

How member states ensure the legal, financial, technical and other appropriate conditions required to enable public service media to discharge their remit

Compilation of good practices

**Group of Specialists on Public Service Media
in the Information Society (MC-S-PSM)**

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**Report prepared by the Group of Specialists
on Public Service Media in the Information Society (MC-S-PSM), November 2008**

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Édition française : *La manière dont les États membres garantissent les conditions juridiques, financières, techniques et autres nécessaires pour permettre aux médias de service public de remplir leur mission*

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Executive summary

The Council of Europe has addressed the sensitive issue regarding the need to ensure legal, financial, technical and other appropriate conditions required to enable public service media to discharge their remit in Recommendation Rec (2007) 3 of the Committee of Ministers to member states on the remit of public service media in the information society. The recommendation maps out the main challenges and opportunities of re-designing the remit in order to adapt it to the new technological and socio-cultural contexts.

Today one should be aware that the audience of traditional broadcasting is shrinking and that audiences, notably young people, tend to use more and more new media and interactive services. To face this crucial challenge, PSM should benefit from adequate conditions.

Regarding legal conditions, the PSM remit should be extended to significant new platforms in order to enable PSM to reach its audience and therefore to fulfil its tasks on them as well and avoiding a situation where PSM remain stuck in traditional broadcasting while their audience is moving away.

Concerning financial conditions, member states have to guarantee that public service media receive necessary financial means to carry out their remit. The independence of the PSM requires financial independence, which includes a guarantee of continuity of service, adaptation to the new needs of society and to the new media environment, as well as the capacity to plan activities in the long term. Consequently, specific attention should be drawn to the risk of under-compensation as well as over-compensation.

As to the technical conditions, PSM will need a number of technical elements to fulfil their mission such as HDTV or mobile TV. To ensure the lowest costs and maximum choice for viewers and listeners, member states should adopt common technology standards across Europe for digital TV and radio. Most states take very little part today in standardisation studies, which are consequently fragmenting, and this is not in Europe's interests.

In order to ensure a structured and complete picture of the current situation in member states and to provide a representative number of good practice examples, this report focuses on

the following main topics: (a) the legal definition of the public service remit in the member states, taking into account the recommendation as well as the evolution of the media sector and the technological conditions; (b) the financial conditions of PSM; (c) the technical conditions of PSM; and (d) the practical implementation of the remit, especially regarding new media and new communication instruments. Finally, given the need for enhanced legitimacy for PSM in the new media environment and competition law pressures, the report is examining an additional element regarding transparency and accountability of PSM. Member states and PSM themselves still mostly adhere to traditional mechanisms to ensure transparency and accountability of PSM, most importantly the use of governing structures to achieve this goals. Regular reporting by PSM and regular controls by external regulators are as well on the increase. This can also be traced back to the need for enhanced legitimacy for PSM in the new media environment and to competition law pressures.

Introduction

Mandate and work of the group

The terms of reference of the Group of Specialists on public service media in the information society (MC-S-PSM) include the task of gathering information on how member states ensure the legal, financial, technical and other appropriate conditions required to enable public service media to discharge their remit in the information society in the light of relevant Council of Europe standards and prepare a compendium of best practices with a view to its broad dissemination (cf. item 15 of the Kyiv Action Plan).

In order to establish the report, the group, in its first meeting of 2007, developed a questionnaire based on the main elements of the Recommendation

on the remit of Public Service Media in the Information Society (see Appendix 1 to this report page 43). The responses to this questionnaire – handed in by 23 member states – (see Appendix 2 to this report, page 47) and an executive summary prepared by a Council of Europe consultant formed the basis of a discussion at the second meeting of the Group in 2007, where the basic structure of the report was debated and decided. In order to gather more substantial information, the Council then commissioned a further expert enquiry into the subject, undertaken by Ms Evelyne Lentzen.

At the CDMC meeting in November 2007, it was decided, at the PSM

group's request, that the group should deal with the issue of the transparency of Public Service Media within the framework of its report on the legal, financial, technical and other appropriate conditions. In order to gather the necessary information, a separate questionnaire was devised by the group (Appendix 3 to this report, page 48) and several answers from member states were received.

The first draft of the present report – prepared by an ad-hoc working group consisting of Austria, Germany, Switzerland and the European Broadcasting Union with the support of the Secretariat – was presented and discussed at the group's first meeting of 2008. A revised and expanded draft

was prepared for the group's second meeting of 2008. Its substance draws mainly from the member states' responses to the group's questionnaires as well as executive summaries thereof prepared specifically for the group and Ms Lentzen's report. In addition, various additional information and background has been drawn from previous reports such as the Council's report "Public service media in the information society" (prepared by Christian S. Nissen, H/Inf (2006) 3) and the European Audiovisual Observatory's IRIS special report "The Public Service Broadcasting Culture".

Content and structure of the report

Committee of Ministers' Recommendation CM/Rec (2007) 3 to member states on the remit of public service media in the information society is the most recent and complete Council of Europe standard-setting document on the matters dealt with in the present report. While the report should not be understood as an implementation report of the Recommendation – seeing that it was only adopted at the beginning of 2007 and so too little time has passed to allow for an objective appraisal of implementation or even for genuine efforts by the Member States to implement it – the topics covered by the Recommendation are much reflected in the group's mandate and formed the basis of the questionnaire sent out to member states. They therefore also lay out the ground for the present report. However, in order to ensure a structured and complete picture of the current situation in member states and to provide a representative number of good practice examples, as well as to take account of the great range of issues addressed by the recommendation, the group has initially decided to focus on four main topics, namely:

- ▶ the legal definition of the public service remit in the member states, taking into account the recommendation as well as the evolution of the media sector and the technological conditions;

- ▶ the practical implementation of the remit, especially regarding new media and new communication instruments;

- ▶ the financial conditions of Public Service Media;

- ▶ the technical conditions of Public Service Media.

The structure of the report reflects these topical priorities: it is divided into four parts, each dealing with one of the issues mentioned. A further part addresses the additional issue of the transparency of Public Service Media, reflecting the modified group mandate as a result of the CDMC's deliberations at its November 2007 meeting. The report ends with a small number of general conclusions.

The recommendation

Recommendation CM/Rec (2007) 3 to member states on the remit of public service media in the information society introduces the concept of Public Service Media as an evolution from the better-known concept of Public Service Broadcasting, noting that

the public service remit is all the more relevant in the information society and that it can be discharged by public service organisations via diverse platforms and an offer of various services, resulting in the emergence of public service media, which, for the purpose of this recommendation, does not include print media.

In accordance with the group's terms of reference, the concept of Public Service Media also underlies the present report.

The Committee of Ministers of the Council of Europe recommended to the member states a variety of measures to adapt the remit of public service media to the necessities and constraints of the information society and thus to enable them to keep and strengthen, in a very dynamic and challenging media and technological environment, their important role as an important part of the media landscape and the possibility to continue to fulfil their public-interest tasks as defined, among others, in several Council of Europe documents.

In particular, member states were urged to set "a clear remit for public service media, and [to enable] them to use new technical means to better fulfil this remit and adapt to rapid changes in the current media and technological landscape, and to changes in the viewing and listening patterns and expectations of the audience."

They should therefore "include [...] provisions in their legislation/regulations specific to the remit of public service media, covering in particular the new communication services [...]", thus enabling "public service media to respond fully and effectively to the challenges of the information society" as well as ensuring "that universal access to public service media is offered to all individuals and social groups [...] through a range of technological means", while "respecting the public/private dual structure of the European electronic media landscape and paying attention to market and competition questions."

Among the more detailed elements of the recommendation, it might be pointed out that the "remit should be performed with the use of state-of-the-art technology appropriate for the purpose." The main elements of what constitutes the public service media (PSM) has not changed and encompasses, as has been spelt out in Resolution No. 1 on The Future of Public Service Broadcasting, adopted at the 4th European Ministerial Conference on Mass Media Policy (Prague, 7-8 December 1994):

- ▶ a reference point for all members of the public, offering universal access;

- ▶ a factor for social cohesion and integration of all individuals, groups and communities;

- ▶ a source of impartial and independent information and comment, and of innovatory and varied content which complies with high ethical and quality standards;

- ▶ a forum for pluralistic public discussion and a means of promoting broader democratic participation of individuals;

» an active contributor to audiovisual creation and production and greater appreciation and dissemination of the diversity of national and European cultural heritage.

The public service remit in the information society – challenges and opportunities

The recommendation maps out the main challenges and opportunities of re-designing the remit in order to conform to the necessities of the information society. The main goals of PSM have not changed from traditional public service broadcasting, but the technological evolution and the multiplication both of technical media platforms and of new kinds of media in a functional sense (user-generated content, blogs, pods and the like) mean that the role of PSM has to be accomplished in a very different environment from the past. Also, the variety of commercial operators that are or seek to be active in these different markets is very much larger than the traditional commercial TV and radio operators,

meaning that competition issues have become much more relevant.

On the first account, member states need to be aware, when defining their PSMs' remit that the audience of traditional broadcasting is shrinking and aging and that new and younger audience groups tend to use new electronic kinds of media, such as the internet and increasingly sophisticated mobile services going beyond the traditional telephony/messaging mode. At the same time, media consumption is fragmenting and it will in future be no longer possible to reach all or even a large part of the audience via a single offer such as in the past via TV and radio. Considering one of the core PSM missions highlighted in the Recommendation, namely being a reference point for all members of society and fostering social cohesion and integration, this makes PSM's tasks arguably more difficult.

On the second account, the lack of a "natural" restraint of PSM activity in the digital age – this restraint was in

the past provided by the limited number of analogue frequencies, generally leading to mixed- or generalist radio and TV channels – as well as the increasing overlap of traditionally different media (e.g. TV and written press) when acting in new markets foster fears of distortion of competition by publicly funded PSM. These fears are addressed, especially at EU-level, by the application of competition rules, leading both to a more detailed remit than in the past, new restrictions on activities and additional procedural guarantees such as public values tests, as well as to an increasing commitment to the traditional values of public service media. While addressing legitimate competition issues and possibly providing for increased legitimacy of PSM themselves, these rules also carry the risk of restricting the scope of PSM activities excessively, thus endangering their continuing relevance in the new media environment.

The public service remit in the information society: legal definition

General situation concerning the remit in the member states

As a general rule, the responses received by the Council of Europe from member states as well as other sources (especially the IRIS special report "The Public Service Broadcasting Culture") show that member states are increasingly taking into account the need of public service broadcasters to provide their public service offer on new media platforms when defining the remit. However, the exact definition of the remit varies widely and ranges from a very general permission of PSB to use new media when implementing their remit – often only seen as a complement to traditional broadcasting duties – to detailed, often two-step definitions of the remit addressing different platforms in different ways and generally providing various material

and procedural safeguard (such as the BBC's Public Value Test) to ensure that PSB/PSM can take advantage of the new technological possibilities to fulfil their mission as entrusted on them by the legislator and at the same time avoid an uncontrolled expansion of public service activity to areas where no public service interest is at stake and where viable commercial operations might be endangered (thus, in accordance with the Recommendation, making it clear that a viable dual system of public service and private media is in the public's best interest).

No doubt related to the need to define the public service remit more precisely – in order to limit adverse effect on private competitors and partially due to EC State Aid rules as enforced by the European Commission – several examples of member states can be identi-

fied where the public service media remit is defined in a two- or multiple-step way, with a general remit generally defined by the Legislator and more precise regulations defined or agreed upon at another level – by the Legislator again, by the administration, by agreement between the state and the PSM organisation through a contract or using self- and co-regulatory instruments (the PSM organisation establishing implementation documents to the remit).

A very limited number of responses point to the development of new public service media actors and initiatives involving a more local level and especially local communities.

As regards the actual scope of the remits, the responses to the questionnaire from the member states have brought the following answers.

Currently an important number of PSBs are allowed or obliged to offer *online or other new communication services* as part of their remit. This is the case for **Austria** where online offers must be related to broadcasting activities, with the exception of its sport channel dedicated primarily to less-attractive sports (here online information can only relate to the channel itself). In **Denmark**, the overall public service activities shall provide, via television, radio and Internet or similar, a wide selection of programmes and services comprising news coverage, general information, education, art and entertainment. Public service content (text, sound and images) must meet the cultural, social and democratic needs in the Danish society, on all relevant technological platforms.

In **Portugal**, although without specific references to new communication services, the present public service concession contract obliges the public service concessionaire to introduce technological innovations resulting from specific commitments, recommendations or decisions of international organisations of which the public service concessionaire is a member, and which improve the efficiency and quality of the public service rendered. In the **Czech Republic** the PSBs (radio and TV) are obliged to fulfil the prescribed public service tasks by developing and providing innovative services and by making use of technological progress. The newly amended laws on Czech Television and the Czech Radio has expanded the remit from traditional television or radio channels, to include provisions for digital channels which can be accompanied by additional services and multimedia content to be provided within the common public service media multiplex.

In **Belgium** (Flanders) the VRT closely follows technological developments, so that when necessary, it can also offer its programmes to viewers and listeners via new media. The VRT management agreement has rules relating to technological developments in new communication services, including the task of reaching the largest possible

number of media users with a diversity of high quality programmes which attract and meet the interests of the media users: information, culture, educational and entertainment sectors.

Croatian laws also provide reasonable flexibility for the development of new communication services enabling new services in both traditional broadcasting and the new media landscape. The **Spanish** public service broadcasters are classified in terms of their coverage, into state-owned (RTVE), regional and local (public city council televisions). The national PSB is legislated under a law from 2006, including provisions intended to facilitate the availability of instruments which would permit the development and adjustment of this broadcaster to the new technological environment, such as the development of Digital Terrestrial Television and new interactive services. When the regional regulations about PSB have been approved, they will also provide for the development of new communication services.

In **Sweden**, in order to develop and strengthen their broadcasts, the companies are allowed and encouraged to carry on complementary activities, such as services on the Internet. The licence fee funding shall finance broadcasting services as well as the new services designed to complement these. In the **United Kingdom**, the BBC has the power to introduce new services without the need for Government approval (although the Government can impose a procedural veto if the correct processes have not been followed). The BBC Trust has the regulatory responsibility of ensuring that new services promote the public purposes of the BBC.

The **Finnish** YLE is responsible for the provision of comprehensive television and radio programming with the related additional and extra services for all citizens under equal conditions. These and other content services related to public service may be provided in all communications networks and must support democracy and everyone's opportunity to participate by providing a wide variety of information, opinions and debates as well as

opportunities to interact. The law also outlines how operations should be differentiated between the public service television and radio broadcasting and other public service operations for accounting purposes.

