outlets, including the disclosure of owners.

Radio and print

The number of Ukrainians using radio as a source of news is in decline.[47] According to the 2020 Media Consumption Survey by InMind, 13 per cent of Ukrainians listened to the radio for news, down from 18 per cent in 2019, 26 per cent in 2018 and 35 per cent in 2015.[48] However, the country's entertainment or infotainment radio stations enjoy stability in terms of popularity and advertising revenues.

In 2018 and 2019, the top 10 FM radio stations in Ukraine all broadcast infotainment, mostly offering music with brief regular news updates.[49] Four private media groups own all top 10 radio stations. Two of the owners focus on radio as their core business, while the other two also have television and print outlets in their portfolios. In recent years, new players have entered Ukraine's radio landscape including quality talk radio stations and niche online radio stations with more intellectual content and music. Overall, radio broadcasters are growing an online presence and expanding their use of multimedia, in order to keep up with changing consumption habits.

As has been the case throughout the world, Ukraine's print media is struggling and going digital. In 2017, Ukraine had 1,666 print newspapers, down from 2,285 in 2010.[50] Around 17 per cent of these covered national politics and nearly 5 per cent wrote about business and the economy. There were 2,156 print magazines in 2017, and only nine of these were socio-political. Around a dozen of these magazines are established outlets with a recognizable brand, and just a handful offer high-quality content and have a good reputation.

The dynamics of advertising have exacerbated the downward trend in the print sector, which has seen advertising revenues lag behind all other sectors of the media, while digital outlets account for the majority of advertising revenues. This is driving print media to develop online platforms, embrace a digital-first strategy

46 Verkhovna Rada (parliament) of Ukraine (2019), 'Draft Law on Media No. 2693'.
47 Matsa, K. E. (2018), 'Most Western Europeans prefer TV news while use of print outlets lags', Pew Research Center, 27 September 2018, https://www.pewresearch.org/fact-tank/2018/09/27/most-western-europeans-prefer-tv-news-while-use-of-print-outlets-lags.
48 Internews Ukraine (2020), 'USAID-Internews 2020 Media Consumption Survey'.
49 Independent Association of Broadcasters (2019), 'Data on radio listening in Ukraine: The fourth wave of monitoring in 2019', 11 February 2019, http://www.nam.org.ua/news/novini-nam22/yak-ukrayintsi-sluhali-radio-naprikintsi-2018-roku53/?set_lang=en.
50 State Statistics Service (n.d.), 'Засоби масової інформації та книговидання в Україні у 2017 році [Mass Media and Book Publishing in Ukraine in 2017]', http://www.ukrstat.gov.ua.

and experiment with formats. However, many print outlets cannot afford to seriously invest in competitive digital platforms, and subsequently lose subscription revenues as they transition online. Yulia Mostova, editor-in-chief and co-founder of *Dzerkalo Tyzhnia*, a reputable weekly in Ukraine, noted in a 2018 interview that there were many occasions when her newspaper had no money to survive another day, and that it was only propped up by individual donations from its supporters.[51] In late 2019, the paper ceased publishing a print version and refocused its efforts on digital outputs. Meanwhile, reform of the Ukrainian post office (see following section for more details) and the poor performance of retail distributors triggered a rise in delivery costs. In addition, the soaring cost of paper has also been a blow to the sector.

It is difficult to rank print publications by popularity, audience or print run. Most of them report inflated numbers to attract advertisers. Print media must register with the Ministry of Justice, which helps to establish information about their ownership. But that information was not readily accessible to average readers until recently as the previous law did not require print media to disclose it. Improved transparency is one of the key goals of the new draft media law.

Local media

The balance of local media is also shifting, according to KIIS and Detector Media polls. In 2018, local print media was a source of information for 4.8 per cent of Ukrainians, while 2.5 per cent used local online media.[52] A year later, 1.7 per cent used local print media as a source of information and 4.1 per cent used local online media. The popularity of local television also dropped, with only 4.3 per cent of respondents saying they used it as a source of information in February 2019, down from 6.4 per cent a year earlier.[53] There was a slight increase in the use of local media as sources of news in 2020.[54] It is unclear though whether this is a trend resulting from more interest in local themes and access to more local outlets, especially online, or a short-lived change due to the COVID-19 pandemic or the local elections that took place in October 2020.

