Center for Media and Cultural Freedom

LEBANESE MEDIA COVERAGE OF THE OIL AND GAS SECTOR

The January 2017 Government Decrees

A third report by

THE SAMIR KASSIR FOUNDATION

In cooperation with

MIDDLE EAST
Strategic Perspectives

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Unlike previous reports on the same subject, data gathering for this edition was conducted by the Lebanese Oil and Gas Initiative (LOGI) and Willem Bloem.
Data evaluation and the drafting of the report were conducted by MESP. Benjamin Redd provided help with data crunching.

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Introduction

Since 2013, the SKeyes Center for Media and Cultural Freedom at the Samir Kassir Foundation (SKF) has partnered with Middle East Strategic Perspectives (MESP) to conduct a thorough monitoring of Lebanese media coverage of the oil and gas sector. SKeyes and MESP are also cooperating with journalist Matt Nash and the Lebanese Oil and Gas Initiative (LOGI) to verify the accuracy of statements by politicians and prominent economists around the oil and gas sector. The results of their verification is available on SKF's smartphone application LOG&Learn available for iOS and Android.

In August 2014, SKeyes and MESP published a first report entitled "Lebanese Media Coverage of the Oil and Gas Sector" available online at: http://www.skeyesmedia.org/extensions/pdf/Lebanese_Media_Coverage_of_the_Oil_and_Gas_Sector.pdf.

A second report was published in October 2016 and is available online at: http://www.skeyesmedia.org/extensions/pdf/Media_Coverage_of_Oil_and_Gas_Sector_2016.pdf.

Over the past three years, a series of workshops and trainings was provided to Lebanese journalists covering the sector, based on the findings of the SKeyes-MESP reports.

The idea behind the third edition of our monitoring of the Lebanese media coverage of the oil and gas sector is to focus on the media treatment of the two government decrees, issued in January 2017, pertaining to the sector.

On January 4, 2017, the government approved two key oil and gas decrees: one defining offshore blocks and another one setting out the tender protocol and model exploration and production agreement. The government's decision to approve the two decrees needed to restart the first licensing round, after nearly four years of delays, was extensively covered by Lebanese media. MESP was solicited to evaluate the progress made by Lebanese media in their coverage of the nascent oil and gas sector, since the launching of our second major report evaluating Lebanese media's overall performance related to the sector.

This project is conducted thanks to the support of the Norwegian Ministry of Foreign Affairs' Oil for Development program.

Methodology

Thirteen media outlets – six newspapers, five TV channels, one magazine, and one news website – were monitored, and their production evaluated:

Newspapers: Al-Akhbar; Al-Joumhouriya; Al-Mustaqbal; Annahar; L'Orient-Le Jour; and The Daily Star.
TV Channels: Future TV; LBCI; MTV; New TV; and OTV.
Magazine: Le Commerce du Levant.
News website: El-Nashra.

The two decrees were passed on January 4, 2017. Our monitoring of newspapers covered their January 5 and 6 editions. For TV channels, we followed the 8:00 pm news bulletins on January 4 and 5, in addition to political talk shows on January 5 and 6. For magazines and news websites, we followed their publications from January 4 to 6.

The monitoring focused in particular on the:

- Frequency of reporting on the topic over the monitored time period;
- Accuracy of information;
- Reliability of sources;
- Topics covered; and
- Quality of investigations.

MESP identified 12 topics thought to be the most relevant for media coverage:

- Politics (which includes news coverage and political debates related to oil and gas);
- Governance and Transparency;
- Legislation;
- Tender Process;
- Environment;
- Civil Society;
- Economics, Finance and Markets;
- Infrastructure;
- Security and Defense;
- Border Dispute;
- Geopolitics; and
- Exports and Imports.

Subjects outside these 12 categories were also noted when covered.

When spotted, factual errors were pointed out and explained. The same mistake repeated in the same story was only counted once. It should be noted that only factual mistakes that could be verified objectively were identified. Subjective statements or personal convictions were left out.

Results

A total of 43 stories were grabbed and evaluated during the monitoring period.

- 25 articles were published in newspapers;
- 16 TV reports or segments;
- One article in an economic magazine; and
- One article in a news website.