In the **Dutch** case, the law currently gives the PSBs the right to carry out two types of activities that must be approved by the regulator: one involves "side tasks" such as maintaining a website with specialised programs or providing a thematic radio channel, all within the scope of the public broadcasting mission; the other involves "sideline activities" such as making a magazine about programs, selling DVDs or hiring out facilities such as cameras or studio space. Sideline activities need to meet certain criteria: they cannot have a disadvantageous effect on the performance of the core mission; they need to be connected with the main tasks of the broadcasters; they must not lead to unfair competition in relation to other parties offering the same or comparable goods or services. A new media law is being developed, however, which states that:

"to keep up with and to stimulate technological developments, and to provide their services via new media and new distribution techniques is specifically the task of the public broadcasting service in the Netherlands".

Hence such services will become obligatory.

In some member states, a *public broadcasting system is currently just being established or planned*, so that it is probably too early to discuss the process of transformation into public service media. In the **Ukraine** measures concerning the creation of a public service broadcasting system are being carried out. The Parliament Committee for the freedom of expression and information and the National Commission for promotion of freedom of speech and development of the information sector have signed a Declaration of co-operation with a view of introducing public service broadcasting in the Ukraine. To fulfil the Declaration provisions, a working group has been set up having the task to elaborate the concept of public service

broadcasting in Ukraine. Public service broadcasting does not yet exist in **Russia**, but rather state-controlled and private media. A concept has been developed with regard to PSB, which must undergo the scrutiny of relevant federal ministries and agencies, approval by the Government and this eventually might be tabled for consideration by the Parliament.

The responses to the questionnaire also established *a number of public and community initiatives for the creation and financing of new types of PSM*. The **Lithuanian** response mentioned public foundations (supported by the state) that in turn support cultural and educational projects to be implemented in any kind of media. Specific examples were provided in relation to the **Netherlands**. The national government supports the development of public content and new types of software on the Internet. One project, Digital Pioneers, grants easily accessible small subsidies for the development of public content with themes like "learning", "community building", "living together" and "media", for small non-profit organisations. The aim is to promote debate, the formation of public opinion and the supply of information. The national government also supports, along with the cities of Amsterdam, Rotterdam, The Hague and Utrecht, the development of local public service media directed at youth in these cities, involving a local radio station where they can make their own programmes. The national government also supports the development of programmes on local and regional television in these cities for the largest migrant groups. In addition, local public broadcasting companies provide the possibility to broadcast programs for various social and/or cultural groups in society for a small fee.

Case studies

The following case studies have been chosen because they particularly reflect the main tendencies identified in the general observations above, namely a trend to define more detailed remits than in the past, very often in a two- and more-step ap-

proach, an endorsement for PSM activities using the new media and in most cases concern not to distort competition excessively and procedural rules to ensure this.

Case study 1: the BBC

The United Kingdom has a number of other broadcasters (including ITV, Channel 4, Five and S4C) with public service remits which are set out in legislation (Communications Act 2003) and monitored by the Office of Communications (Ofcom). This case study focuses on the BBC as its size, structure and governance differ significantly from other United Kingdom and European broadcasters.

General structure of the Public Service Remit

The BBC's Public Service Remit is, at its most general level, defined in a Royal Charter, the most recent being the 2006 Royal Charter for the continuance of the British Broadcasting Corporation,¹ in force from 2007. The Charter contains a very broad description of the remit but provides for it to be implemented by means of different instruments.

In particular, the Charter, in its section 49, stipulates that the BBC and the Secretary of State may conclude "Framework Agreements" on matters dealt with in the Charter and others that are not. The content of such agreements is not specified. Such a Framework Agreement was concluded in 2006 and entered into force in 2007.

The Charter also provides for the BBC Trust to set out the strategic priorities within each Public Purpose by setting purpose remits. Additionally, the Trust shall issue service licences for BBC services and monitor compliance with them.

General outline of the remit

The 2006 Royal Charter has a very broad definition of the BBC's Public Purposes:

» sustaining citizenship and civil society;

» promoting education and learning;

» stimulating creativity and cultural excellence;

» representing the United Kingdom, its nations, regions and communities;

» bringing the United Kingdom to the world and the world to the United Kingdom;

» promoting its other purposes, helping to deliver to the public the benefit of merging communications technologies and services and, in addition, taking a leading role in the switchover to digital television.

These Public Purposes should be promoted via the provision of

» output consisting of information, education and entertainment,

» supplied by means of television, radio and online services as well as "similar or related services which make output generally available and which may be in forms or by means of technologies which either have not been previously used by the BBC or which have yet to be developed".

The Public Service Remit as defined by the Charter is therefore very broad in its nature and with regard to output. It is also very open regarding the technological means of its execution, including new technologies and even those that do not yet exist.

In its Article 15, the Charter also requires the Trust to have regard to the purposes of public service television set out in the Communications Act 2003. SS 264 subs. of the Act state these purposes.

The 2006 Framework Agreement requires that for each Public Purpose, a remit must be set. This should include priorities and also specify how the BBC's performance will be measured. When developing or amending the remit, there shall be a public consultation.

The Agreement lists the following strategic priorities for the Public Purposes:

» promote understanding of the United Kingdom political system (including Parliament and the devolved structures), including through dedi-

1. http://www.bbccharterreview.org.uk/pdf_documents/Cm6925_BBCRoyalCharterFinal.pdf.

cated coverage of Parliamentary matters, and transmit an impartial account day by day of the proceedings in both Houses of Parliament;

- ▶▶ promote media literacy;
- ▶▶ sustain citizenship through the enrichment of the public realm;
- ▶▶ stimulate interest in, and knowledge of, a full range of subjects and issues through content that is accessible and can encourage either formal or informal learning;
- ▶▶ provide specialist educational content and accompanying material to facilitate learning at all levels and for all ages;
- ▶▶ enrich the cultural life of the United Kingdom through creative excellence in distinctive and original content;
- ▶▶ foster creativity and nurture talent; and promote interest, engagement and participation in cultural activity among new audiences;
- ▶▶ have a film strategy;
- ▶▶ have appropriate coverage of sport, including sport of minority interest;
- ▶▶ reflect and strengthen cultural identities through original content at local, regional and national level, on occasion bringing audiences together for shared experiences;
- ▶▶ promote awareness of different cultures and alternative viewpoints, through content that reflects the lives of different people and different communities within the United Kingdom;
- ▶▶ have regard to the importance of reflecting different religious and other beliefs;
- ▶▶ have regard the importance of appropriate provision in minority languages;
- ▶▶ make people in the United Kingdom aware of international issues and of the different cultures and viewpoints of people living outside the United Kingdom through news and current affairs and other outputs such as drama, comedy, documentaries, educational output and sports coverage;
- ▶▶ bring high-quality international news coverage to international audiences.

Technology, “new media” and “new communication technologies” as part of the BBC remit

The framework agreement includes a list of current BBC services (“United Kingdom Public Services” – this does not include the BBC World Service), including all television and radio channels. Among “new media”, the following existing services are mentioned:

- ▶▶ BBCi: interactive digital functions via TV, both in support of the other services and freestanding;
- ▶▶ <http://www.bbc.co.uk/>: a comprehensive online content service, with content serving the whole range of the BBC’s Public Purposes;
- ▶▶ BBC jam: a service providing interactive curriculum-based materials for learners aged 5 to 16 (service suspended and will close shortly.)

New services may be launched with the approval of the BBC Trust following completion of a Public Value Test.

The framework agreement requires the BBC to ensure that viewers, listeners and other users can access the Public Services in a range of convenient and cost effective ways which are available or might become available in the future, such as: broadcasting, streaming, making content available on-demand, whether by terrestrial, satellite, cable or broadband networks (fixed or wireless) or via the Internet. No charge is to be made for reception of the United Kingdom public services and associated content (except for the TV licence fee). However, this does not preclude the BBC from recovering from any person the cost of providing a service on demand or at that person’s explicit request.

An example for a BBC service licence, for [bbc.co.uk](http://www.bbc.co.uk), can be found at: http://www.bbc.co.uk/bbctrust/assets/files/pdf/regulatory_framework/service_licences/online/online_servicelicences/bbc_co_uk_servicelicence_30apr2007.pdf. This licence, established by the BBC Trust, regulates in greater detail the services bbc.co.uk should provide.

Case study 2: Bulgaria

General structure of the Public Service Remit

The Public Service Remit is defined by the Radio and Television Act.

General outline of the remit

Public-service radio and television broadcasters shall:

- ▶▶ provide for broadcasting political, business, cultural, scientific, educational and other socially relevant information;
- ▶▶ afford access to national and global cultural values and popularise the advances of science and technology by broadcasting Bulgarian and foreign educational and cultural programme services addressed to all age groups;
- ▶▶ ensure, through their programming policy, the protection of national interests, universal human cultural values, national science, education and culture of all Bulgarian citizens, regardless of their ethnic identity;
- ▶▶ encourage the creation of works by Bulgarian authors;
- ▶▶ encourage Bulgarian performing arts.

In particular, the Bulgarian National Radio (BNR) and the Bulgarian National Television (BNT) shall:

- ▶▶ ensure programme services for all citizens of the Republic of Bulgaria;
- ▶▶ assist the development and popularisation of Bulgarian culture and the Bulgarian language, as well as of the culture and language of citizens in accordance with their ethnic identity;
- ▶▶ afford access to the national and European cultural heritage through their programme services;
- ▶▶ insert informational, educational and entertainment broadcasts in their programme services;
- ▶▶ apply the new information technologies;
- ▶▶ reflect the diversity of ideas and convictions in society by means of a pluralism of viewpoints in each one of the news and current affairs broadcasts on political and business subjects;

- » foster mutual understanding and tolerance in relations between people;
- » afford citizens the opportunity to get familiar with the official position of the State on important issues in public life.

Technology, "new media" and "new communication technologies" as part of the remit

As regards technology, the following provisions are noteworthy:

Article 44

1. The radio and television programme services of the BNR and the BNT shall be broadcast by telecommunication means of their own or proceeding from a contract with a licensed telecommunications operator.

Article 45

1. The Bulgarian National Radio and the Bulgarian National Television shall introduce and provide new radio and television services.

2. The Bulgarian National Radio and the Bulgarian National Television shall create conditions for the broadcasting and application of digital and other new technologies in radio and television broadcasting activities.

Case study 3: Czech Republic

General structure of the Public Service Remit

The legal enactment of the Public Service Remit is divided into the following legal acts: Czech Television Act and Czech Radio Act. Czech Television and Czech Radio shall provide public service by creating and distributing television/radio programmes and prospectively also other multimedia content and supplemental services in the entire territory of the Czech Republic.

General outline of the remit

The main tasks of Czech Television and Czech Radio include, without being limited to:

- » provision of objective, verified and generally balanced and compre-

hensive information as may be needed for opinions to be freely formed;

- » contributing to legal awareness among the citizens of the Czech Republic;

- » creating and disseminating programmes and providing a well-balanced offer of programme units for all groups of population with respect to the freedom of their faith and conviction, culture, ethnic or national origin, national identity, social origin, age or gender so that the programme units reflect the diversity of opinions and political, religious and philosophical orientations and artistic trends, with a view to promoting mutual understanding and tolerance and supporting coherence of the plurality society;

- » developing the cultural identity among the citizens of the Czech Republic, including members of national or ethnic minorities;

- » producing and broadcasting news and political/public programme units, documentaries, art, drama, sports, entertainment and educational programming, and programmes for minors.

Technology, "new media" and "new communication technologies" as part of the remit

Since the adoption of the amendment to these acts in the year 2005 the remit has changed with regard to new technological possibilities. Apart from the analogue channels Czech television shall operate two new digital channels which can be accompanied by additional services and multimedia content and Czech Radio shall provide three new digital channels accompanied by additional services and multimedia content. These services shall be provided within the common public service media multiplex.

These laws also refer to a general task to support the development in the field of new transmitting technologies and services. This enables the public service media to test new technologies and services and use new media opportunities.

Both media are obliged to fulfil the prescribed public service tasks by de-

veloping and providing innovative services and by making use of technological progress. The media have been entrusted with the task to take part in the process of digital switch over, their remit has been extended in order to provide new digital channels and accompanying services and multimedia content. However it is up to the media themselves to decide what content and form of services it would be. All this must be done in the light of their public service mission which is defined in their respective laws.

Case study 4: Switzerland

General structure of the Public Service Remit

The 2006 Radio and Television Act defines the Public Service Remit of SRG, the Swiss Public Service Broadcaster. A (recently renewed) concession contains further details of SRG's remit.

General outline of the remit

Article 24 of the Radio and Television Act states that SRG shall

- » provide Radio and Television programmes for all three language groups on an equal basis;

- » promote understanding, cohesion and exchange between the different parts of the country, language groups, cultures and societal groups;

- » promote the relationship between Switzerland and Swiss citizens living abroad as well as the presence of Switzerland and the understanding for its concerns in the world.

Thereby, SRG participates in:

- » the free formation of public opinion through extensive, diverse and accurate information, *inter alia* about political, economic and social issues;

- » cultural expansion, the strengthening of cultural values and the promotion of Swiss culture;

- » education of the public;

- » entertainment.

Details of the remit are included in the SRG's recently renewed concession. Among others, the concession regulates the exact number of radio and

television schedules as well as the extent of the remaining journalistic offer required to fulfil the remit on a language-specific regional, national and international level and financed through fees.

The concession contains a detailed list of radio and TV programmes that SRG must provide and specifically mandates their transmission also via digital terrestrial means (DAB and DVB-T respectively). Among others, SRG may provide a German language information channel consisting of programmes that have already been broadcast on the other channels.

Technology, "new media" and "new communication technologies" as part of the remit

Apart from the already mentioned digital transmission of programmes, SRG may "broadcast" one German-language, one French-language and one Italian-language programme via the internet consisting of updated information and programme information, without advertising or sponsoring. The concession also specifies that SRG may transmit all its radio and TV programmes via web-streaming (Art. 9). Art. 10 states that SRG may provide its programmes for free over the internet for a period of 5 days after the date of broadcast. Following that period, SRG may allow access to its programmes via an archive or on data carriers, charging cost-covering fees for non-commercial use and market prices for commercial use of the material. It may also provide those programmes that have been developed in co-operation with Swiss film-makers and have already been broadcast by SRG as on demand-services at market prices, the income being used for further co-operation with film-makers.

The concession specifies the nature and extent of further public service-offers by SRG: These are online services, teletext, an international service and supplemental information on programmes. Details about online services are described in Art 13 of the concession.