51 Gordon, D. (2018), 'Починала працювати в країні, де було соромно бути викритим у корупції, а зараз соромно викривати': інтерв'ю Юлії Мостової [I started working in a country where being discovered as corrupt was embarrassing; now it's embarrassing to discover corruption: Interview with Yulia Mostova]', *Dzerkalo Tyzhnia*, 16 October 2018, https://dt.ua/UKRAINE/pochinala-pracyuvati-v-krayini-de-bulo-soromno-buti-vikritim-u-korupciyi-a-zaraz-soromno-vikrivati-interv-yu-yuliyi-mostovoyi-291181_.html.
52 KIIS and Detector Media (2018), *Opposition to Russian Propaganda and Media Literacy: Results of All-Ukrainian Opinion Poll,* analytical report, March 2018, https://detector.media/doc/images/news/archive/2016/136017/DM_KMIS_engl__WEB-2.pdf.
53 KIIS and Detector Media (2019), *Sources of Information, Media Literacy and Russian Propaganda: Results of All-Ukrainian Public Opinion Poll,* March 2019, https://detector.media/doc/images/news/archive/2016/164308/DM-KMIS_Report_05_2019_ENGL_WEB.pdf.
54 The Razumkov Center found that 8.8 per cent of Ukrainians watched local TV for news, 5.9 per cent opted for local online media, 4.3 per cent read local newspapers and 2.1 per cent listened to local radio. The Internews survey revealed a growth of interest in regional media, due to the development of local Telegram channels and social media groups as well as interest in regional news related to the COVID-19 pandemic and local elections. Razumkov Center (2020), 'Як змінились уподобання та інтереси українців до засобів масової інформації після виборів 2019 р. та початку пандемії COVID-19 [How preferences and interests of Ukrainians for mass media changed after the 2019 election and the start of the COVID-19 pandemic]', https://razumkov.org.ua/napriamky/sotsiologichni-doslidzhennia/yak-zminylys-upodobannia-ta-interesy-ukraintsiv-do-zasobiv-masovoi-informatsii-pislia-vyboriv-2019r-ta-pochatku-pandemii-covid19-serpen-2020r; Internews Ukraine (2020), 'USAID-Internews 2020 Media Consumption Survey'.

Most local media companies are privately owned, ranging from the popular outlets that influence the local political agenda to the countless smaller operations that are used by their owners for political or commercial publicity. The media environment in Odesa oblast is representative of this situation. According to an analysis by IMI,[55] in 2015 there were around 550 registered print media outlets (with only one-third publishing regularly) in Odesa oblast, and numerous websites (of which only 5–10 are well known), as well as nearly 40 regional TV and radio companies (not all of them active) in Odesa city alone. While the media in Odesa is not transparent about ownership, IMI's analysis found that most were controlled by people in politics and their inner circles, including the city mayor and MPs.

A handful of local media organizations offer a quality alternative, operating either as businesses or as independent outlets financed through grants, crowdfunding and other means. Lviv-based Tvoe Misto offers one example: presenting itself as an independent hub, it delivers multimedia content about Lviv in an appealing format. As well as being a media outlet, it is establishing itself as a debate club and a production studio for the city, offering services such as production or hosting events to diversify its sources of revenue. Tvoe Misto's funding mainly comes from local business investors, who have pooled resources in an NGO to support an independent media outlet in their city, as well as from advertising and grants. In June 2020, it launched a membership option that offers a number of media and non-media products, including access to invitation-only events and discounts in its partner businesses. Nakipelo, a Kharkiv-based multimedia platform, follows a similar approach. While mostly funded by international grants, it is developing extra services, including production, a press centre and event hosting, to diversify its revenue structure.

A handful of local media organizations offer a quality alternative, operating either as businesses or as independent outlets financed through grants, crowdfunding and other means.