Newspapers made 19 errors; TVs six; the economic magazine one; the news website none.

Given that this is a spotlight monitoring, extending over two or three days only (depending on the media outlet), and targeting the media's reaction to a specific government decision, we were aware that (i) the overall number of in-house production would be limited (therefore would not allow to draw robust conclusions regarding the accuracy of a media outlet's coverage) and (ii) the preferred type of reporting would be "news coverage."

We were, therefore, more interested to see if media outlets went further in their reporting and offered additional input, providing further clarifications to the reader or audience, seeking to interview experts or presenting feature stories etc.

Figure 1. Number of stories by coverage type

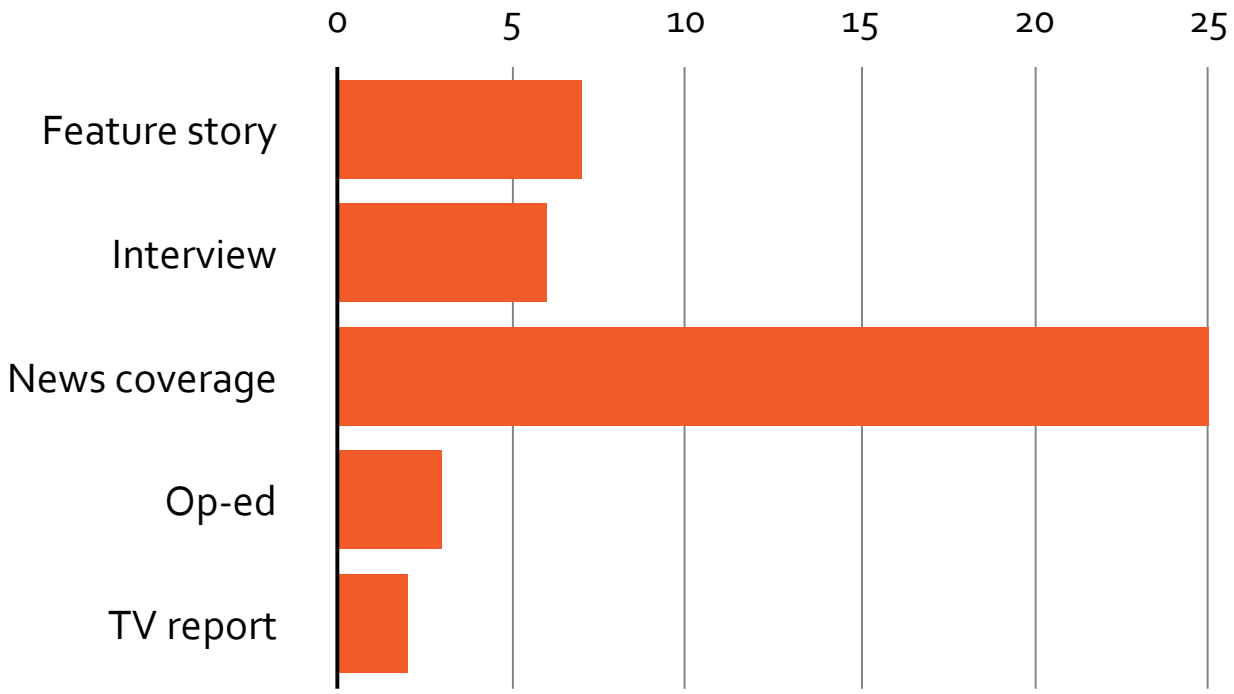
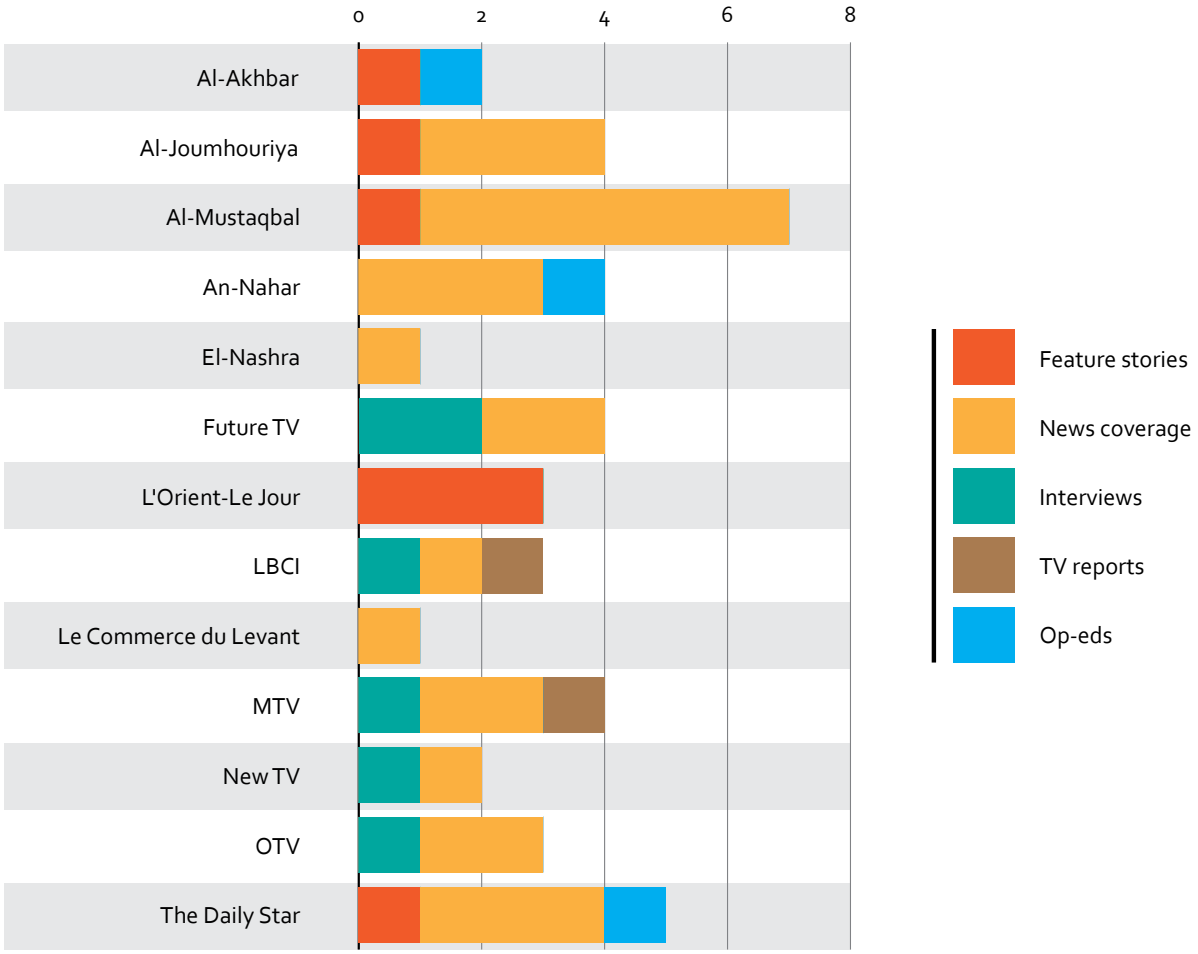