Online services shall contain:

▶ multimedia contributions with a direct relation (time- and content-wise) to a broadcast;

▶ background and contextual information that have been used as a basis for broadcasts;

▶ information on basic knowledge in relation to educational broadcasts as far as it is useful for the fulfilment of the remit;

▶ discussion fora in relation to broadcasts as well as games without independent relevance.

Case study 5: Spain

General structure of the Public Service Remit

Public service broadcasters, a large number of additional entities provide public service broadcasting at regional and local level. The regional public service television broadcasters are monitored and regulated by the corresponding Regional Communities. In the following, only the remit of the national PSB RTVE shall be dealt with.

The general outline of RTVE's remit is regulated in the National Radio and Television Act (Ley de la radio y la televisión de titularidad estatal). Article 4 of the Act specifies that Parliament will approve a regulatory framework (mandato-marco) detailing RTVE's remit and valid for nine years each. By way of contract (contrato-programa) between the government and RTVE, valid for three years, these regulations will be further detailed.

General outline of the remit

The National Radio and Television Act (Ley de la radio y la televisión de titularidad estatal) gives the following remit for RTVE.

The objectives of national PSB are the production, edition and diffusion of a variety of channels of radio and TV with diverse and balanced broadcasting for all kinds of audiences, covering all genres and designed as to cover demand for information, culture, education and entertainment of Spanish society, strengthen its identity and cultural diversity; forwarding Information Society, promote pluralism, participa-

tion and other constitutional values and guaranteeing access of significant social and political groups.

Public Service Broadcasting includes content production as well as the production and diffusion of generalist and specialist channels, freely accessible or encrypted, on a national and international level, as well as offering internet and interactive services with the aim of fulfilling the objectives of PSB.

The Act then proceeds to define 18 different aspects of the remit.

Technology, "new media" and "new communication technologies" as part of the remit

As already mentioned, the remit defined by the National Radio and Television Act includes various channels as well as internet and interactive services.

The mandato-marco of 13 December 2007 (to be found e.g. at http://www.senado.es/legis8/publicaciones/html/maestro/index_CG_A470.html) contains the following elements with respect to the new technologies:

Article 19 states that RTVE shall contribute to the development of Information Society and will participate in technological progress through the use of different technologies and diffusion platforms. It shall also develop new internet or interactive services which are capable of enhancing and complementing its programme offer. It will promote the citizens' participation in news production and in the public life, and it will approach the Public Administration Services to the citizens.

Art 30 defines RTVE's TV offers. Besides the "classic" multi-purpose channels, it foresees a number of specialised channels via DTT (three channels) and satellite (2 channels). The draft states that from 2010, a 24-hour news programme, a sports programme and a children's programme shall be provided via DTT. This offer can be supplemented by further channels. RTVE shall also promote high-definition TV.

In all its offers RTVE shall endeavour to use information society media and platforms. During the first "contrata-

programa" period, measures shall be taken to ensure RTVE's presence on IPTV as well as mobile platforms, taking care of ensuring an offer that is especially attractive for young audiences.

Article 31 of the draft obliges RTVE to put into service a multimedia, interactive platform that progressively offers on-demand and interactive content, especially using IP protocols, "classical" Internet and mobile services.

RTVE shall also ensure that its archives be searchable and accessible via fixed and mobile networks (Article 52).

Case study 6: Denmark

This case study focuses on DR which is Denmark's only nationwide public service broadcaster financed by licence fee.

General structure of the Public Service Remit

Public service broadcasting is in Denmark organised on two levels – nationwide and regional coverage.

Nationwide coverage consists of DR's nationwide radio and television transmissions and TV 2/DANMARK A/S's nationwide television transmissions. DR (Denmark's Radio) and TV 2/DANMARK A/S are the Danish national broadcasters. DR is a self-regulating public broadcasting agency and TV 2/DANMARK A/S is a limited liability company wholly owned by the Danish State.

DR is responsible for two public service television channels and a number of public service radio channels. TV 2/DANMARK A/S operates the public service television channel TV 2 as well as a number of commercial channels. DR is financed almost exclusively by licence fees, while TV 2/DANMARK A/S is financed by advertising revenue and other income.

Regional coverage consists of eight regional TV 2 television companies along with DR's nine regional radio stations.

DR, TV 2/DANMARK A/S and the regional TV 2 television companies recognize certain public service responsibilities.

The Danish Radio and Television Broadcasting Act is the main legal instrument governing the remits of the various public service media providers. Details of the public service remit of DR are regulated in a public service contract with the Minister for Culture.

General outline of the remit

Section 10 of the Danish Radio and Television Broadcasting Act stipulates that the overall public service activities shall provide, via television, radio and Internet or similar, the Danish population with a wide selection of programmes and services comprising news coverage, general information, education, art and entertainment. Quality, versatility and diversity must be aimed at in the range of programmes provided. In the planning of programmes freedom of information and of expression shall be a primary concern. Objectivity and impartiality must be sought in the information coverage. The programming shall ensure that the general public has access to important information on society and debate. Furthermore, particular emphasis shall be placed on Danish language and culture. The programming shall cover all genres in the production of art and culture and provide programmes which reflect the diversity of cultural interests in Danish society.

The public service purposes of DR are specified and listed in the public service contract.

According to the contract DR is committed to providing the general Danish public with a wide range of programmes and services, comprising news coverage, general information, education, art and entertainment, via television, radio and Internet or the like.

In the programmes and services offered, DR shall:

- ▶ Strengthen citizens' capacity and efficiency in a democratic society
 - DR shall provide access to important information on society and debate.
 - DR shall through programme content and services encourage par-

ticipation in the public debate and the democratic process.

- DR shall contribute to popularisation of the new digital media by creating new programmes and information services likely to make viewers, listeners and users familiar with the technology, thereby inspiring them to use it.

▶▶ Reflect Denmark and the Danes

- DR shall provide a broad social coverage of Denmark, thereby reflecting the diversity of culture, philosophy of life and living conditions in different regions of the country.

- DR shall place particular emphasis on Danish language and Danish culture.

- DR shall contribute to preserving and developing the Danish language through an active language policy, so that the Danish language heard, seen and experienced by listeners, viewers and users is correct and understandable.

- DR shall contribute to promoting integration.

▶▶ Stimulate creativity and culture

- DR shall place particular emphasis on its role as initiator and provider of Danish art and culture, including the Danish cultural heritage.

- DR shall enrich Danish culture with original content.

▶▶ Promote knowledge and understanding

- DR shall stimulate Danish interest in and knowledge of a wide range of subjects and areas through easily accessible and well-presented content.

- DR shall increase Danish knowledge and understanding of the surrounding world, international affairs and other cultures and viewpoints, including providing a general presentation of European culture and history.

Technology, "new media" and "new communication technologies" as part of the remit

Worthy of note in the present context, the public service contract for DR requires DR to offer public service content – i.e. content by way of text, sound and images meeting cultural, social and democratic needs in the

Danish society – on all relevant technological platforms. DR shall focus on the production of public service services specifically developed for such platforms.

DR has a number of specific public service obligations with regard to inter alia news, educational programmes and services, children and young persons, Danish drama, Danish music, Danish language programmes, culture and sports programmes and public service on-line activities.

Specifically may be mentioned that DR shall launch a news channel on the Internet and provide news – based on the Danish news profile – in the languages most commonly used by resident immigrants and refugees on DAB, teletext and the Internet, etc. Furthermore DR must pay particular attention to the use of all technological platforms, including the Internet, for educational programmes and services and DR must inter alia make Danish music available on suitable platforms such as the Web, mobile phones, podcasting, etc.

With regard to the public service on-line activities, DR shall carry on Internet activities with content and services using Internet transmission forms and contributing to the achievement of DR's public service purposes. As soon as possible during the contract term and in the light of the technological facilities available, DR shall use open standards with a view to ensuring general accessibility for all users of DR's on-line activities.

DR's Internet site must include news, programme-specific information, content addressed to children and young persons, educational content, viewer services, discussion fora, communities and other user involvement as well as productions containing image, sound and text. DR shall make such content available streamed and for downloading for reception on stationary or mobile platforms.

The public service Internet site must be kept separate from any other DR Internet activities carried on commercially, i.e. without the use of licence fee funds.

DR shall subject new public service services, including on-demand services, to an internal test ("value test") to ensure that the services meet cultural, democratic and social needs in society. The completed tests of new services and their results will be submitted to the Danish Radio and Television Board for their opinion before the activities are commenced.

Furthermore the contract regulates that DR shall broadcast and make available public service content either via radio, TV, including teletext, or on line either for reception in flow (scheduled broadcasting) or on demand (by request).

Case study 7: France

General structure and outline of the remit

The Act of 30 September 1986 (No. 86-1067) on Freedom of Communication was last updated on 3 March 2007. Part III concerns the public audiovisual communication service: it defines the public service remit in general and for each broadcaster in particular (France Télévisions, Radio France, Radio France International, France 3, France 5 and Réseau France Outre-mer on the one hand, and Arte and the parliamentary channel on the other). The general public service remit includes offering a varied range of analogue and digital programmes in the fields of news, culture, education, entertainment and sport (Article 43.3). France Télévisions can set up subsidiaries to produce public service programming or transmit free-to-air digital services in accordance with its remit (Article 44). The regulatory authority, the CSA, is responsible for:

- ▶ ensuring the independence and impartiality of public service broadcasting;
- ▶ promoting free competition and non-discriminatory relationships between producers and distributors of services, irrespective of the electronic communication network used, in accordance with the principle of technological neutrality;
- ▶ and ensuring the fair, transparent, uniform and non-discriminatory digiti-

sation of television services in the service distributors' programme offers (Article 3-1). The CSA monitors compliance with the public service obligations.

Public service broadcasters are licensed to use the radio resources allocated for the transmission of their programmes via terrestrial hertzian means; the law permits the withdrawal of use of these resources as part of the national plan for analogue-digital switchover or where they are not required for public service broadcasting (Article 26). In addition, it abolishes the exclusive right to retransmit public service programmes via hertzian means (Article 48-1-A). Lastly, the final deadline for switching off terrestrial analogue transmission is set at 30 November 2011 (Article 99).

Each public service broadcaster signs a four- or five-year contract with the French government stipulating its objectives and resources (known as the "objectives and resources contract").²

Very recently, a political decision was taken by the French president Sarkozy to phase out advertising on France Télévisions and to replace the lost income with public monies.

Technology, "new media" and "new communication technologies" as part of the remit

The "objectives and resources contract" encompasses the retransmission of programmes both via electronic communications networks that do not use frequencies allocated by the CSA and by digital terrestrial means. For example, France 2, France 3 and France 4 must endeavour to allow the public to benefit from new techniques for the production and distribution of programmes and audiovisual communication services; they must foster relations with the public through use of all the interactivity techniques available; in this connection, they must operate any telematic, interactive or on-line communication service supplementing or enhancing their pro-

2. The second France Télévisions contract, covering the 2007-2010 period, was signed on 27 April 2007, and the Radio France contract (2006-2009) in December 2006.

gramming; they must promote such services and contribute to the technological development of audiovisual communication. The specifications for France 2, France 3 and France 5 provide that they must assist the transition to “all-digital”, in particular by broadcasting information messages about digital television and the forthcoming switch-off of analogue terrestrial transmission.

Case study 8: Italy

General structure and outline of the remit

The Act of 31 July 2005 (Testo unico della radiotelevisione) grants RAI the general public service broadcasting concession until 6 May 2016.³ This arrangement is supplemented by the 2007-2009 service contract, concluded on 5 April 2007 between the Minister for Communications and RAI, which lays down general and specific programming rules and establishes the role of public service broadcasting with regard to technological innovation and the digital future.

3. Following a European Commission investigation into the financing of the Italian public service broadcaster, the Audiovisual Act of 3 May 2004 (known as the Gasparri Act) set out both a clearer definition of RAI's public service remit, including a list of related activities, and a separate accounting requirement concerning the public service broadcasting and commercial activities. The definition is based on the Act (which lays down minimum requirements, including the principle of universal service for all programmes), the three-year contract between RAI and the Minister for Communications (which sets out a more specific definition of the public service remit) and additional obligations that may be identified and imposed on RAI by the regulatory authority, AGCOM, and the Minister for Communications. The Gasparri Act launched the digital switchover in Italy.

Further changes to the remit are being discussed.

Technology, “new media” and “new communication technologies” as part of the remit

Article 26 (on technological neutrality) of the service contract provides for the public service broadcaster's own productions to be made available on all distribution platforms, free of charge to users. Specific provisions govern the digital switchover and the accessibility of simulcast programme services. Article 28 provides for RAI to test the transmission of content using new technologies such as DVB-H, DMB, high definition, IPTV, Wi-Max and the various other broadband technologies, in line with the principle of non-discrimination. Article 29 deals with experimental services (new forms of multimedia production and new television and sound languages; the promotion of synergies with the telecommunications, IT, radio, television and teletext sectors, the aim being to expand the services offer outside Italy; involvement in the development of new, high-quality digital systems and their use in electronic cinema; broadband systems; and study of a future multimedia content offer to be made available on a “pay” channel).

Specific provisions deal with multimedia (Article 6), television services supply (Article 4) and radio services supply (Article 5). Multimedia services also feature among RAI's aims, for example as a means of representation of the country's various social realities (Article 8-5) and in relation to persons with sensory handicaps (Article 8-3).

Provision is made for the broadcasting of parliamentary debates over the Internet and via satellite (Article 12-5); the digitised “audiovisual library” containing the archives is gradually to be made available for cultural and educational purposes, and to the general public (Article 14). Other legislation covers the management and use of digital technologies and the analogue-digital switchover.

Case study 9: Poland

The specific case of a self-regulatory document in **Poland** also merits mention: In 2005 the Board of Management adopted “the principles guiding the fulfilment of the TVP SA public mission” (see Annexe 2, also available online, see <http://ww2.tvp.pl/3379,20080603727732.strona>). The document, which has the character of a self-regulatory instrument, explains and develops elements of the statutory definition of the public service remit. It also develops further the principles of: universality, diversity, balance, pluralism, impartiality, independence, innovation, high quality, integrity of content (in particular related to the ban of interruption of programmes), trust and accountability to the public. It furthermore describes more concretely the statutory tasks in the fields of programming genres: information and current affairs, culture, education, entertainment and sport. The rules also explain the nature of TVP programmes and TVP services in the field of new media.

Financial transparency is also addressed, including detailed rules for separate accounting in accordance with Polish law and EC standards.