A 2015 review of regional print and online media found that outlets in Odesa, Dnipro, Zhytomyr, Donetsk and Kharkiv published the highest proportions of content with elements of hidden political or commercial endorsements – up to 40 per cent in some cases.[56] Lviv had the least amount of this content in its local media output. More recent monitoring projects from the 2020 local elections found slightly lower proportions of hidden endorsements and more properly marked advertising in former state or community-owned local media that have

55 Vasina, O. (2015), 'Who owns Odesa mass media. Analysis of the Institute of Mass Information', IMI and Detector Media, 24 November 2015, https://ms.detector.media/trends/1411978127/komu_nalezhat_odeski_zmi_analiz_institutu_masovoi_informatsii.
56 Pylyp Orlyk Institute of Democracy (2015), 'Analytical report on the monitoring of regional media by the Pylyp Orlyk Institute of Democracy in September 2015', 23 October 2015, http://idpo.org.ua/analitics/208-analtichniy-zvt-montoringu-regionalnih-zm-nstitut-demokratyi-men-pilipa-orlika-veresen-2015.html.

been privatized.[57] More generally, however, hidden endorsements for political candidates and election agitation, combined with low quality information about election procedures or candidates' proposals, remain a prominent problem in the coverage of politics by local media.[58] A lot of such content has moved to social networks that tend to mimic imprudent practices of traditional outlets.[59]

Several factors contribute to this situation in Ukraine. Natalia Steblyna, an Odesa-based media expert, points to the high tolerance of hidden advertising among local journalists and editors. In interviews for this paper, Philip Dykan from *Kharkiv Today* and Natalia Kurdiukova from Nakipelo.ua in Kharkiv suggested that in a poor market, political PR is the main source of income for local media.[60] Another problem is that social media offers advertisers a more attractive advertising platform than traditional local media outlets. Kurdiukova advocates the improvement of media management skills and clear rules, especially for political advertising, as a potential solution.

Media experts from other regions echo these concerns. Liubov Vasylyk, dean of the Journalism Department at the Chernivtsi National University, notes that the local media in Chernivtsi oblast, Western Ukraine, cannot afford to send staff to different locations.[61] As a result, local outlets can only cover developments in Chernivtsi and offer little information for those looking to find out what is happening elsewhere. This ultimately impacts their readership and potential revenue streams.

Local print media, like national outlets, have been hit by shortages of affordable paper and the reform of the postal service – especially its higher delivery costs, village post office closures, redundancies, and the unilateral review of delivery routes and timetables. In a joint motion in early 2020,[62] the National Union of Journalists and editors of more than 120 local newspapers requested the dismissal of the director of the Ukrainian Post Office and state support for the local press.

State or community-owned local media have undergone the biggest reform. Previously dependent on state funding or subsidies, these media outlets served primarily as the voice of the authorities. In December 2015, parliament passed

57 Institute of Mass Information (2020), 'Реформовані ЗМІ перед виборами: дайджести політичної агітації, хвалебні оди місцевій владі [Reformed media before elections: the digest of political agitation and praise of local authorities]', 4 November 2020, https://imi.org.ua/monitorings/reformovani-zmi-pered-vyboramy-dajdzhesty-politychnoyi-agitatsiyi-hvalebni-ody-mistsevij-vladi-i36033?fbclid=IwAR2FaretNiwh1BhHg8xmaH-QSAqJ-IgFovIKYcaH-ivisNwXWVJhVDMf-d4.

58 Council of Europe (2020), 'Перший проміжний звіт за результатами незалежного моніторингу висвітлення в онлайн-медіа та соціальній мережі Facebook місцевої виборчої кампанії в Україні [The first interim report on the independent monitoring of the local election coverage in online media and on Facebook in Ukraine]', 8 October 2020, https://www.coe.int/uk/web/kyiv/-/how-media-cover-the-2020-local-elections-in-ukraine-interim-results-of-two-monitoring-activities.

59 Committee of Voters of Ukraine (2020), 'Моніторинг регіональних медіа під час виборів 2020 (звіт) [The monitoring of regional media during 2020 elections (report): Odesa and Odesa Oblast]', 10 December 2020, http://cvu.od.ua/ua/library/monitoring-regionalnih-media-pid-chas-viboriv-2020-zvit_1269/?fbclid=IwAR2hFduMTH01CFODEUVExzIf5B1BSH9kZK0kjHIoTu7OD-dVKlGig0p21H0.

60 Author interviews in Kharkiv, Ukraine, in December 2018.

61 Author interview in Chernivtsi, Ukraine, in December 2018.

62 UkrInform (2019), 'НСЖУ та редактори газет знову вимагають відставки гендиректора Укрпошти [NJUU and editors once again demand that Ukrainian Post Director General resigns]', 12 February 2019, https://www.ukrinform.ua/rubric-society/2638854-nszu-ta-redaktori-gazet-znovu-vimagaut-vidstavki-gendirektora-ukrposti.html.

the Law on the Reform of State and Communal Mass Media.[63] By mid-December 2018, 343 of more than 700 local print media outlets that were due for reform had been privatized.[64] The purpose of this approach was to transform them into private companies or outlets owned collectively by editorial teams, in an attempt to eliminate the influence of government bodies.