Figure 2. Stories by outlet and coverage type

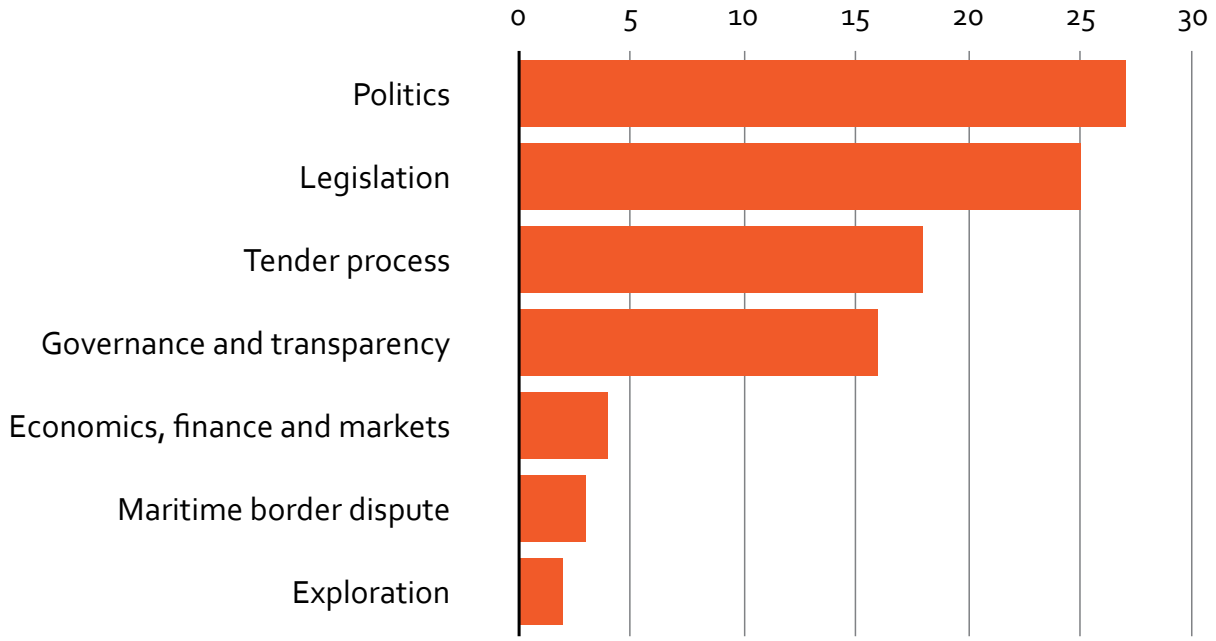


Coverage

As expected when covering an event, over half of all stories that we identified (25 out of a total of 43) fell under the "news coverage" type. It is the type of coverage journalists are most at ease with as proven by the low average of 0.28 mistake per article when simply covering the news, compared to an average of 1.57 mistakes in "feature stories" and an average of 1.50 mistakes in "TV reports."

Looking into the type of reporting, and since we were interested in seeing if media outlets went further in their reporting than simply covering the news, we have identified seven feature stories (three of which were published in L'Orient-Le Jour – that is also the overall number of oil and gas articles published in the French-language daily during the monitoring period, meaning the newspaper never limited its production to "news coverage;" one in Al-Akhbar; one in Al-Mustaqbal; one in Al-Joumhouriya; and one in The Daily Star). We also identified six interviews, all of them aired on TV channels. Of these, only one program – *Bi Mawdouiyeh* on MTV – discussed oil and gas at length, the other five only addressed the issue briefly.