The public service remit in the information society: financial aspects

General

PSM financing systems are intended to provide the enterprises concerned with the necessary resources for the fulfilment of their remit which, in the various European countries, can gen-

erally be summed up in four main points:

» obligation to issue objective editorial productions and information that helps form public opinion, and to cater for all needs of the public

» obligation to broadcast over the entire national territory

» technological and/or editorial innovations

» editorial independence.

The existence of other public service models throughout the world is observed. For example, in the United States, the audiovisual landscape is founded essentially on private enterprise. The public service there supplies certain deficiencies in the private media, but is not designed to reach every type of public audience or to offer varied content. This results in a public service with a small audience and scant resources.

It needs to be considered how a financing system can guarantee the attainment of the four fundamental goals mentioned above, referring in particular to the practice of the various European countries.

Three types of PSM financing can be distinguished: financing from what are called “public” funds, financing from commercial returns, and the mixed system that combines both these methods of financing.

Moreover, the *Amsterdam Protocol on the system of public broadcasting in EU Member States* stipulates that it is up to the latter to organise public service media and in particular to provide for their funding.

Models of funding

It should, however, be noted that the purely “public” funding model virtually always contains a small proportion of commercial funding, and that the commercial funding model sometimes requires state aid. Each type of financing has advantages and drawbacks. Let us examine some concrete cases.

Public funding

Public funding can be regarded as compensation to public service enterprises for discharging their remit. This implies a clear definition of the actual public service remit with which the sum in compensation is associated. Indeed, only by prior definition of the remit is it possible to make sure that the resources available are proportional to the fulfilment of the remit. Several European countries have chosen exclusive public financing for the PSM; for example the United Kingdom (as regards the BBC), Norway, Sweden and Finland have adopted a fi-

ancing method exclusively based on public funds (with the exception of the sale of some products or articles, as well as the sale of rights and licences).

This financing can be made up of one or more of the following sources:

- ▶▶ licence fee paid by viewers (and extending the scope of its imposition to new services such as Internet)
- ▶▶ state financing on the basis of tax revenue
- ▶▶ direct financing for digital development (subsidies)
- ▶▶ taxation of private audiovisual operators to finance the PSM, or other dues.

Financing based solely on public funds has the advantage of a stable assurance of annual financing and low variation of receipts from one financial year to the next. Furthermore, it obviates involvement with recurrent advertising breaks in programmes and affords the PSM a predicted package with which to accomplish their mission. In the specific case of the licence fee paid by the public, this type of financing creates a direct link between listeners or viewers and the PSM. It also makes for containment of problems of competition between public service and private channels, while averting advertisers’ commercial pressure on programmes.

Fixing of the amount payable per inhabitant may be settled by a governmental commission, an independent board, or again by law, particularly in the matter of exemptions. It should also be highlighted that the problem arises of how to define new ways of reception which are likely to subjugate the public into paying the licence fee.

Means of levying the licence fee also vary from state to state. For example, in Portugal the radio broadcasting tax is in the electricity bill, as in Greece and Cyprus. Formerly in Switzerland, the payment of the licence fee was included in the telephone bill, but this collection method was altered in favour of an independent company vested with this function, following the German pattern. Reception of the licence fee through the Post Office via invoices or telecommunications com-

panies still occurs today in Italy, Hungary, Poland and the Czech Republic. In France, the licence fee is collected in conjunction with the *Taxe d’habitation* (local residence tax). In some countries, as for example the Netherlands and Belgium, the licence fee has been abolished and replaced by a tax.

The financing method based solely on public funds is liable to present a problem to the small countries whose resources may prove insufficient to bear the entire outlay required by the PSM to ensure a quality service. A similar question faces countries which display linguistic diversities calling for the creation of distinct programmes.

This type of financing system invites several comments about determining the financial needs of the PSM: to begin with, it is hard to define the concept of public service exhaustively, which implies some latitude regarding the needs on which the corresponding official subsidisation is calculated. In this connection, the European Commission has asked several countries, including Austria, Germany and Denmark, to clarify their dealings concerning their on-line activities. Besides, as broadcasting technologies and the public’s needs evolve, prompt and regular changes to this needs-based assessment are called for, with the corresponding financial effects.

Furthermore, over-compensation of the actual costs incurred by the public service remit is a temptation to be feared. That is why, in responding to complaints lodged by private competitors, the European Commission has shown its determination to oppose undue compensation that may have adverse effects on the market.

Although these are borderline cases, the main drawback of this financing method solely based on public funds is to tie the PSM tightly to the state, and this is likely to involve risks of dependence which would jeopardise the self-management and independence of the programmes in question. That is especially true when political parties seize upon the budgetary questions relating to PSM, which may incline these media to adopt programming compatible with the most profitable

political opinions. Censorship or self-censorship are also likely issues in such an eventuality.

Some European countries have tested a licence fee on private radio or television operators. The principle is to reapportion part of the commercial returns collected by the private media in order to finance the PSM. Finland has tried out this model, which carries a risk of the private agencies not honouring their undertakings. At least that is the negative experience gained in Estonia. The idea of this system is advantageous in that it avoids making the PSM compete with the private media on the advertising market and thus averts suspicion of possible market distortion. Moreover, this system saves the PSM both from aligning their programmes too visibly to the advertisers' interests and from having to offer content free of advertising. It should be noted that the European Broadcasting Union (EBU) points out the risks of this system⁴ by emphasising that it may become destabilised by various factors like the success (or lack of success) of private broadcasters, sometimes unpredictable competition from abroad, or the risk of these new resources not having a sufficiently large financial volume.

The increase in revenue from the licence fee can be achieved by extending the conditions for liability to pay. For example, persons in Switzerland with a high-speed Internet connection (ADSL or cable network) who have specific software to make reception possible (e.g. Mediaplayer or Realplayer) and who have paid a subscription to receive television programmes or who have registered with a provider who offers free access to television programmes have to pay the television licence fee. Possession of a computer linked to the Internet (ADSL or cable network) or reception via ISDN also obliges the holder to pay the radio licence fee. In this context, the digital era also prompts a number of thoughts. Digital technology gives rise to the emergence of pay services

4. Funding of public service broadcasting, EBU Legal Department, 2000, available at: http://www.ebu.ch/CMSimages/en/leg_p_funding_psb_tcm6-4443.pdf.

which are not, in principle, incompatible with public service. Digital platforms (mobile television, for example) have specific economic models which vary from one country to another. Public service media must have the possibility of adapting to these specific characteristics whilst benefiting from room for manoeuvre which is not at variance with their remit.

It may be indicated that in 2005, public financing of the PSM of the European Union was estimated at 21.3 billion euros.⁵ This share corresponds to 67.8% of the total receipts of the PSM (taking all types of financing together) in the EU. It is an interesting figure in that it shows public funds to be the basis for some two-thirds of the financing of western Europe's PSM.

Commercial funding

Commercial funding is derived from the proceeds of transactions made with private companies. It allows public contributions to be reduced, as will be seen below in connection with the mixed system. It should be observed that "commercial" is a concept not automatically applicable to programme content, which continues to be content aimed at fulfilling the public service remit. On the other hand, commercial receipts may in some cases allow the funding of the extra services that may exceed the scope of the basic remit.

Commercial receipts correspond to the following sources of income in particular:

- » proceeds of advertising
- » sponsoring (where considerations in kind are significant)
- » sale of products (DVDs, VODs, CDs, teleshopping, etc.)
- » sale of services (interactive games, provision of technical resources, transmission of rights related to programmes)
- » subscriptions
- » sale of access to archive material (revenue can then be used to cover the

5. Source: European Audiovisual Observatory, Trends in European television, Yearbook No.2, 2007

cost of archiving, updating information, etc.).

Reliance on the resources of private finance shows significant contrasts with public financing.

On the one hand, it lessens the bonds between the PSM and the state and thus averts political control of the governmental authorities over the public services.

On the other hand, these financing systems subject the media concerned to the effect of competition, and their earnings may vary according to the trend of the commercial market. These variations are a drawback in shrouding the development of budgets with uncertainty but, should the market shares increase, they offer prospects of developments which public financing would restrict or preclude.

Conversely, a system founded solely on the use of private funds is not without effects on programmes since it places the PSM under possible economic pressure and justifies the distribution of contents essentially aimed at increasing the market shares of the distributor concerned. In other words, exclusively private financing is likely to colour the programmes and steer them towards content with mainly mass audience appeal, to the detriment of minority or less well represented audiences, and thereby alienate the PSM from their remit.

One can ask whether private funding would exclude any form of dependence *vis-à-vis* the state: in Spain, for instance, the PSM is financed exclusively by commercial sources. In 2006, a law was passed by parliament to prohibit any over-indebtedness of the Spanish public service which until then sought compensations from the state to make up its deficit. This example is of interest in that it shows how a national media body financed from private funds alone can be tempted to seek exceptional public funds.

Moreover, information on resources derived from private funds tends to be less accessible or less transparent than a state-allocated, officially determined budget, so it could be less easy to obtain accurate information on their private financing.

The dual funding method (mixed funding)

The dual, or mixed, funding method adds together public revenue and commercial gains. It is used in many European countries because it affords the possibility of guaranteeing fixed public resources linked with a given public service requirement, of fulfilling it more effectively through the input of extra funds, and of equipping the PSM to adapt to the rapid evolution of the media environment.

This financing method mitigates the shortcomings of each of the first two systems and is defended by the EBU because it allows the PSM to be assured of a stable basis for their financing while giving them resources allowing them to adapt to rapid developments in the sector.

In France, about two-thirds of public television's resources are derived from public monies whereas the proportion rises to approximately 86% for public radio, the latter being authorised to engage in sponsoring. In addition, specific financial measures are prescribed to support projects relating to development of the new technologies (high definition TV, mobile TV, video on demand, digital broadcasting, etc.). In Estonia, over 90% of financial resources come from official appropriations while advertising is prohibited on radio and limited for television. Where Italy is concerned, RAI is financed up to 50% by a licence fee and about 40% by advertising. Since 2007, a reduction of advertising on public channels has been envisaged while additional funding is planned in order to develop new technologies. RAI has received from the Italian government a sum of slightly over 30 million euros to defray, in particular, the simulcast phase. In the Czech Republic, a dual system is also in force. Whereas commercial input fell from 45% to 30% between 2005 and 2007, official contributions grew significantly from 55% in 2005 to about 70% in 2007. Czech law makes the special stipulation that public television use part of its income to finance simulcast and digitise its carriers.

Large differences in the levels of licence fee can also be observed between countries. In France, which has just over 63 million inhabitants, the licence fee is worth approximately 1.5 billion euros per year whereas for Germany (80 million inhabitants) and the United Kingdom, revenue linked with the licence fee exceeds 5 billion euros. Comparing these figures with Switzerland, which is made up of three linguistic regions, the public service budget (radio and television) is some 700 million euros, 70% of which is derived from the licence fee and 30% from commercial financing.

This dual method of financing is accepted in many states but attracts criticism from private bodies which perceive inherent risks of practices inimical to the rules of competition. An example which may be mentioned is the complaint lodged on 5 April 2004 in Germany by the private broadcasters' association (VPRT) against the public channels, accusing them of purchasing rights in respect of sports events at rates beyond the financial capabilities of private operators.

This financing method entails a risk of overlapping funding if the use of public resources serves to cover part of the expenses already defrayed by private funds, and vice-versa.

It is worth noting that transitions from one financing system to another are occasionally observed. At present, France is discussing the possibility of prohibiting advertising on the public television channels and introducing taxes on telecommunications to make up for the resultant loss of income. Today, a draft law provides that as from January 2009 advertising will be eliminated after 8 p.m.; after that, the elimination of advertising will be generalised to the whole programming. This kind of debate is also proceeding in Belgium.

The limits to this funding system create situations which have resulted in the public service media in the Netherlands returning tens of millions of euros to the state. In Denmark, the channel TV2, a public service broadcaster, having received, according to the European Commission, unjustified

state aid, was required to reimburse a sum of tens of millions of euros.

It is worth noting that in some countries public funding serves to finance a part of private media partially entrusted with a public service remit. In Switzerland, for instance, regional broadcasters have the duty to cover local information related to the respective areas. In France, a tax on commercial revenues of the broadcasters is levied by the tax department and is notably redistributed to community radios which bring the added benefit of giving, for example the floor to minorities.

Some examples of national changes

The licence fee serving to finance the Czech Television was increased in 2007 to cover the new requirements of television. Once the switch-over to digital is complete, television advertising will be abolished. In Switzerland the licence fee was also increased in 2007 in a smaller ratio than desired by the PSM benefiting from it. In fact the government considered that the public service could make better use of the existing financial resources by effecting internal structural improvements. These make it possible to assist in financing some of the new requirements.

The question of duality of resources (licence fee and advertising) is the subject of current debate particularly in France and Belgium, after a possible end to advertising on public service channels was mooted in France. The introduction of new taxes on telecommunications enterprises to replace these lost earnings is under discussion at present. These new taxes are nevertheless contested in so far as they penalise a growth-supporting economic sector.

In 2007 the Netherlands increased the budget of radio broadcasters in order to create new contents. In Spain, the state envisages additional funding for each financial year. In Turkey, a new law prescribes state financial support for introducing digital terrestrial television (DVB-T) and distributing all programmes over the national territory.

In Moldova, discussions are now taking place about introducing a licence fee as an additional means of funding, and the possibility of foreign investments is not dismissed.

In Sweden, it is required of public service radio broadcasters that the charges for products derived from their secondary activities be fixed in accordance with market conditions to guard against distortions.

Determination of the financial needs and uses of the financing

The challenge for a given financing system is to guarantee sufficient financial resources to allow the PSM to continue their activities, develop and adapt to the new media environment and the needs of society, and hence fulfil their remit. Indeed, continuity in activities is directly related to guaranteeing sufficient resources. Moreover, the principle that public service broadcasters should carry out their remit with full independence also includes financial independence. In particular, the Council of Europe's Recommendation on the guarantee of independence of public service broadcasting specifies that the broadcaster must enjoy a funding mechanism which guarantees continuity in its activities and enables it to plan its activities in the long term (Recommendation R (96) 10).

The Council of Europe, in its Recommendation R (96) 10, Section V, has established clear principles regarding the funding of PSB. It states that:

"The rules governing the funding of public service broadcasting organisations should be based on the principle that member states undertake to maintain and, where necessary, establish an appropriate, secure and transparent funding framework which guarantees public service broadcasting organisations the means necessary to accomplish their missions.