On the one hand, the reforms killed off many unviable local outlets that failed to adjust to the new reality. On the other hand, this approach has pushed others to improve economic sustainability, even if it does not guarantee their full independence from local authorities from day one. Some have already been successful, such as Susidy.City, which is a news website for Mena and Koriukivka, two towns in Chernihiv oblast with a combined population of around 20,000 people. Susidy.City is a joint project between the editorial teams of two local newspapers that offers a combination of local news, guidance for accessing public services online, and a platform for local activism. This is a good demonstration of a model for local media that can combine the functions of reporting and service provision. For better outreach, it also produces viral-style educational content, such as tests of how well readers know the history of their region.

The project was assisted by the Agency for Media Growth (ABO), a local media mentorship initiative, which offered advice on media management, formats and design solutions. According to Oleksandr Bilinskiy, co-founder of ABO and Svoi. City, a news platform for towns in eastern Ukraine, the agency helped to reform 25 local online media outlets by late 2018, including 22 former state-run outlets in different regions across Ukraine. By late 2019, just two of the websites it mentored had closed down. In an interview for this paper, Bilinskiy said that it is the initiative of editorial teams that drives this development.[65] The agency is working to develop into a self-funded regional media consultancy with the expertise to offer technical and digital solutions more widely in Ukraine.

63 Verkhovna Rada of Ukraine (2015), 'Закон України Про реформування державних і комунальних друкованих засобів масової інформації [The Law of Ukraine on the Reform of State and Communal Print Mass Media]', 24 December 2015, https://zakon.rada.gov.ua/laws/show/917-19?lang=uk.
64 Internews Ukraine (2019), 'De-Statization Reform is Over; What Are the Results?', 4 January 2019, https://internews.in.ua/news/de-statization-reform-is-over-what-are-the-results.
65 Author interviews with Oleksandr Bilinsky and Lera Lauda, ABO, in Kyiv, Ukraine, December 2018 and December 2019.

04
Influences on Ukraine's media

Despite the continued dominance of powerful individuals in Ukraine's media sector, the political elite, audiences and the media community all have roles in tackling corruption, political influence and poor media literacy.

The presence of oligarchs has been a defining characteristic of Ukraine's media landscape since independence. However, the political elite and consumers have also played major roles in the sector's evolution. Ukraine's media sector now faces the same challenges seen across the globe in terms of changing production methods and consumption habits. Consequently, there is a need to develop sustainable economic models that will enable outlets to survive and remain relevant. Media outlets are also striving to create an environment in which audiences seek quality content rather than indiscriminately consuming whatever is readily accessible.

Political elite

Many politicians in Ukraine own media outlets or work closely with oligarchs that have influence over the top broadcasters. Politicians without the endorsement of a popular TV channel or outlet exist only on the margins of the political sphere, with little or no recognition among the electorate. A 2018 poll by KIIS showed that some of the newer politicians, best known in the post-Euromaidan activist community, who did not have oligarch support were unknown to an average of 50–70 per cent of Ukrainians.[66] However, social media – including YouTube,

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[66] KIIS (2018), 'Думки і погляди населення України: квітень 2018 року [Opinions and Views of the Ukrainian Population: April 2018]', https://www.kiis.com.ua/materials/pr/20180305_public-political%20mood/Public-political%20mood_report.pdf.

Facebook and messenger apps – is changing the status quo and allowing individual political or public figures to build their profiles. But these new methods are still more effective at reaching wider audiences when amplified by conventional media.

Media watchdogs, such as Detector Media and IMI, are effective at monitoring and reporting these trends. Although their work reaches few people, it raises awareness about the quality of content in Ukraine and the factors that influence it.

Ukraine's political elite spends enormous amounts of money on promotion for electoral campaigns, especially on television. The Committee of Voters of Ukraine reported that candidates spent a total of UAH 623 million ($23 million), or 66 per cent of their campaign funds, on media advertising in the 2019 presidential election.[67] Unofficial expenses are likely to be far higher. This money mostly goes to oligarch-owned TV channels and contributes to the distortion of the media economy. Some observers argue for a full ban on paid political advertising on TV and radio, as has been implemented in some European countries.