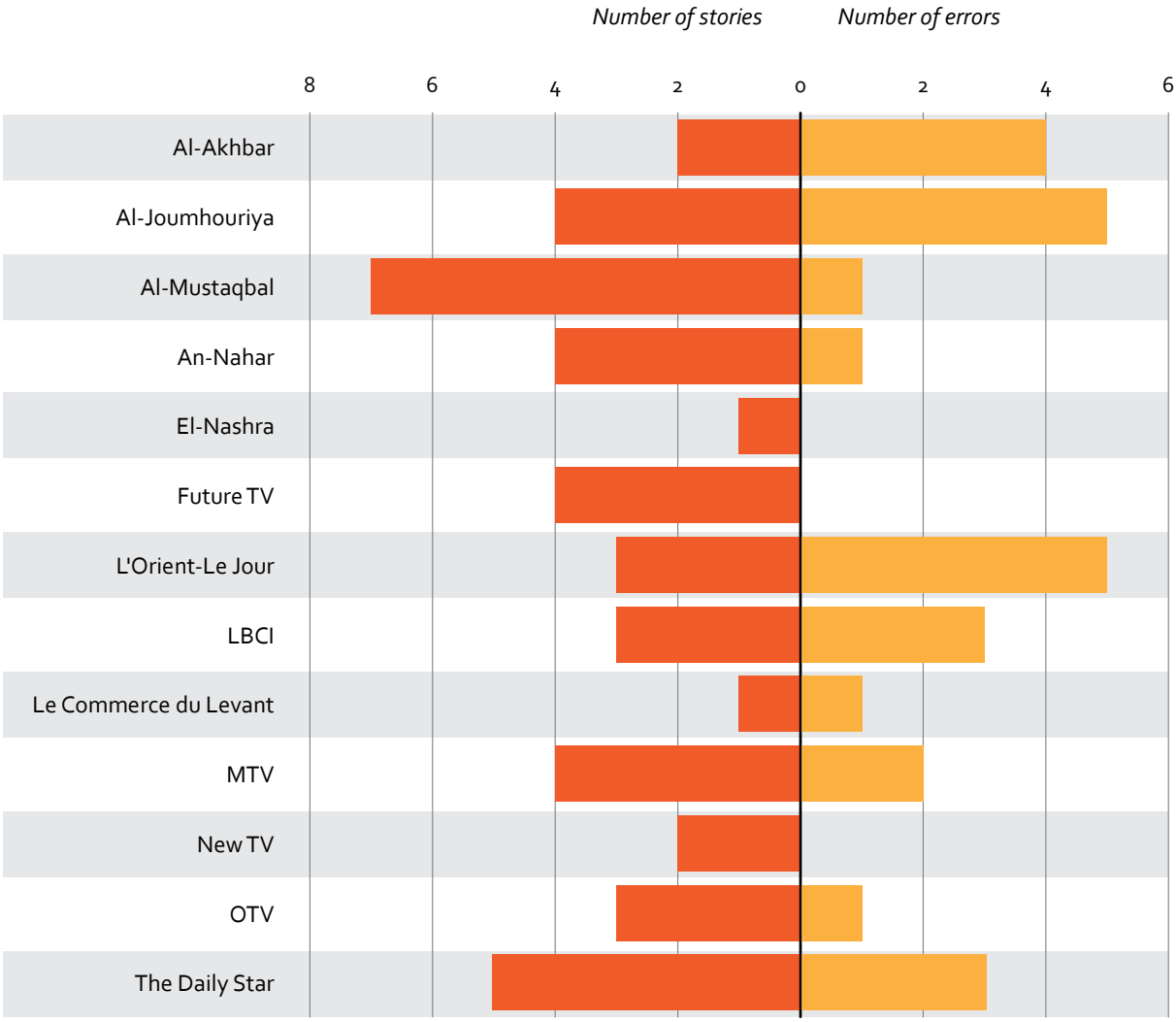
Figure 3. Number of stories by category



Unsurprisingly the topics covered revealed a large preference for "Politics" (27 out of 43 stories) and "Legislation" (25 stories), since the media's oil and gas production over these few days was almost entirely dedicated to covering the news of the adoption of two pieces of legislation. The "Tender process" was covered 18 times. A stark change when taking into consideration that, in our second report, covering two months and a half of media production between February and April 2016, the "Tender process" was only covered four times. Once again, "Governance and Transparency" was widely addressed (16 stories), reflecting concerns about corruption and mismanagement in the sector. Other topics were also addressed but less widely covered: "Economics, finance and markets" (four stories); "Maritime border dispute" (three stories); and "Exploration" (two stories).

Note that since stories can cover several topics, the overall numbers reported in Figure 3 exceed the total number of stories evaluated during the monitoring period.

Figure 4. Number of stories and errors by outlet



Errors

In the 43 stories selected and evaluated during the monitoring period, we identified 26 errors. The average error per story is 0.60, matching the average error per story in our last monitoring report.

In previous editions of our report, journalists struggled to put a number on Lebanon's potential oil and gas wealth. Of the 26 mistakes identified in our monitoring, only two inaccurately reported the most common estimates about Lebanon's offshore potential, and both mistakes (one by L'Orient-Le Jour and the other by Le Commerce du Levant) confused the two most commonly used units to estimate the size of resources, trillion cubic feet (tcf) and billion cubic meters (bcm).

By far, the most common mistakes in this edition were related to the legal framework and the governance structure. Some of these mistakes were made by politicians commenting on the news of the adoption of the two decrees and not by the journalists who were simply reporting the major reactions to this event. Among the recurring mistakes in this category was the assumption that the legal framework governing the first licensing

round was now complete, after the two decrees have been approved. In fact, a very important piece in this framework is still missing: the Petroleum tax law. In theory, existing legislation could apply to petroleum activities. But officials have repeatedly asserted that a new tax law is under consideration (it has passed all preliminary stages but still needs to be approved by Parliament), insisting on the need to pass it early ahead of the closing of the tender.