The following principles should apply in cases where the funding of a public service broadcasting organisation is based either entirely or in part on a regular or exceptional contribution from the state budget or on a licence fee: [...]

- the level of the contribution or licence fee should be fixed after consultation with the public service broadcasting organisation concerned, taking account of trends in the costs of

its activities, and in a way which allows the organisation to carry out fully its various missions;

- payment of the contribution or licence fee should be made in a way which guarantees the continuity of the activities of the public service broadcasting organisation and which allows it to engage in long-term planning;

- the use of the contribution or licence fee by the public service broadcasting organisation should respect the principle of independence and autonomy mentioned in guideline No. 1"

The level of compensation for discharging public service activities depends on the remit entrusted to the PSM. The extent of the public service remit depends on the obligations imposed by national law. Certain constraints or freedoms can have implications for the size of the resources needed for full financing of the services. Examples are:

- » scope of the obligations related to development of new programmes or new modes of broadcasting;

- » granting, denial or limitation of the right to broadcast advertisements, or limits to advertising time or content (targeting children, political advertising, promoting alcohol, tobacco, medicines, religious beliefs, etc.);

- » additional obligations (catering for people with visual or auditory disabilities, taxes levied by the State to fund media research, obligation to participate in the financing of film and audiovisual works).

As stressed by the Council of Europe, the financial needs should be determined after consultation with the public service broadcasting organisation concerned.

To ensure that the financing system as a whole works France has made provision for several instruments. Contracts on objectives and resources are concluded between the state and the PSM; each year, the main thrusts of their development are settled, the estimated cost is assessed, the public revenue and commercial earnings estimated, and economic forecasts made.

The case of Germany is an interesting example. The financial needs of public service broadcasters are determined on the basis of submissions from the public service organisations and as-

essed by an independent Commission (KEF).⁶ The Commission consists of independent experts. The assessment is based on the needs for maintaining existing programmes as well as the need for further development. It is also based on the general price developments, including the development in the media sector. Every two years, the Commission reports on the financial situation of broadcasters and, where necessary, proposes increases in the licence fee.

National legislation prescribes different ways in which financial resources may or must be used to ensure the fulfilment of the public service remit, for example:

- » primary activity of producing and broadcasting programmes (radio, television)

- » creation of new programmes/ contents

- » development of new digital broadcasting networks

- » creation of databases for archiving programmes

- » financing the costs of broadcasting (or distribution).

In general, the reach of the services of the PSM must be such that they are available to all and accessible throughout the national territory, resulting in high distribution costs. The diversity of the carriers, the variety of the technologies in existence or being developed, and the public's new consumption patterns compel the PSM to phase themselves into the digital era. This generates further expenditure which can be offset either by new funding sources or by relaxation of the statutory obligations leading to a reduction of the burdens assigned to the PSM. On the other hand, it allows savings by discarding technologies deemed obsolete. For example, in Switzerland national television has given up analogue broadcasting of its programmes in favour of digital terrestrial television broadcasting (also called DVB-T). In France, like most other countries, the choice has fallen on a phase of simulcast in which analogue and digital technologies are both

6. See <http://www.kef-online.de/>.

maintained for a certain time until the abolition of the former. This gives rise to extra costs but will allow savings in the long term. In Austria, the PSM are required to offer on-line services related to the broadcasting activities. The posting of these services on the Internet is ensured through a mixed financing system linked with the licence fee and with advertising. The same scheme is adopted in Croatia and Greece. A mixed system linked not to the licence fee but to direct State financing backed by commercial support for technological innovations is established in Belgium, Cyprus, Latvia, Lithuania, Moldova, the Netherlands, Portugal, Ukraine, Turkey and Spain.

In Denmark the public service must offer, via television, radio and the Internet or another channel of electronic communication, programmes on current events, entertainment, art, culture, general information, etc. In Portugal, the PSM are compelled by their franchise contract to bring in technological innovations linked with the undertakings made in the framework of international organisations.

Ad hoc regulations should also ensure that the use of resources does not bring about unfair competition with private enterprise. Such regulations may therefore concern:

» the manner and the terms whereby the PSM (and/or by their affiliated companies) may or may not deliver services to third parties (e.g. creation of audiovisual products for third parties; consultancy);

» conditions in which PSM can set up and develop other companies.

Another question that arises here is the over-funding and under-funding of public service media. When all or part of the funding comes from the state, it has to be ensured that the resources are sufficient to guarantee fulfilment of the public service remit which the licensing authorities have defined. If the State does not honour to an adequate extent its support for public service media, the risk exists of under-funding. Thus the public service media organization will be unable to carry out properly the tasks entrusted

to it, and quality is likely to suffer. That is why dual or mixed funding could, in some countries, be an alternative to funding from the licence fee alone.

The counterpart of under-funding is over-funding. In practice, the risk of over-funding is minimal. However, it is the responsibility of public service media to attain the stated objectives and to ensure that the remit is fulfilled in an economical manner. In Switzerland, the Government regularly verifies public service accounts to ensure proper managements of funds. The Swiss Federal Audit Office has made a detailed examination of the financial situation and efficiency of SRG/SSR. The report's conclusion, taking into account the particular situation of Switzerland, was that SRG/SSR uses its means in a rational, targeted way. In other words, it manages its means economically. However, the regulatory authority will monitor SRG/SSR's continued compliance with this objective. It has been shown that Swiss public service broadcasting can take steps to ensure better centralization of its administration, thereby creating synergy among the various units of the corporation (among the three linguistic areas). Moreover, the licence fee is calculated in a regular manner in order to guarantee that the public service remit is fulfilled.

Challenges and opportunities

The technological development and the changes in the media environment have an impact on the mode of financing of public service broadcasting. The PSM programmes can be received through a multitude of devices which increase the reach and the audience, and in particular for specific sections of the population. With technological developments the number of devices other than traditional radio and television sets able to receive radio and television programmes has increased. Regarding the quality of reception, these multi-functional devices (such as PCs and mobile phones) are sufficiently sophisticated to allow for good-quality reception. Nevertheless, in the majority of European countries it is not clear whether the use of these

new multi-functional devices (such as mobile phones and PCs) are regarded as making the payment of a television and radio viewing licence fee mandatory. There is a risk that the basis for the calculation of the licence fee will be eroded in the future, which could have a negative impact on the level of the public funding. On the other hand, the fact that these devices are still predominantly used for other purposes has to be taken into account.

The change in the media environment and the consumer's and viewer's habits, coupled with the problem of constant under-financing of PSMs also raises the question of services offered against payment, and the conditions under which a public service programme can be made available only against individual payment. The individual payments can be another form of mixed funding and may allow the development of new services for the users without increasing the need for other types of funding (public or commercial funding). For some services, it can be regarded as a new opportunity which therefore contributes to the funding of PSM. Indeed, the Council of Europe highlighted the need to secure funding of public service media:

"Member states should define ways of ensuring appropriate and secure funding of public service media from a variety of sources – which may include licence fees, public funding, commercial revenues and/or *individual payment* – necessary for the discharge of their democratic, social and cultural functions." (Recommendation (2007)2 on media pluralism and diversity of media content, paragraph 3.5, emphasis added.)

The Council of Europe stressed the central role of the public service media in the new media environment, and the fact that the adaptation to the new communication services also includes the possibility to *offer* personalised interactive and on-demand services (Recommendation Rec (2007) 3 of 31 January 2007, paragraph 5), as well as to collect remuneration for personalised services. In particular, the Council of Europe considers that:

"Taking into account the developments of the new digital technology, member states may consider complementary funding solutions paying due attention to market and competi-

tion questions. In particular, in the case of new personalized services, member states may consider allowing public service media to *collect remunerations*. Member states may also take advantage of public and community initiatives for the creation and financing of new types of public service media. However, none of these solutions should endanger the principle of universality of public service media or lead to discrimination between different groups of society. When developing new funding systems, Member states should pay due attention to the nature of the content provided in the interest of the public and in the common interest" (*ibidem*, paragraph 30, emphasis added).

The changes in the media environment have also raised the question of the sustainability of the model based on commercial revenue, and in particular on advertising revenue. This is because the development of the services offered on the open Internet is liable to have an impact on the advertising activities, and hence revenue, of traditional television. One of the challenges for the future is therefore to find other forms of financing - based on public or commercial revenue - to support PSM.

Audit and accounting

A financing system must guarantee that the funds allocated to the PSM are used properly and in accordance with the applicable statutory foundations. It is thus expedient to make the neces-

sary auditing arrangements to ensure that the PSM manage their resources rationally and that their operating structures comply with the principle of economy of scale, especially where several channels or companies come under the same organisation.

Care will also be taken that the ties of the PSM with their main service suppliers obey the law of the market. That is particularly so when the PSM control sister companies: in such cases, it should be examined if there are necessary safeguards in order to prevent any cross-subsidising between public service activities and commercial activities.

It is a matter of verifying that the use of the resources deployed genuinely covers the requirements of the service mandate and does not directly or indirectly further extraneous ends.

It is to be verified in particular:

- ▶▶ that public financing is suited to the needs of the PSM and suffices to fulfil the public service remit
- ▶▶ that the burdens of the PSM are not overestimated or underestimated, and correspond to authentic, justified values not liable to cause distortion of competition
- ▶▶ that book-keeping is transparent and separates the primary activities from the subsidiary commercial activities.

Audits may be performed on the PSM (or on the taxpaying public as regards the propriety of the payment of the licence fee):

- ▶▶ by independent regulating authorities
- ▶▶ by the state, provided this does not affect self-determination by PSM of editorial content
- ▶▶ by duly commissioned enterprises.

In Switzerland, the regulating authority is required to perform a financial overview of the public service, and may demand explanations concerning the accounts submitted.

Transparency in the use of resources is necessary to ensure sound management of the PSM. Good resource management can be assisted particularly if there is transparency in accounting, detailed publication of the annual accounts.

For the sake of transparency, the PSM would be advised to adopt an accounting method in which activities linked with the public service remit are clearly separated from commercial activities. This ensures suitable use of resources and facilitates auditing. This procedure is moreover in keeping with the obligations for EU Member States and with decisions relating to competition in this sphere.

Analysis of technical conditions for the fulfilment of the public service media mission, drawing on the replies received from member states

Introduction

Because of their diverse perspectives and the limited ground they cover, from the replies received it is difficult to draw general conclusions about the technical conditions needed to achieve the public service media mission across Europe. Nevertheless, important information emerges from the replies. These are reflected in the following Section, which also draws on the indications for technical require-

ments given in Committee of Ministers' Recommendation R (2007) 3.

The requirements of the public service mission are a national matter, but the diversity of the replies suggests that European States may welcome common information to help define the technical conditions needed for public service media, to help them make their own decisions and choices.

Public service media services are in the "general interest". They are there to en-

courage the process whereby services of value are provided, and whereby media of the highest quality and lowest cost possible are made available. This can include many elements – programmes, services – but also, in some cases, can help the industry to be successful.

The **technical conditions** needed are **those which work in favour of these objectives**, and work with other con-

ditions such as finance, regulation, and training of talent, to achieve them.

The media are an industry which relies on technology. This is thus a very important issue.

In the questionnaire, there were three questions⁷ on technical conditions. The first question is a general one and the second and third ask for examples of how the technical conditions for specific parts of the public service mission have been fulfilled – for new media, innovation, and DTT.

Many of the answers received to the first question were in reality about financial conditions rather than technical conditions, though some replies do also mention matters such as spectrum availability, which is an important technical condition.

Universality of access

Public service media is a service for the “citizen”, which must mean “all citizens”. The first characteristic is **universality** of content and access. To achieve this, in technical terms, means that media services must be available:

- » where the citizen wishes to find them,
- » in a way he or she can “take in”, and
- » at an affordable price.

This, in turn, implies:

- » that services need to be available on all “significant” delivery platforms, consistent with proportional costs. What could constitute “significant” requires more reflection;
- » that signals need to be available for all citizens, in and out of the home, up to the point where “marginal” costs of providing them are disproportionately high. The maximum coverage which is reasonably practical should

7. “Describe how the state ensures that public service media have the necessary technical resources to fulfil their remit.

Could you provide concrete examples on how the public service is using new services (such as internet, mobile services, podcasting, etc.) enabling them to reach more households, to produce more quality content, to respond to the expectations of the public, and to keep pace with developments in the digital environment? If appropriate, to what extent do the public service media take part in the technological innovation of the electronic media, as well as in the digital switchover?”

be achieved, and usually this is a percentage in the high 90s;

- » that services need to be provided for those with special needs, such as the handicapped, including tools to make the content more comprehensible;
- » that receiving equipment needs to be arranged to be “cost-effective” – usable, available, affordable, and of high quality;
- » that optimum use is made of technology advances.

There are a growing number of means to deliver media to the public, each with their own characteristics. Thus, in general, public service media organisations need:

- » Sufficient radio frequency spectrum or channel capacity for current and near-term needs for terrestrial broadcasting, and which is not subject to interference.
- » Adequate means for media production.
- » Adequate means for archiving the national media heritage.
- » Technical access to significant platforms, and to gatekeeper or portal platforms for cable, satellite, and IPTV
- » Adequate technical means for tools to help those with special needs.
- » A mechanism to create and implement common technology standards for different platforms, to ensure competition in consumer electronics, and consequent lower costs for the users.
- » Research and development of media technology.
- » Means to explain to the public what is happening and how they will be affected, in a way they can understand.

These could all be explored in detail, but for brevity here it may be more useful to use some examples.

Example 1: Sufficiency of digital terrestrial television spectrum

Public service media need adequate radio frequency spectrum for free-to-air digital terrestrial television broadcasts⁸ and digital radio. At the current time, the ITU assigns several frequency

bands for broadcasting, and these same bands will be used in the future for digital television broadcasting.

There are arguments that, in future, the broadcast band spectrum should not all be used for broadcasting, but rather also for specific mobile services classified as “IMT” (International Mobile Telecommunication), which includes digital telephones and wireless broadband Internet services (thus, network operators argue, allowing cheaper network costs; and, in rural areas, possibly higher bit-rates).

There are, however, counter-arguments that even all the currently used broadcast bands will not be enough to give the public the new digital broadcasting services they will wish, which will include normal television, high definition television, mobile television, and new broadcast forms of the future.

Different European states today take different positions on this.

Whatever the proportion used for broadcasting, adequate spectrum is a technical condition for public service media to fulfil their mission. Lack of spectrum will lead to “market failure” (in the economist’s sense) for broadcasting. The replies often give no indication of how states will provide adequate spectrum.