Social media offers an alternative channel for promotional activities and has proven to be a successful mechanism of political influence. In the presidential and parliamentary campaigns that spanned 2018 and 2019, social media tools were a key method of communication alongside TV, using campaign tactics such as 'deep targeting' of specific groups, bot or troll attacks to disparage opponents, and working with high profile commentators on social media to endorse a certain candidate or agenda. Mykhailo Fedorov, vice premier in charge of digital transformation and previously the head of the digital campaign for Volodymyr Zelenskyy, has said that his team's strategy focused on deep targeting of voters; engaging supportive social media users in regional communities to amplify Zelenskyy campaign messages and counter negative campaigns from opponents; and building up accounts on different social media (Facebook, YouTube, Instagram, Telegram) to use as their own channels for positive and viral messaging.[68]

In July 2019, Dmytro Zolotukhin, then deputy minister of information policy, published findings on 1,620 accounts that paid for promotion marked as political advertising from the Facebook advertising library. According to his assessment, the 100 top advertisers spent $1.7 million on promotion. Among them, the biggest advertisers were Zelenskyy's Servant of the People party ($312,112), Petro Poroshenko's European Solidarity party ($308,221), and Sviatoslav Vakarchuk's Voice ($307,351).[69] Internews Ukraine looked at how campaigning varied across social networks, including Russia's VKontakte, which is currently banned in Ukraine but can be accessed via a VPN. This research showed that Servant of the People successfully campaigned on Instagram, which allowed it to create positive communication and transform political messaging into infotainment. Facebook

67 UkrInform (2019), 'КВУ з'ясував, скільки кандидати в президенти пустили на рекламу в ЗМІ [CVU found how much presidential candidates spent on promotion in media]', UkrInform, 25 March 2019, https://www.ukrinform.ua/rubric-elections/2666604-kvu-zasuvav-skilki-kandidati-v-prezidenti-pustili-na-reklamu-v-zmi.html.
68 Ukrayinska Pravda (2019), 'Голова діджитал-команди Зеленського: Ми самі просимо клікати на 'Беніного клоуна' [Zelenskyy's Digital Team Leader: We ask you to click 'Benia's clown']', 6 March 2019, https://www.pravda.com.ua/articles/2019/03/6/7208437.
69 Zolotukhin, D. (2019), 'Скільки витрачено на політичну рекламу в українському сегменті Facebook? [How much the Ukrainian segment of Facebook spent on political advertising?]', Medium, https://medium.com/@postinformation/скільки-витрачено-на-політичну-рекламу-в-українському-сегменті-facebook-228ee18846a3.

had the most politically active users and was the most polarizing platform – especially during the presidential campaign – but was found to be slightly more neutral in terms of impact over the parliamentary poll. Meanwhile, VKontakte was a haven for Russian and anti-Ukrainian propaganda.[70]

Ukraine regulates media coverage of pre-election agitation and political actors during campaigns.[71] Legislation stipulates different requirements for paid political advertising and coverage during elections. For the latter, media organizations must report the news objectively, treating parties and candidates equally and without bias, and provide balanced, accurate and complete information. Yet, these regulations have not resulted in high-quality and balanced media coverage of elections and they fail to deter political actors and parts of the media community from abusing their positions for political influence.

A 2015 Detector Media expert report investigated the reasons behind the poor regulation of election advertising in the Ukrainian media sector.

A 2015 Detector Media expert report investigated the reasons behind the poor regulation of election advertising in the Ukrainian media sector.[72] It concluded that the current situation is due to a culture of poor ethics among political actors; the willingness of media outlets to be used for political agendas; the reluctance of the media to exercise self-regulation; a high tolerance of violations of journalism standards and hidden advertising among many in the media community; and the lack of effective legal provisions, as well as mechanisms to monitor and punish such advertising. An improvement of the political and media culture and self-regulation is essential to resolve this – legal norms or restrictions alone would be insufficient.

The willingness of the political elite to use law enforcement instruments against journalists is another chronic problem that causes conflict with media actors attempting to adhere to higher professional standards. Those that carry out attacks, and even murders, often do so with impunity. This problem persists even after the Euromaidan and was exemplified by the flawed investigations into the murders of Pavlo Sheremet in 2016 and Vadym Komarov, a journalist and a blogger from Cherkasy, in 2019.