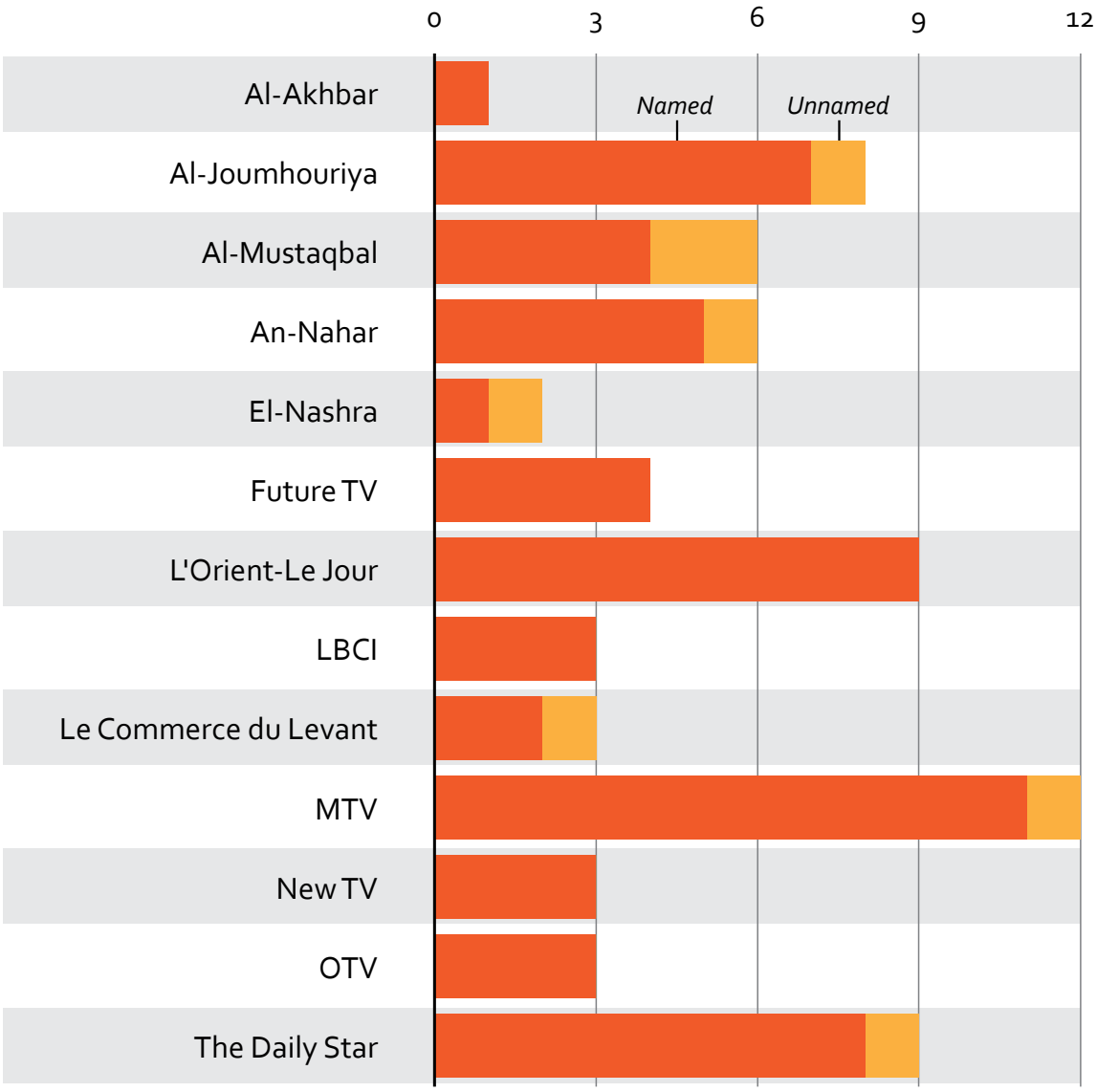
Also among the mistakes in this category was the claim (by various officials) that the Minister of Energy holds "exclusive" or "exceptional" powers in managing the sector. In fact, the Council of Ministers is the central body in terms of governing the oil and gas sector. Most of the decisions suggested by the Minister require the approval of the Council of Ministers.