The associated issue of whether spectrum should be given ‘free of charge’ for public service media, or against payment (spectrum pricing), is a complex one. Whereas giving the spectrum free of charge does not generate income for the state, it can be argued that selling it to public service media amounts to moving money from one part of the public purse to another. Furthermore, the social benefit of the public service media, which is quantified as “public value”, needs to be part of the equation for calculating how much spectrum is worth.

8. There are a number of features of DTT which make it an invaluable broadcast media distribution means – including user convenience, ready localism, staggered introduction costs, and national control. These cannot be duplicated by other distribution means, each of which has its own advantages.

Example 2: Mobile broadcasting standards

Public service media need to be able to supply services that are affordable to provide, and affordable for the public to receive. This calls for large volumes of receivers to be made, and for common technical standards. These create a larger market for the manufacturers, and competition for price and features to benefit the consumer.

In practice there is a declining trend in common standards for media in Europe. For broadcasting to handhelds, for example, the story may already be well known. The European Commission has encouraged a single technical standard, DVB-H, to bring "interoperability". Alas, though intentions were good, within the DVB-H specification there are a number of different options and open elements, so the recommendation alone will not lead to interoperability. Furthermore, the recommendation is made some years after DVB-H was developed, and there are a number of other options already in use, and some of them use more recently available technology. In other words, the lack of precision of the recommendation, and the delay in making it, may have rendered it less effective. This initiative by the Commission was seen with reservations in several European countries.

This illustrates that common standards need early, concerted and purposeful action. A key is that active participation is needed in research and development, and in standardisation processes. Few European states today, and only a few public service media providers, do research or contribute to standards' development.

The replies to the questionnaire suggest that most states regard themselves as being innovative in new media. Yet practical evidence suggests that many in fact often follow the technical research of others.

It should, however, be pointed out that public service and commercial broadcasters can have different perspectives on the need for "common standards", and some commercial broadcasters favour "vertically integrated" solutions,

because of other benefits they believe they bring, such as the availability of more reliable equipment.

The technical quality responsibility

Another characteristic of public service media is consistent high technical quality. Quality perceived is set by context, and the context for the public experiences of media is increasingly going to be "high definition" television. All broadcasters may need to migrate to HDTV programme production and HDTV programme delivery.

HDTV may be the most emotionally powerful media the world has ever seen. HDTV production will be no more expensive, item by item, than "standard definition" television, but re-equipment will be needed, as will training; and, critically important, broadcast spectrum for HDTV will be needed.

Few replies acknowledge awareness of the HDTV transition ahead. In five years' time, all TV sets sold will be HDTV-ready, and all new programme production equipment for sale will work in HDTV.

It will be necessary to provide HDTV services by terrestrial broadcasts in countries where terrestrial broadcasting meets a large need. In countries where it is less used, HDTV could initially be provided by other delivery means.

Keeping pace with developments

Probably the two most significant developments in media delivery in the next five years will be:

- » the growth of digital broadcasting, and
- » the growth of broadband delivery.

Broadband will be more than just interesting websites. It may be a main means of media delivery that complements broadcasting, and it may eventually achieve the same level of public use or reach. It will provide both "walled garden IPTV" services or the "Open Garden Internet". Current evidence is that eventually Open Garden

Internet may dominate in the long term.

The replies show that all public service media providers operate websites. The websites of the larger European broadcasters are even among the most viewed in Europe, and sometimes in the world. However, the replies suggest that broadcasters in many states have not yet entered wholeheartedly into Internet delivery, and do not yet see it as a future "equal importance" partner to broadcasting, but more as an adjunct. Furthermore, in many European countries, for example in Germany, there is a major discussion to what extent public service broadcasters should be allowed to use Internet for their offers. A survey in 2008 by the European Broadcasting Union (EBU) among technical experts suggested that about 70% of EBU members believe broadband will be equally important to broadcast delivery by 2015.

Recent studies⁹ have also shown that there is media concentration in the "web" industry, which will make the strong presence of separate national public service media on the web an important guardian of media diversity, reinforcing the need for a strong Internet service.

Public service media providers have a number of options for making their media available on the Open Garden Internet. These include:

- » developing their own sites, or further, their own media player (such as the BBC iPlayer)
- » adding their content to one of the large portals such as YouTube, in segments such as a YouTube "channel"
- » grouping with fellow media providers to provide a multi-provider portal, but one which is essentially focussed on professionally generated content, rather than user generated content.

The first option will only be open to large media service providers because of the need for significant infrastruc-

9. EBU Study on Broadcasters and the Internet, November 2007. Available on the EBU/SIS website at: http://www.ebu.ch/CMSImages/en/Broadcasters%20and%20the%20Internet%20_Full%20report_eng_tcm6-61459.pdf.

ture and expertise. The second will be open to all, but with this option services may not be noticed among such a huge volume of content on offer. The

third may offer the most valuable route for public service media, but would require cooperation and coordination.

The replies suggest that only some states have studied the future pattern of media evolution.

Table 1. Transition to digital television (sourced from Digitag)*

Country	Overview	Offer	Next steps	Comments on public service mission "best practice"
France	DTT services Launch on 31 March 2005 26% penetration (May 2008)	18 free-to-air/ 11 pay DTT services on national platform 5HD/DTT services to launched by end 2008 16 DVB-H broadcast services to launch by end 2008-07-30	Extend DTT coverage to 89% by the end of 2008 Analogue switch-off set for 30 November 2011 ASO body France Télé Numérique to guide switchover	Use of most efficient (MPEG4) technology for pay services Use of lowest cost (MPEG2) technology for free-to-air services National body to guide switchover
Germany	DTT services first launched in Berlin/Brandenburg in November 2002 7.8 million DTT receivers sold (March 2008)	Varies between <i>Länder</i> ; approx. 24 television programme services, up to 30 Short simulcast period (generally between 3-9 months) DVB-H services launched in June 2008	Analogue switch-off to be completed nationwide by end of 2008, resulting in a technical coverage of DTT of about 90% of population.	Use of digital terrestrial to provide competition for cable networks offer Technology arranged to also allow reception on portable (second) television sets
Italy	Services launched in December 2003 Over 8 million DTT receivers sold (March 2008) 85% of population coverage	8 DVB-T multiplexes and 2 DVB-H multiplexes Successful launch of pre-paid, pay-per-event services Subsidy for purchase of interactive digital TVs in 2007	Italia Digitale set up to guide digital switchover Analogue switch-off roadmap to be presented in September	Technology arranged to provide interactive multimedia, including e-government, at affordable cost to viewers. (MHP)
Spain	Re-launch of DTT platform on 30 November 2005 31.8% DTT penetration (May 2008) 88% population coverage	20 free-to-air television programme services available nationwide plus many regional and local services 1 multiplex reserved for mobile television	Analogue switch-off set for 3 April 2010 New legislation for mobile TV and possibly pay-DTT	Success achieved (after first failure) by providing large free-to-air offer
United Kingdom	Re-launch of DTT services in October 2002 38% DTT penetration (March 2008) Services reach 80% of population Analogue switch-off under way and will proceed until completion in 2012	30 free-to-air television programme services plus one pay bouquet	DVB-T2 services offering HDTV to launch in 2009/2010 on Multiplex B	Success achieved (after first failure) by providing large free-to-air offer Migration to most efficient technology and HDTV planned National body to guide switchover

* Information for first three columns taken from the DigiTAG organisation (www.digitag.org).

Table 2. Transition to digital television (other countries)

Country	Overview	Comments on public service mission "best practice"
Finland	Analogue switch-off completed on 31 August 2007 Viewers can access 15 free-to-air and 22 pay services DVB-H services available since December 2006 100% population coverage	Digital switchover efficiently accomplished but possibly too rapid for some members of the public
Sweden	Analogue switch-off completed in October 2007 Viewers can access 6 free-to-air and 20 pay DTT services 6th multiplex to launch using MPEG-4 AVC format 100% population coverage	

Table 2. Transition to digital television (other countries)

Country	Overview	Comments on public service mission "best practice"
Denmark	1 multiplex launched in March 2006 with 100% penetration 21% DTT household penetration (Dec 2007) Analogue switch-off set for October 2009 After switch-off, 5 multiplexes to launch using MPEG-4 AVC	Initial offer too limited to be major attraction
Norway	Launch of DTT services in MPEG-4 AVC on 1 September Viewers can access 5 free-to-air and 20 pay DTT services DTT coverage of 70% of the population Analogue switch-off began in March 2008 for completion in 2009	The most forward-looking approach in technology in Europe. All receivers sold include the most efficient technology and HDTV capability
Belgium	Switch-off expected to be completed by 2011/2012 Planning for DVB-H services underway	
Netherlands	Analogue switch-off completed on 11 December 2006 DTT penetration increased from 5% to 7% of population DVB-H services launched in June 2008	Very rapid switchover to digital accomplished
Switzerland	Analogue switch-off completed on 25 February 2008 DVB-H services launched in June 2008	Rapid switchover to digital accomplished with public good will
Portugal	Candidates invited to tender for DTT multiplex licenses Viewers will be able to access free-to-air and pay DTT services using MPEG-4 AVC across 6 multiplexes Emphasis on HDTV	Taking advantage of late start to use most efficient technology
Ireland	Four multiplexes offering pay and free-to-air services to be launched using MPEG-4 AVC Emphasis on HDTV	
Greece	Trial DTT services available with 65% population coverage Also offering services for handicapped	Only country offering a channel specifically to help the handicapped
Czech Republic	DTT services available to 38% of the population Technical plan with switchover plans issued in March 2008 ASO took place in Domažlicku with full ASO set for 2011	
Hungary	Awaiting award of license to operate 5 multiplexes MPEG-4 AVC compression format likely One multiplex reserved for DVB-H services / ASO by December 2011 at latest	
Poland	DTT launch using MPEG-4 AVC expected in 2008/2009 DVB-H service expected to launch by 2009 / Analogue switch-off set for 2014	Use of later start to allow most efficient new technology (MPEG4-AVC)
Estonia	Pay-DTT services launched in Dec 2006 using MPEG-4 AVC Services available to 100% of the population / HD/DTT trial underway ASO to be completed in 2012	One of the first users of the most efficient technology (MPEG4-AVC)
Lithuania	Pay-DTT services officially launched in March 2008 using MPEG-4 AVC Services available to 95% of the population ASO set to begin in 2012	As above
Latvia	Full roll-out of DTT services expected by 2009 using MPEG-4 AVC ASO to be completed by January 2011	Use of late start to allow most efficient new technology (MPEG4-AVC)

The digital switchover and technology development cycles

The transition to digital technology in television is inevitable because of the savings in spectrum and greater flexibility it allows.

The replies show that most of the larger European states, and smaller states, have plans for a digital switchover in the EU suggested timescale of 2012.

But one of the realities of technology, which may not have been studied by

all states, is that it evolves rapidly. Each technical system generation lives about 6-9 years. This means that states that begin services at different times have different "best technology available". This makes policy decisions difficult particularly for those who face the choice between following the early starters (often the richest countries) and taking advantage of the latest technology. It also means that the greater the time gap between digital switchovers, the greater the diversity of systems in use across Europe.

Arguably, all countries, large or small, rich or poor, need to be involved in the technical processes of research, development, and standardisation, in order to make the best, and if possible simultaneous, policy decisions. There is a case that all media service providers should spend a proportion of their income on this – it is their "insurance policy".

The assumption that public service media organisations only concern themselves with content can only

work if there is someone else to develop the technology in their interests. Public service media should either clearly define their technical needs or take part in the development of technology themselves.

Though there are some substantive public service media research and development facilities in Europe, their number is diminishing rather than growing, and the majority of public service media providers are followers of technology, not leaders. This is not conducive to the greatest market success for Europe.

Digitisation of terrestrial television broadcasting

To understand the ways in which technology can be used to serve the public service mission, in this section we consider the specific issue of the digital transition for terrestrial television broadcasting. In the tables starting page 24 are given some outline details of aspects of the digitisation approach adopted in different countries in Europe.

Summary of some digitisation strategies for terrestrial television broadcasting

- ▶▶ The dominant model in Europe is a free-to-air platform with some pay services.
- ▶▶ Most successful national strategies include cross-industry national coordination.
- ▶▶ Public service broadcasters have played an important leadership role in all countries.
- ▶▶ Analogue switch-off completed in several countries, and is likely to be complete before 2015 in virtually all countries.

The technical conditions to enable “must carry” on distribution platforms such as cable networks

Viewers can reasonably expect that television services which have a public service mission will be available at their convenience, and be present on all significant platforms.

One element of this is presence on cable networks. To facilitate this, many

nations have “must-carry” rules for public service broadcasts on cable networks, and also sometimes on other significant broadcast multi-channel platforms by satellite.

As far as member states of the European Union and European Economic Area are concerned, “must-carry” rules are covered by Article 31 of the Universal Service Directive, which is currently in the process of being revised. It includes requirements related to the networks covered, clearly defined general interest objectives, proportionality, transparency, and periodic review. The European Audiovisual Observatory published in 2005 a table¹⁰ on how European states have implemented Article 31. This table is taken from its publication *To have or not to have Must-Carry Rules*. The author of the item concludes that Article 31 has not been fully implemented by all member states and that Article 31 has not led to a harmonisation of national must-carry legislations.

10. It should be noted that this information from 2005 may not necessarily reflect completely the situation in 2008.

Table 3. Implementation of Article 31 of the Universal Service Directive

Country	Specified broadcast channels	Cable only	Clearly identified general interest objectives	Only public service channels	Copyright payment
Austria	Yes	Yes	No	No	Yes/no
Belgium	Yes/no*	No/yes†	Yes/no	Yes/no	Yes
Czech Republic	No	No	No	No	Yes
Denmark	Yes	No	Yes	No	Yes
Finland	No	Yes	No	No	No
France	Yes	No	No	No	Yes/no
Germany	No	Yes	Yes	No	Yes
Hungary	Yes	Yes	No	No	No/yes
Ireland	Yes	Yes	No/yes	No	No
Malta	No	No	No	No	No
Netherlands	Yes/no	Yes	Yes	No	Yes/no
Poland	Yes	Yes	No/yes	Yes	Yes
Sweden	Yes/no	Yes	Yes/no	No	Yes
United Kingdom	Yes	No	Yes	Yes	No

* Most points of the provision have been implemented but not all.

† Most points of the provision have not been implemented even though some have.

Must-carry rules are of potential benefit with regard to not only traditional cable television networks but also other “closed” networks, where all media services are provided/controlled by the service/network operator (such as IPTV services offered by

broadband access providers). Must-carry rules thus continue to be a relevant instrument to ensure universal access to public service media, in line with Recommendation Rec (2007) 3.