70 Internews Ukraine (2019), 'Мемократія: Як соцмережі впливають на політику в Україні. Висновки дослідження [Memocracy: How social networks affect politics in Ukraine: Research findings]', https://internews.ua/opportunity/social-network-research.

71 Safarov, A. (2019), *Як закон регулює інформаційне забезпечення виборів у медіа [How the law regulates reporting on elections in media]*, 14 June 2019, https://vybory.detector.media/2019/06/14/yak-zakon-rehulyuje-informatsijne-zabezpechennya-vyboriv-u-media.

72 Petrenko, H., Miskyi, V. and Zinchenko. L. (2015), Регулювання передвиборної агітації та політичної реклами [*Regulation of pre-election campaigning and political advertising*], Special Report, Telekrytyka, https://ms.detector.media/content/files/telekritika_politreklama_2015.pdf.

Generally, attacks against anti-corruption activists, including arson, increased in 2020. In November 2020, parliament initiated changes to the Criminal Code to impose harsher punishments for attacks against journalists. But application of these rules remains up to the current law enforcement agencies that lack credibility in investigating crimes against journalists or holding perpetrators accountable.

Media community

Despite the challenging environment, the media community has been a crucial driving force behind the evolution of Ukraine's media landscape.

The murder of the journalist Georgi Gongadze in 2000 triggered massive 'Ukraine without Kuchma' protests, which provoked an outpouring of accumulated frustration with the administration at that time. In 2010, more than 200 journalists and activists joined forces to launch the Stop Censorship movement against government pressure on the media community.[73] In 2013, 14 journalists left Forbes Ukraine after new owners changed the editorial policy,[74] specifically the decision of the new editor-in-chief to scrap a report on advisers to Serhiy Arbuzov, first vice premier under former prime minister Mykola Azarov. The change followed the controversial purchase of UMH, a major radio and print media holding that owned Forbes, by Serhiy Kurchenko, a young oligarch in the Yanukovych years (2010–14), from media tycoon Borys Lozhkin. It was widely interpreted as a move by 'the Family' – a common name for the Yanukovych circle – to take control of the media landscape ahead of the upcoming elections in 2015.

Over the past two decades, Ukraine's media community, comprising both journalists and watchdog NGOs, has created a vibrant environment for discussing problems and solutions on different platforms, from roundtables to bigger annual events, such as the Lviv Media Forum or National Media Talk. Specific developments include the establishment of the Media for an Informed Choice movement and the ranking of media outlets according to accuracy of content and professional standards.[75]

At the same time, the media community has struggled to fix the intrinsic weaknesses that affect its quality, trustworthiness and pace of evolution. One obvious flaw is the broad tolerance of corruption and the influence of owners or political players on the media community. However, there has always been a sizeable pool of journalists and media professionals maintaining high standards. This group must keep expanding in order to bring about a decisive shift in the resilience of journalism in Ukraine.

73 Radio Free Europe/Radio Liberty (2010), 'Journalists in Trouble: Stop Censorship', 25 May 2010, https://pressroom.rferl.org/a/journalists_in_trouble_stop_censorship/2052132.html.
74 Ukrayinska Pravda (2013), 'Звільнилися 14 журналістів українського Forbes [14 journalists quit Ukrainian Forbes]', 13 November 2013, https://www.pravda.com.ua/news/2013/11/13/7002020.
75 IMI (2019), 'IMI summed up results of survey into web-based editions on new comprehensive methodology', 28 May 2019, https://imi.org.ua/en/monitorings/imi-summed-up-results-of-survey-into-web-based-editions-under-new-comprehensive-methodology-i28881.

A lack of professionalism and accountability continue to be major problems within Ukraine's broader media community. This stems from internal factors such as the absence of a long uninterrupted tradition of journalism and high-quality education, the weak market, and the poor financial state of many media outlets. As a result, outlets cannot afford to competitively pay journalists, offer them extra training, send reporters abroad to cover international developments or invest in technological development. Furthermore, this lack of professionalism reflects global trends whereby commercialization is pursued even if it damages the quality of reporting, staff are overworked and overstretched, and reporting must compete with social media and algorithms for speed and scope.