The argument that was most commonly voiced by politicians or experts opposed to – what they called the swift – adoption of the two decrees, and as a result swelling the number of mistakes in the media coverage, was that the decrees omitted the creation of a national oil company or a sovereign wealth fund. Not surprising, since the purpose of the decrees was to delineate offshore blocks, and set out the tender protocol and model exploration and production agreement. In addition, it is not true, as some have claimed, that these two institutions – the national oil company and the sovereign wealth fund – have been abandoned. The Offshore Petroleum Resources Law clearly states that revenues arising from petroleum activities will be placed in a sovereign wealth fund. As for the national oil company, the law is less assertive, though it calls for establishing one "when necessary and after promising commercial opportunities have been verified," which rules it out of the first licensing round.

Other mistakes in this category included the estimation of the overall government take, which is not fully known at this stage as it will depend on the offer presented by the companies in the bid round.

It is worth noting that 27 out of the 43 pieces monitored did not include any mistake.

Figure 5. Number of sources



Sources

Journalists were very keen on backing up their stories by resorting to sources, whether named or unnamed.

However, on its own, the number of sources in a piece does not necessarily ensure high-quality coverage. Another important element to take into consideration is the reliability of the source. In our 2014 report, we noted that a large number of mistakes was attributed to sources, not to the authors of the oil and gas pieces evaluated. We noticed an improvement in our 2016 report, when only five out of the 40 errors detected overall were attributed to sources. But in our latest monitoring, almost half of all mistakes made (12 out of 26) were attributed to sources. The word "sources" means to a reference person or institution that journalists resort to in order to back up their stories, or to public officials journalists are reporting on. Of the 12 mistakes attributed to sources, nine were made by politicians in public statements, which were not subsequently corrected or flagged as such by the media outlet.

Major Trends and Recommendations

We noticed that the most common mistakes during this period were related to the legal framework and the governance structure, reflecting a limited understanding of these issues.

- **We recommend journalists covering the oil and gas sector to familiarize with the basics of the sector.**
- **Technical support may be needed to provide further training to Lebanese journalists.**

Almost half of the mistakes identified were attributed to sources, and most of these were made by public officials.

- **Journalists should not take what politicians, public officials or experts say at face value. Always be critical and double-check statements.**
- **Do not hesitate to seek better sources.**

Only six interviews were identified during this monitoring period, although we were dealing with pieces of legislative the general public is not familiar with. None of these interviews were published in newspapers.

- **More interviews with informed experts would be a valuable addition, especially in newspapers and magazines. Interviews are an occasion to seek an expert point of view on a subject and explain sometime complex issues.**

Once again, we noticed an obvious preference for news coverage. While not surprising considering the subject of our monitoring – the passing of the two decrees by the government – an(y) event is an occasion to bring the topic to the fore, shed light on its various aspects, and explain it to a wider audience.

- **We recommend journalists and media outlets to go further than simply covering the news. We believe diversifying the types of stories can contribute to a better coverage of the oil and gas sector and is certainly more valuable for the audience.**

