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Lawmakers Move to Force Russian Media to Report Foreign Funding

By Daria Litvinova

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Several major publishing houses have already sold or closed their Russian operations as a direct result of the ownership law.

Russian media will be obliged to report funding they receive from abroad to the media watchdog Roskomnadzor, if an inter-party group of deputies get their way.

A bill to that effect was introduced to the State Duma, the lower chamber of the country's parliament, last week by deputies from the LDPR, Communist and A Just Russia parties.

The bill states that if a media outlet accepts funding — except for money that comes from advertising and for money from the organization's founder — or property from abroad, it should report it to Roskomnadzor within 30 days or be fined.

The individual responsible would have to pay a 30,000- to 50,000-ruble fine ($460-$770), while legal entities would be obliged to pay the same sum of money they had failed to declare,

the bill stipulates.

The legislative initiative is part of a broader initiative to cut off Russian media from foreign financing, experts say.

Part of the Trend

Last year, a law was adopted limiting the stake of foreigners in Russian media outlets to 20 percent.

It comes into force on Jan. 1, 2016 and affects most of the country's publishing houses, although they will have another year's grace period to comply with the legislation.

"This [new initiative] is a small amendment [to the basic media law], it targets those media outlets that the ownership law hasn't covered, and those not covered by the 'foreign agents' law" that targets NGOs accepting foreign funding, said Yekaterina Schulmann, an expert in legislative processes at the Russian Presidential Academy of National Economy and Public Administration.

It's not revolutionary, and is unlikely to contribute to the changes the market is being forced to undergo because of the ownership law, Schulmann told The Moscow Times in a phone interview, adding that it has good chances of being passed during the autumn session of the Duma.

"One of the authors of the bill [Vadim Dengin, an LDPR deputy and first deputy head of the State Duma committee for information policy] has already introduced amendments to [media] law [including the media ownership law] that he previously worked on in the committee, and this doesn't contradict the trend," Schulmann said.

The fact that the ruling United Russia party is not among the authors of the document doesn't interfere with the bill's chances of being passed, she added.

"The main idea is that the bill is an addition to [last year's] ownership law. It's even supposed to come into force on Jan. 1 — the same day as the ownership law," she told The Moscow Times.

Dengin was unavailable to comment on the bill last week.

Symbolic Power

The initiative won't change much; it's simply designed to send a signal to the media, said Ivan Zasoursky, a professor at Moscow State University's journalism faculty.

"It's an attempt to put a sign out there: a very simple sign [saying] 'if you're planning to take foreign money, be prepared to have a talk about it with certain people, or better still — think twice,'" Zasoursky told The Moscow Times in a phone interview.

"If we're talking about political control over foreign funding in the press, that has already been achieved. There are restrictions targeting NGOs and there are restrictions that apply to media outlets which are serious enough and difficult to bypass," he said.

At the same time, there are currently a lot of loopholes in the bill, Zasoursky said.

"What if you're a blogger equated to media [under Russian law] — will you have to report foreign funding to Roskomnadzor? Or you're selling goods on the website [of your media outlet] to Amazon — will that be considered foreign funding? Or what if some Syrians subscribe to the Dozhd [opposition-leaning] TV channel [that sells subscriptions] and pay for it, is that foreign funding?" he said.

Nevertheless, the bill is a success as a political act, the expert said. "Its propaganda goals have been achieved," Zasoursky concluded.

Several major publishing houses have already sold or closed their Russian operations as a direct result of the ownership law.

The U.S. Hearst Corporation, which had a major stake in the Russian publisher of glossy magazines like Elle and Marie Claire, sold part of its share to its local partner this summer.

Switzerland's Edipresse and Germany's Axel Springer said in September they would withdraw from the Russian market over the law.

Denmark's Egmont Media Group announced it would transfer its Russian magazine business to a local company.

Further Crackdown?

In August, the Communications and Press Ministry suggested forbidding NGOs labeled as "foreign agents" from launching and registering media outlets.

The proposal stipulated that nongovernmental organizations registered as "foreign agents" — a label with strong connotations of espionage in Russia that is applied to organizations which receive funding from abroad and are engaged in loosely defined political activity — cannot be founders of media outlets.

There are some 20 existing media outlets that are owned by NGOs registered as "foreign agents."

For example, elections watchdog Golos runs the newspaper Grazhdansky Golos (Civic Voice), while Memorial, an NGO that advocates the rehabilitation of victims of Soviet-era repression, runs Kavkazsky Uzel (Caucasus Knot), one of the most prominent media outlets in the North Caucasus.

That proposal is still under consideration.

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