Finally, international donors fund most of the Ukraine-based NGOs that monitor, analyse and offer solutions to different domestic issues, including media and politics. This enables NGOs to function independently and is extremely useful for the development of the local media culture and environment. However, relying on international donor funding alone is unsustainable. Ukraine should eventually establish its own sources of funding for independent analysis, making sure that grant schemes or other funding mechanisms are effectively shielded from political influence and bias. The Ukrainian Cultural Foundation is one example: created in 2017, it offers grant funding to projects in cultural and creative industries, including research and policy-design activities.

Audience

Poor media literacy among audiences is a significant challenge for Ukraine. Distortions in the media environment and an underdeveloped media culture have contributed to apathy and confusion among audiences. Tackling this problem is linked to dealing with wider changes in how information is delivered and the rise of populism.

The 2019 KIIS survey offered some interesting insights into media literacy in Ukraine. Overall, of the 74 per cent of Ukrainians that got their news from central TV channels and the 27 per cent that got their news online, around half of each said they trusted those sources.[76]

Ukrainians tend to choose sources of information based on the quality of the content (30 per cent) and whether the views expressed reflect their own (28 per cent). The reputation of a media outlet was most important for 16 per cent of respondents to the survey, and the owner of the outlet was most important for 8 per cent. The responses, particularly from those in eastern and southern Ukraine, emphasized the problem of 'filter bubbles': the narrowing down of the information people consume on conventional media to that which reflects their existing views and opinions, or as a result of algorithm-based information consumption online. The shift to the internet and social media for information is likely to aggravate this problem further.[77]

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76 KIIS and Detector Media (2019), *Sources of Information, Media Literacy and Russian Propaganda: Nationwide Survey Results.*
77 Ibid.

According to the survey, just over half – 52 per cent – of Ukrainians believe that they can identify fake news, and 60 per cent use at least one means of doing so. This includes cross-checking stories and verifying information on government websites. Just 10 per cent recalled seeing any educational content on countering disinformation that month (February 2019) and only 15 per cent thought they could find it useful.

It is hard to measure the extent to which awareness about fake news, disinformation and identification tools has evolved in Ukraine. But initiatives launched to address these issues and better inform audiences about what constitutes high-quality journalism have drawn attention to the problem. These efforts should continue and expand into education programmes covering the consumption of information online.

Another serious challenge to the sector is the reluctance of audiences to pay for media products.[78] Ukrainians are largely used to getting content for free. To some extent, this is a legacy of the Soviet Union, where the state had a monopoly over the media and subsidized its consumption for propaganda purposes. This also stems from the domination of oligarchs in Ukraine's modern media. The oligarch-owned TV channels tend to produce high-quality popular content, especially in entertainment. As a result, the audience is used to good quality entertainment content for little or no cost. The internet's abundance of free content demonstrates that this is a global trend. However, although limited in scope, Ukrainians are beginning to show a willingness to pay for certain content.[79]

Both the top broadcasters and independent outlets are now challenging this state of affairs. In January 2020, all major broadcasters restricted access to their signals for free-to-air users. As a result, around 4.4 million households across Ukraine, or roughly one-third of all households with some form of TV service, now must switch to a payment model to access channels they previously watched for free. In 2020, a number of independent outlets – from Ukrayinska Pravda to liga.net and Novoye Vremia – launched membership, donation or subscription systems. To some extent, this was their response to the COVID-19 crisis. But more generally, this reflects their longer-term objective to transform their business model, reliance on advertisers and their interaction with their audiences.

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78 In 2018, 32.2 per cent of Ukrainians were paying for access to TV channels on a regular basis and 66 per cent were not. A total of 77 per cent said they were not ready to pay more for the content that they are interested in, while 15 per cent would be willing to pay a small sum (around UAH 30 or €1 to €1.5 monthly depending on the exchange rate); 7.9 per cent struggled to answer. Those willing to pay extra for media content include those in the low and middle-income bracket, qualified specialists (such as engineers, doctors, lawyers etc.), people who speak Ukrainian at home and live in western Ukraine, and men aged between 40 and 49. Media players interpret this as demonstrating that there is room for expanding the pay TV subscription base. Detector Media (2018), '15% українців готові сплачувати додаткові кошти за контент - Володимир Паніотто [15% of Ukrainians are willing to pay extra for the content – Volodymyr Paniotto]', 19 September 2018, https://detector.media/rinok/article/141126/2018-09-19-15-ukraintsiv-gotovi-splachuvati-dodatkovi-koshti-za-kontent-volodimir-paniotto.
79 In 2019, another survey for the Clear Sky Initiative against content piracy by Gemius, a market researcher, found that 31 per cent of Ukrainians were ready to pay for legal content in 2019 – up from 14 per cent in 2018. Of respondents, 40 per cent thought that online content should be free, down from 59 per cent a year before. Dankova, N. (2019), 'За рік удвічі зросла частка користувачів, які готові платити за контент (дослідження) [The share of users ready to pay for content doubled in a year (survey)]', 17 September 2019, https://detector.media/rinok/article/170809/2019-09-17-za-rik-udvichi-zrosla-chastka-koristuvachiv-yaki-gotovi-platiti-za-kontent-doslidzhennya.