Appendix

List of Articles and News Stories

Date	News outlet	Title
1/4/2017	OTV	نشرة الأخبار المسائية
1/4/2017	New TV	نشرة الأخبار المسائية
1/4/2017	LBCI	نشرة الأخبار المسائية
١/4/2017	MTV	نشرة الأخبار المسائية
1/4/2017	MTV	برنامج «بموضوعية»
1/4/2017	El-Nashra	قرارات حكوميّة سريعة والعبرة في التنفيذ...
1/4/2017	Future TV	نشرة الأخبار المسائية
1/5/2017	Le Commerce du Levant	Gaz offshore : la première phase porte sur cinq des dix blocs de concessions maritimes.
1/5/2017	L'Orient-Le Jour	Hydrocarbures offshore : l'attribution des licences d'exploration par le Liban sera
1/5/2017	L'Orient-Le Jour	Le gouvernement débloque le dossier du gaz offshore
1/5/2017	L'Orient-Le Jour	Joumblatt à « L'OLJ » : Je m'oppose au piratage officiel et organisé de nos ressources pétrolières
1/5/2017	المستقبل	الحريري لتسريع مشاريع بيروت.. والمجلس البلدي يعلن أجندة الإنجازات نهاية الجاري – «استعادة الثقة» تضع لبنان على خارطة دول النفط
1/5/2017	النهار	جنبلاط يهزّ الإجماع: صفقة على النفط
1/5/2017	النهار	رسائل الانطلاق الإيجابية بإقرار مرسومي النفط... ماذا يظللها؟
1/5/2017	النهار	مجلس وزراء منتج أقر مرسومي النفط وعيّن بديلين من يوسف
1/5/2017	LBCI	برنامج «نهاركم سعيد»
1/5/2017	MTV	نشرة الأخبار المسائية
1/5/2017	OTV	نشرة الأخبار المسائية
1/5/2017	المستقبل	عون والحريري أشادا بتضامن اللبنانيين مع ضحايا إسطنبول وقيام الدولة بواجبها الوطني مجلس الوزراء يقرّ مراسيم النفط ويعيّن مديرَين عامّين لـ «أوجيرو» و«الإستثمار»
1/5/2017	المستقبل	«المستقبل» تنشر أبرز ما جاء في مشروع القانون الضريبي على النفط: غرامات على مخالفات الشركات وضريبة على أرباحها بنسبة 25
1/5/2017	Future TV	برنامج «كلام بيروت»
1/5/2017	الجمهورية	مانشيت:إقرار مرسومَي النفط وإعفاء يوسف... ودعوة قرعة الى «مجلس الدفاع»
1/5/2017	New TV	الحدث – حسن مقلد
1/5/2017	The Daily Star	Lebanon step closer to becoming energy producer
1/5/2017	The Daily Star	Five oil blocks to be offered for bidding: Energy Minister
1/5/2017	The Daily Star	Breakthrough for Lebanon
1/5/2017	The Daily Star	Cabinet paves way for energy exploratio
1/5/2017	OTV	برنامج «حوار اليوم»
1/5/2017	Future TV	نشرة الأخبار المسائية
1/6/2017	الأخبار	الغاز في لبنان: أعمال الحفر (قد) تبدأ بعد 3 سنوات

Date	News Outlet	Title
1/6/2017	الأخبار	إمرار مراسيم النفط والغاز: ظل من الشك على شفافية عملية صنع القرار في لبنان
1/6/2017	النهار	إقرار مرسومي النفط يفتح الطريق لدورة التراخيص الأولى في المياه البحرية
1/6/2017	الجمهورية	لقاء الجمهورية: المعايير الدولية «ضرورة نفطية» والنسبية ضمانة جميع القوى
1/6/2017	المستقبل	سفيرة هولندا زارته مودعة وأبلغته دعم بلادها للبنان – الحريري يرأس اجتماعات لجان «الميكانيك» و«الموارد البترولية» و«الأحكام الضريبية»
1/6/2017	المستقبل	«الوفاء للمقاومة»: إقرار المرسومَين بداية حكومية مشجّعة
1/6/2017	المستقبل	خوري: لا أجندة مخبأة خلف المراسيم الأخيرة
1/6/2017	المستقبل	كشف استمرار الوساطة الأميركية في ملف النفط وتحدث عن تعديلات على الإجراءات الضريبية أبي خليل: مشروع قانون الصندوق السيادي سيكون جاهزاً قريباً
1/6/2017	Future TV	برنامج «كلام بيروت» مع النائب السابق الدكتور صلاح حنين
1/6/2017	الجمهورية	إطلاق مناقصة وتلزيم الغاز: لماذا الآن؟
1/6/2017	الجمهورية	قانصوه لـ«الجمهورية»: روائح صفقة في ملف النفط والحصص للطوائف
1/6/2017	The Daily Star	Gas exploration bids to open on five blocks

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