On the other hand, must-carry rules are not an appropriate instrument

with respect to “open” networks, where there is open access and where media services are provided/controlled by the media service providers themselves (e.g. on the open Internet). In this connection, the open architecture of the Internet, with the new legal

concepts of “net neutrality” or “openness of the Internet”, is of considerable interest.

These concepts are based on principles such as transparency of network management, minimum requirements for “quality of service” and non-discrimination between different serv-

ices and between different types of applications or technology. Net neutrality is thus likely to play an important role in facilitating the distribution of non-linear audiovisual media services, including those provided by public service media, to the general public.

Must-carry rules and net neutrality principles can be seen as complementary instruments. With new media platforms, it remains crucial for consumers to enjoy guaranteed access to public service content.

Transparency and accountability of public service media organisations

The recommendation

While Recommendation Rec (2007) 3 of the Committee of Ministers to member states on the remit of public service media in the information society only sparingly addresses the issue of transparency and accountability of public service media organisations towards the public they serve, it contains a number of elements that show that responsiveness of PSM and dialogue with the public are considered essential. In this respect, a clear link is made between these obligations of PSM and the new possibilities afforded by the evolution of communication services that PSM can and should make use of.

Thus, guiding principle No. 5 calls for PSM to make use of user-generated content and other participatory schemes in order to involve the younger generations in active forms of communication. Principle No. 6 stresses the importance of regular evaluation and review of PSM activities, so as to ensure that all groups in the audience are adequately served, thus emphasising the necessity to foster transparency and accountability.

Most importantly, principle No. 18 points out that PSM should themselves enhance their dialogue with, and accountability to, the general public, also with the help of new interactive services.

It is noteworthy that another recent recommendation, Recommendation Rec (2007) 2 on media pluralism and the diversity of media content calls, in its point 3.3., on member states to

invite public service media organisations

“to envisage the introduction of forms of consultation with the public, which may include the creation of advisory structures, where appropriate reflecting the public in its diversity, so as to reflect in their programming policy the wishes and requirements of the public”.

Transparency and accountability of PSM – challenges and opportunities

Transparency and accountability of PSM towards their (often fee-paying) viewers and listeners have always been among the characteristics of PSM, at least in theory. In practice, this influence was (and is) mostly mediated through representative structures such as Viewers Councils, due to the impossibility of granting the public, with its numerous and often mutually exclusive requirements direct influence on the programming and the content of broadcasts.

Newer developments have exerted their influence in two ways. On the one hand, the increase of commercial pressure on PSM has made achieving transparency even more difficult than in the past, especially concerning ex-ante-information, as such information is usually commercially sensitive and divulging it at the wrong stage could result in disadvantages for the PSM.

On the other hand, new technologies have both improved the way in which transparency and accountability can be achieved (e.g. through online information and feedback) and the possibilities of the public to contribute

themselves to the production of content, especially in non-linear media.

Also, pressure from the competition law side and from the public means that the burden on PSM to justify their special status and funding is on the increase. As can be seen from the following report, this often leads to new accountability and transparency requirements, such as the obligation to regularly report on the implementation of the remit.

General situation in the member states

The Group of specialists on Public Service Media devised, at its meeting of March 2008, a short questionnaire in order to gather the necessary information to establish the present report (see Appendix 3, page 48). The questionnaire brought responses from 14 member states as well as from one professional organisation.

Entrustment of the remit, public consultation, reporting requirements

Regarding the transparency of PSM, most member states have pointed out that their respective PSM organisations are under various legal requirements that aim to increase their transparency and accountability, especially the obligation to provide reports on different topics, most importantly on the fulfilment of their public service remit. Also, a number of member states included detailed information about the entrustment of the remit by way of transparent mechanisms such as public service contracts, guidelines

or concessions established after public consultation.

For instance, **Sweden** pointed out that its three PSB are obliged to publish annual Public Service Accounts, pointing out how their activities have corresponded to the obligations laid down in the charter and the annual Conditions for Appropriation. These Conditions are set out yearly when deciding about the funding of the PSB. As of 2008, another, shorter report of PSB is to be addressed to the general public. Also, Sweden has introduced a very transparent mechanism in order to prepare the PSBs' Charter ahead of each new Charter Period. Various consultations are held and Green and White Paper prepared before Guidelines are established by the Parliament and the Charter issued by Government.

Similar annual reports on the fulfilment of the public service remit also exist in **Norway**. The Norwegian Broadcasting Corporation's remit is defined in its statute as well as a separate, recently published document that was made subject of an intensive consultation procedure. In the **Czech Republic**, Czech Television and Czech Radio both have to establish annual reports on their Activities and on their financial Management. These reports are transmitted to Parliament and published online. **Austrian** public broadcaster also has to publish a yearly report on the implementation of its remit; this report is transmitted to Parliament yet not published.

Hungarian PSBs also have to report every year. In **Germany**, the State Treaty on Broadcasting specifies that public service broadcasters have to publish, every second year, a report covering the fulfilment of their respective public service remit, the quality and quantity of public service offers and programmes and the planned focus points of respective future programme services.

In the **United Kingdom**, the BBC as well as other public service operators are obliged to produce and publish various reports. Transparency and openness are strongly enforced and reasons and key considerations

behind important decisions are made public (e.g. in Public Value Tests). In particular, licensed public service channels need to report on how they delivered their remit in the preceding year. These reports should review achievement against the overall strategic aims for the service in terms of broad service and programming strategy; overall audience and any specific demographic targets; broad balance of output proposed; specific areas to be addressed; any specific key goals/objectives, and initiatives to address them. Reviews consider the achievement of strategic developments against the previous year's statement and are expected to be self-critical, when appropriate. Reviews should include the past year's overall programme budget and audience share.

Switzerland pointed out the various legal requirements on the activities of PSM as well as private operators, as did **Estonia** and **Spain**. The latter described in detail the new Framework Mandate for the Spanish national PSM RTVE, decided upon by Parliament. More detailed programme-agreements are agreed upon by the PSM and government. Also, the PSM shall transmit to Parliament a yearly report on the execution of the Framework mandate and programme-agreements and a report on the fulfilment of the public service function entrusted.

In the **Netherlands**, the national public service media "umbrella organisation" NPO (Nederlandse Publieke Omroep – Netherlands Public Broadcasting), the name under which a large number of private and public organisations which have obtained a broadcasting licence operate, is required to submit a multiannual policy plan and budget (*Meerjarenbegroting*) which is approved (concession) and adapted year after year. This system is actually the benchmark for the accountability of the NPO. The multiannual planning (with a five-year timespan) of the NPO is supposed to provide a balanced and coherent media supply on all channels including the internet. A variety of subjects regarding public broadcasting like policy per channel, diversity, youth, culture, education, etc., is dealt with. By publishing this multiannual

policy plan and budget, the NPO takes openly responsibility for its activities. The rightfulness of the activities of the NPO is independently controlled by the Dutch Media Authority, the Commissariaat voor de Media. They publish their findings yearly. Also in English: <http://www.cvdm.nl/content.jsp?objectid=7264>.

From 2008 and onwards, the Dutch government introduced a performance agreement (*prestatieafspraken*) with the NPO. In this agreement, the NPO gives account of the fulfilment of their public tasks. The performance agreement deals with programming policy and its reach among the audience. The performance agreement is also based on a long-term strategy and is a cornerstone in public accountability. The agreement deals with many subjects: culture, knowledge and sciences, media and diversity, sports, new media technologies, technical improvements, social interaction with viewers and listeners, documentaries, youth, etc. The current performance agreement lasts for 2.5 years (2008, 2009, 2010 partly). In 2010 a new version will come into effect, which will be improved with the experiences of the first 2½ years. The public broadcaster will inform the audience and the government about the results on a regular basis.

The large number of private and public organisations which work together under the co-ordination of the NPO publish each every year their annual reports. This information is published in print and on the Internet.

External and internal control or consultative structures

Several respondents pointed out that their PSM are supervised by external institutions or internal organs or that such institutions have a consultative function.

Some member states particularly pointed out the right of individuals to lodge complaints against PSM with supervisory organs, thus constituting an additional, if peculiar, way of interaction between the public and PSM. Such an instrument was mentioned by the **Swiss** answer: individuals can lodge complaints against any broad-

caster against the content of a TV or radio programme as well as against the refusal to grant access to a programme (be it a "normal" programme or advertising). In **Austria**, a similar system exists; however, lodging complaints to the regulator (*Bundeskommunikationssenat*) is not an individual right (except in those cases where there has been an infringement of personal rights of the complainant; competitors can also lodge direct complaints) but has to be jointly undertaken by at least 120 fee payers. In the **Czech Republic**, external supervision is undertaken by the Council of Radio and Television broadcasting but no mention has been made in the response on the standing of individuals.

Another kind of supervision was reported by the **United Kingdom**: according to the Communications Act 2003, Ofcom has a statutory duty to review the United Kingdom's designated public service broadcasters collectively at least once every five years, in terms of their delivery of the public service purposes set out in the Act. Furthermore, in the United Kingdom, the BBC Trust has the duty of representing the interests of licence fee payers and assessing the views of licence fee payers. The BBC Charter further provides for an Audience Council for each of the four nations (England, Scotland, Wales and Northern Ireland). The purpose of the Audience Councils is to engage with audiences in the nation and provide feedback to the Trust, often via responses to Trust consultations on how well the BBC is promoting its Public Purposes and how well it is serving licence fee payers in different parts of the United Kingdom. The Councils play a key role in helping the BBC Trust understand the needs, interests and concerns of audiences.

In the **Netherlands**, the Algemene Rekenkamer (AR-Netherlands Court of Audit – <http://www.rekenkamer.nl/> – also in English) started a once-only investigation of the PSM after a call of the Dutch Parliament. Results are expected by the end of 2008. The rules regarding financing, financial reporting and transparency of the broadcasting organisations working under the um-

brella of the NPO, have been adjusted from time to time after advice of the AR.

The Commissariaat voor de Media (Dutch Media Authority, <http://www.cvdm.nl/> – also in English) reports on a yearly basis on the rightfulness of the expenditures of the NPO. This is one of the regular tasks of the Media Authority (article 2.175 of the new Media Act). Every five years, the NPO is evaluated independently by an independent visitation committee (*visitatiecommissie*) which assesses the way the NPO fulfils its public tasks.

In the quite specific case of the Netherlands, an important part of the Dutch PSM-system consists of individual membership based broadcasting organisations (other PSM organisations do not have members, however). Pluriformity is strengthened by a display of a variety in views and opinions. PSM is seen as a market place where opinions and public meet. The Dutch government attaches great value to the accessibility of public service media to various groups in society, in the form of broadcasting associations with membership available for the general public. Currently there are ten broadcasting associations with all together 3 250 000 members. These broadcasting associations are responsible for diversity in programming and opinion. However, individual membership of PSB organisations is clearly on the decline, especially among the young and the migrant population.

In **Portugal**, the new Public Service Television Concession Contract establishes that the annual external audit promoted by the Media Regulatory Authority shall monitor compliance with the public service remit, transparency and proportionality of financial flows and conformity with the best market rules, namely as regards the acquisition of production factors and the pursuit of commercial profits. The Media Regulatory Authority issues a global assessment on the performance of the public service remit and publishes any recommendations it deems necessary. The new concession contract also establishes criteria for evaluating the performance of the public

service remit, taking into account the added value of its programmes as regards the audiovisual offer and the promotion of the civic and cultural formation of citizens, as well as the viewers' perception of its ability to transmit information and knowledge. In Portugal, the activity of the PSM organisation RTP is also subject to monitoring by the Opinion Council, a statutory organ of the company. The Opinion Council monitors and issues declarations on the performance of public service radio and television, with regard to the general basis of programming and investment plans, hearing if necessary those in charge of programming and information.

In **Italy**, under the present service contract, quality programming of "value" to the public is a distinctive feature of RAI's public service remit (Article 3). A six-member scientific committee (with three members appointed by RAI, one by the National Users Council and one by the minister), operating in accordance with the provisions of the contract, is responsible for monitoring and regular analysis (Qualitel).

One interesting example is the **Austrian** Audience Council, a mostly consultative internal organ of ORF (yet, it can lodge complaints with the regulator and has a temporary veto against licence fee decisions). Not only is the Council composed of members taken from various societal groups, some of these members (six of 35) are directly elected by the public (i.e. licence-fee payers or viewers exempted from the fee). Universities, education, the arts, sports, youth, pupils, senior citizens, disabled citizens, parents and families, recognised minorities, tourism, motorists, consumers and organisations protecting the environment should all be represented on the council. The main governing organ, the Foundation Council, on the other hand, unites representatives from the main political actors which should have sufficient expertise in media or in business, science, arts and education.

In **Switzerland**, each regional PSM has to put into place a representative and consultative Audience Council. This Council shall facilitate contacts

between the responsible people for programming and viewers/listeners, as well as make proposals and suggestions for programming.

Serbia indicated that the Broadcasting Institution of Serbia has a consultative body, the Programme Board that advocates the interest of all viewers and listeners.

In **Germany**, all PSB have a broadcasting council which, besides monitoring the conformity of programming with the remit (see point 2), acts on behalf of the public's interest in matters of programming decisions. The members of broadcast councils are recruited from a diverse field of social groups and organisations, mostly represented by respective functionaries/officials (e.g. trade unions, women's association, churches, parliamentary parties). The broadcasting council is to represent a representative cross-section of the population.

In **Hungary**, civil society organisations can delegate members to the Board of Trustees of PSB. A comparable system is in place in **Estonia**, where the public advisory board established pursuant to the Estonian Public Broadcasting Act and representing interested groups advises the management in matters related to the content of programmes, as well as in the **Czech Republic**, where the PSB Councils themselves have the task of guarding the public's interest.

Measuring impact and quality

Almost all respondent member states have indicated a number of ways in which the impact and quality of PSM programming and new media offer is measured. Only some of these are mandated by law, whereas others are performed on a voluntary basis. Few member states mentioned traditional audience measurements (such as audience reach of TV programmes); it is not however to be deduced that these measures do not take place; rather, the question was formulated in such a way as to point more towards other instruments that permit to measure audience satisfaction, quality and usage of new media services.

A categorisation of the responses is difficult to establish since the methods put forward cover all available means of measurement and cannot easily be compared. As a general tendency, all methods to establish user responses seem to be used, such as phone and postal interviews, structured questionnaires and studies. As a rule, this takes place at regular intervals, often once or twice a year. PSM also make use of general media research and quantitative and qualitative content analysis is used by PSM or public authorities.