05
Conclusion

International assistance and regulatory oversight are essential for improving transparency and resilience in Ukraine's media sector, but equally important are an infrastructure of support for quality journalism and media literacy efforts.

While major oligarch-controlled media players focus on political influence and commercial gain in Ukraine, a group of smaller outlets are trying to maintain quality and journalism standards in the public interest. Support for these outlets is vital and they should be the targets of international assistance and expertise.

Oligarch-controlled organizations are likely to dominate Ukraine's media landscape in the mid-term, unless their owners' economic or political positions change dramatically. Their available resources will enable them to invest in expansion online and create content to retain modern audiences. As a result, they are likely to continue to have a strong position in the advertising market.

As technological and social changes have lowered the entry barrier for new players in the media industry, the sector has become more innovative and diverse. Post-Euromaidan reforms have brought about a number of changes including more transparent ownership of private media companies; a major transformation of the public broadcaster; and the privatization of formally state-run media organizations, which now experiment with different business models and editorial independence from local authorities.

Ukraine's media industry reforms are the result of cooperation between the media community and progressive politicians to draft and ratify new legislation. The support of Ukraine's international partners and donors has been crucial, particularly in the post-Euromaidan period. In late 2019 and early 2020, the government intensified efforts to update Ukraine's media legislation, proposing a comprehensive new draft media law to replace at least five laws regulating different media categories. While still debated in the media community – often critically – it offers some long-needed modernization of the legislative framework. However, it is unlikely to loosen the grip of oligarchs or political actors on the sector.

Continued support for independent outlets that maintain quality in the public interest is a key step towards countering the influence of oligarchs. The reform of Suspilne is a good example of what can be achieved. Ukraine's media community and international partners have been instrumental in pressing for recent reforms and they should continue to do so.

Much of the media, particularly smaller projects and regional outlets, could benefit from access to advanced design and promotional tools, as well as in-depth research of the domestic market, the audience and global developments in the media sphere. Engagement in international debates on the role of modern technology in the media is important, especially regarding the interaction between social media and conventional media. Equally important is engagement in the international debate on regulation of the online domain.

There are still a number of changes that can create an open and stable media environment in Ukraine. Crucially this includes the development of support infrastructure such as funding for independent media watchdogs, specialized outlets that cover the media industry, and self-regulatory initiatives. Financial oversight of the media will also boost the sector's resilience in Ukraine. Transparency requirements are especially important for the major broadcasters but should eventually apply to online outlets as they become increasingly influential.

It is necessary to limit the opportunities for collusion between politicians and the media community. Prohibiting politicians from owning mass media organizations and outlets would be a step in the right direction. However, this would not deliver a quick and dramatic shift: an MP can always find a third party to officially own an outlet on their behalf. Nevertheless, this could contribute to a gradual change of attitudes towards this type of intertwined influence among audiences, the media community and the political establishment.

A crucial responsibility of the political establishment is to protect journalists. In addition to physical security measures to prevent attacks on journalists, this should also include effective investigation and punishment of those that perpetrate attacks, and the rejection of using administrative and law enforcement tools against journalists. Political actors should refrain from attacking and discrediting journalists and media outlets online, via personal messages or organized trolling campaigns. Many outlets and journalists in Ukraine use their professional status to manipulate information and opinions rather than to inform or serve the public good, but this does not justify politicians attacking and discrediting journalism as a whole.

Finally, it is important to accompany all these efforts with a wide-reaching media literacy campaign. It should target all ages, different social groups and educate the audiences about both conventional and digital media consumption. While there are many NGO initiatives already doing this in Ukraine, their reach is limited.

About the author

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