The following examples are not meant to be exhaustive; further details and additional cases can be gathered from the responses to the questionnaire annexed to this report.

In **Germany**, ZDF bases its decision making on empiric data of media research by way of quantitative and qualitative research of viewers' behaviour, including regular programme and content analyses. Moreover the ZDF conducts image surveys among viewers and uses a daily programme-level programme evaluation tool for the 18 most important broadcasters.

In **Greece**, ERT measures the impact of its public services frequently using large scale surveys, as well as qualitative surveys. Last year's survey placed special emphasis on measures that ERT offers using digital platforms (digital terrestrial services, online services, access services for people with disabilities, etc).

Estonia uses multidimensional evaluation system, which consist of the following indicators:

- ▶ reach: measured by people metres (TV, age 4+), diaries (radio, age 12-74) and metrix (Internet)
- ▶ trust towards public service broadcasting: measured by national public opinion survey which is conducted once a year (usually in November, age 15-74);
- ▶ satisfaction with the services provided by PSM: measured by national public opinion survey which is conducted once a year (usually in November, age 15-74);

▶ diversity of content: measured by quantitative content analysis of television and radio programmes.

In the **United Kingdom**, the BBC has an audience research panel, called the Pulse. This is a continuous 15 000-person national on-line panel which measures programmes amongst viewers against relevant core values. Channel 4 also participates in the Pulse survey. Ofcom and broadcasters also commission research into audience views.

In **Austria**, based on a legal obligation, ORF has established a quality-safeguard system including structured interviews with experts as well as the public, reflecting the public's view of ORF.

In **Sweden**, the Swedish Broadcasting Commission initiated in 1998 an annual assessment of the Swedish TV output, a study carried out by the Institute for Journalism and mass communication at the Gothenburg University – a widely appreciated check on the state of the art on the Swedish TV market and on the role the PSBs play on the market.

In the **Netherlands**, a cornerstone of public transparency is an elaborate system of data collecting by the Stichting Kijkonderzoek (SKO: Dutch audience research foundation <http://www.kijkonderzoek.nl/> – also in English). Audience research offers insight and understanding in the reach of programs. Results are published on a weekly basis and they are one of the indicators for the recognition of PSM. Also, the visits to web sites of the NPO are monitored.

In **Portugal**, in order to measure the impact of public service media among consumers, RTP uses quantitative and qualitative studies in the areas of television, radio and Internet. Quantitative studies consist of the analysis of audiences based on data supplied by Marktest, the company that collects data on all types of audiences in Portugal. Based on this data, the information is processed and distributed internally and externally as necessary. These analyses contribute to the evaluation of the performance of the channels, among target audiences, in the

context of the market, in compliance with obligations of shares of public service programming. Regarding mobile offer, audience research has not been developed in the same way as that of television and radio. However, mobile phone operators supply unofficial information that allows for some conclusions to be taken.

In **Spain**, RTVE is making a study of its television guides to determine the "social value" of its content. The annual time dedicated to "social utility" content is determined in an analytic way. It is then treated in a statistical process to quantify the "commercial value" of that content. RTVE's marketing area is elaborating a News Product Acceptance Panel. This is an annual study of an external nature which has 12 monthly deliveries, about the image of the daily bulletins of private and public channels. This study will permit a swift, dynamic reaction to the information about the position of the different products of the television station.

RTVE also has an "Acceptance Panel". The purpose of this study is to know how viewers value the programmes broadcast on the different channels. It also measures how viewers assess the channels, genres, presenters or any special event. It is a twofold investigation: quantitative (who the viewers of a programme are) and qualitative (it collects viewers' assessments). It is a weekly survey, and the panellists are contacted weekly by an independent investigation institute. This permits TVE to remain anonymous and guarantees the reliability and the absence of bias in the answers of all those who are polled. RTVE carries out Branding Studios in which one of the most valued points is the evaluation of the fulfilment of public service. RTVE also takes an active part in different forums about development and support of media investigation in Spain.

Other action and self-regulatory measures

Some member states have implemented ethics advisers, which have an advisory nature and observe the operations of the PSM under professional

ethics and journalistic good practice aspects. This is the case in **Estonia** and the **Czech Republic**.

France and Spain have pointed out very specific examples of "audience ombudspersons".

In **France**, the function of ombudspersons (*médiateurs*) was instituted in 1998. The ombudspersons responsible for the programming and newsrooms play an essential role in the public dialogue and debate: they are an interface and a link between the channels and the viewers. Their statute ensures the independence necessary for their missions. As from June 2002, when an ombudspersons' office was set up, their means and missions have been widened. Procedures for regional ombudspersons are under way, under the aegis of regional directors of France 3.

Appointed for 3 years and subordinated directly to the directors of France Télévisions, the ombudspersons enjoy a special status ensuring the independence necessary for their missions.

France Télévisions has five ombudspersons. They are seized either directly by the viewers or via the services responsible for the relations with the viewers. They may also be seized internally by the President of France Télévisions, the Directors General of the channels or the Directors responsible for information.

After an investigation, the ombudspersons communicate their opinions to the parties concerned and decide, if appropriate, to publish these opinions, notably on the internet. At the same time, they immediately communicate to the Legal Directorate the dossiers that might entail procedures. They may also intervene publicly on air.

Finally, *L'Hebdo du médiateur* (every Saturday on France 2) and the programme *Votre Télé* (one Sunday per month) are opportunities to communicate with the viewers on air (see http://relations.france2.fr/mediateurp_intro.htm).

The *services responsible for relations with the viewers*: Among diverse commitments included in the contract re-

garding the objectives and means of France Télévisions, the improvement of relationship with the viewers is stipulated as one of the main objectives:

- ▶ Reinforcing the dialogue between the channels of France Télévisions and the viewers
- ▶ Placing the viewers to the core of the public television
- ▶ Improving the perception of services delivered in a relationship "off air"

In order to reach these objectives, France Télévisions has reinforced its relations with the public by deploying a number of services prompting dialogue between the viewers and the channels.

In Spain, RTVE has a mechanism called *Defensora del Espectador* (Defender of the Viewer, Listener and interactive media). At the website <http://www.rtve.es/faqs/> citizens are given various opportunities for making complaints, claims or suggestions. This can be done by post, e-mail or fax, and today RTVE is setting up an automatic call network. In addition, the Defender is in contact with the Communication Users Associations in order to be aware of citizens' interests and concerns.

On RTVE's website, all the television and radio programmes have an e-mail address to which citizens can send their observations direct to the persons in charge of those programmes. There is also a section "Contact" which links citizens to a page giving the answers to the most frequently asked questions, and where any kind of questions can be asked by e-mail.

In **Portugal**, two ombudsmen, one for the listener and another for the viewer, are responsible for receiving and assessing complaints and suggestions from listeners and viewers on the contents broadcasted; for issuing declarations on the complaints and suggestions received from listeners and viewers; for investigating and concluding on the criteria and methods used in the preparation and presentation of programmes and information; for conveying to the listeners and viewers their opinions on the contents broadcasted; for producing a weekly

programme and for drawing up an annual report on their activities.

In **Greece**, ERT operates the Centre of Communication with the Public (CCP). This is a self-regulatory action taken by

ERT to maintain accountability to viewers/listeners/users and in line with the corporate responsibility principles. In the **Czech Republic**, self-regulatory codes established by the TV and the Radio PSB include topics such as

responsibilities to viewers and listeners, plurality in discussion programmes, respect for privacy and others.

The public service remit in the information society: implementation in practice

Introduction

The following part of this report is meant as an illustration for the analysis and good practice examples that precede it and thus concludes the report. It provides the link from the more theoretical parts above to the realities of PSM offerings on new or renewed platforms.

The first part consists of general information on the “new services” offered by PSM as part of their remit, as has been identified from the responses by member states to the Council of Europe questionnaire. Following that, some new services the working group considers interesting and innovative are described in more detail in a Good Practice overview.

Overview of the implementation of the remit in practice

In general, different situations of the usage of the new communications technologies can be observed:

▶ Additional digital channels (via different means of distribution, including in some cases only by web-streaming): In many countries, taking advantage of the spectrum freed by digital switchover, additional digital TV channels have been created, usually with a specialised content (information, children, etc);

▶ Web-streaming of TV and radio programmes via the Internet

▶ Online services such as:

- text-based information,
- interactive services,
- audiovisual production specifically prepared for online usage,

– audiovisual archives, where use is made of the internet to make TV productions accessible after (or sometimes before) the date of broadcast and in many cases open the extensive TV archives of PSM to public usage;

▶ Mobile services ranging from SMS-based services (such as news services) to specific mobile TV offer.

Of course, this list is not exhaustive and a wealth of new offers is to be expected in the next years.

At a very general level, it can be noticed that most PSBs now have an Internet presence: Internet websites with national and international news, news and general information about the companies, and often online streaming of programmes (e.g. Austria, Bulgaria, Cyprus, Czech Republic, Denmark, Greece, Latvia, Lithuania, Moldova, Netherlands, Poland, Sweden, Turkey, Ukraine). Some countries have more advanced additional services: mobile services and/or podcasting services (relevant to programming under the PSB remit) are, for instance, offered in Austria, Denmark, Finland, Portugal, United Kingdom, and Video on Demand (VOD) in Austria, Netherlands, Poland, United Kingdom. Digital archives are also an important new service provided by several PSBs (for example Cyprus, Czech Radio, Finland, Portugal).

Not all of these offers are part of the respective PSM's public service remit; rather, they are sometimes offered on commercial terms.

Austria

ORF offers services such as internet, mobile services (some SMS services, e.g. news), podcasting, streaming of

radio programmes, streaming and downloading of selected TV programmes such as news.

Bulgaria

The Bulgarian National Radio has a website (<http://www.bnr.bg/>), where it posts current national, regional and international news and general information about BNR itself, as well as text, audio and video files (in the form of podcasts) of interviews, reports on special events, etc. Also all the nine channels of the BNR – Horizont (news and current affairs), Hristo Botev (culture and education), Radio Bulgaria (international programmes in 11 languages) and the six regional radio stations can be listened to via the radio's website as online streaming, and some programmes are available as video streaming.

The Bulgarian National Television developed and put into operation its website in 1997. Currently it offers three websites, integrated into a common internet portal and featuring news, sports and programme details. The majority of BNT shows are featured on the website with video archive and text files. Apart from this, the BNT portal provides links to sites which cover different initiatives and events, involving the BNT – <http://www.eurovision.bnt.bg/>, <http://www.bgfilmi.bnt.bg/>, <http://www.welcome.bnt.bg/>, <http://www.goldenchest.bnt.bg/>, <http://www.infocenter.bnt.bg/>. The BNT web portal provides streaming of soccer matches and of important national events.

Croatia

The HRT was one of the “early birds” of the Internet in Croatia, as the first web

site was launched in 1993 and the first video stream offered on the Internet in 1995. During the war (1991/1995) <http://www.hrt.hr/> attracted a significant number of visitors but since then site has become less popular.

The HRT is the leader in technological innovations of the electronic media in Croatia. HDTV trial has been launched recently, radio on demand streaming services are in production, video on mobile and other activities in this field are all led by the HRT.

Cyprus

Internet

The PSB is re-broadcasting its programmes through internet so that expatriates living abroad get to see/listen to its programmes.

Digital archives

PSB's remit includes serving the society's social and historical needs. Using digital technology and techniques makes it possible for the PSB to its archives, make them available and exploit them.

Czech Republic

Czech television offers two new television services which are streamed and broadcast on the digital terrestrial platform. It is also possible to stream and download certain programmes of the own production for free. The latest innovation of Czech television is "Videopujcovna". The service is paid and based on providing already streamed programmes (movies, documentary films, etc.) that can not be accessible for free due to the copyright fee. Each programme can be evaluated by the public to provide the public service media necessary feedback.

Czech Radio has developed a sophisticated, educative and interactive website. Apart from the analogue services which are also available via internet it has developed four new channels which are streamed on the internet and broadcast on a digital terrestrial platform too. Czech Radio provides its archive in the form of podcasting.

Denmark

DR applies all relevant technological platforms (including the internet, mobile services, podcasting etc.) in order to offer public service content meeting cultural, social and democratic needs in the Danish society.

Finland

As outlined in Yleisradio Oy's annual report 2006, new services of the company include internet, broadband and mobile services and teletext. Supplementary digital television services for the visually impaired and hard-of-hearing are examples of other new services. Yleisradio Oy's objective is to supply in future a variety of search and order services in the broadband networks.

Internet has become an increasingly important form of service providing possibilities for participation and interaction, such as discussion and ideas from the audience. Questions and feedback are an essential part of television and radio programmes.

The YLE Living Archive opened in September 2006 and consists of recordings of Yleisradio Oy's radio, television and photograph archives and of film material purchased from film companies. The archives comprise film and radio material and also thousands of photographs and over two thousand background articles. Living Archive is a responsive service that provides its users with material that supplements and illuminates current events and phenomena.

Broadband services in sports events such as the Turin Winter Olympics rendered other programme output more diverse. Video snippets of performances were provided via broadband, and Yleisradio Oy also carried the Turin Games Europe-wide on mobile television in the 3G network. In the videoblog pilot on Jyväskylä Great Drive Rally Radio, event coverage was diversified on the internet and a community service linking in with it was created.

Yleisradio Oy continues to further develop its mobile services such as broadcasting the important news.

There is a fee carried for the services by the telecommunications operators.

In autumn of 2006, a new YLE learning online service was built up and Eurovision pages were set up. YLE Teletext remained the most popular of the teletext services. Regional new pages were a new feature in 2006.

Digital television makes it possible to provide new special services to suit Yleisradio Oy's public service role, e.g. in text format. The subtitling service for the hard-of-hearing is now done in DVB, which allows programmes to be saved with subtitles for the hard-of-hearing. Another new feature is voice subtitling implemented in collaboration with the Finnish Federation of the visually impaired.

France

On 1 October 2007, ARTE launched its service « ARTE +7 » (<http://www.plus7.arte.tv/>), an Internet archive of TV broadcasts where certain programmes (documentaries, fiction, magazines) can be watched for free in the seven days after their first broadcast. This offer therefore complements ARTE's video-on-demand offer (<http://www.artevod.com/>), in which the public can select programmes for hire or for sale.

The "France Télévisions" group has launched a service called "France TVOD" (<http://www.francetvod.fr/>), a platform where programmes from the various channels of the group can be accessed and fictional or documentary programmes as well as films can be bought or hired.

"Radio France" has introduced a podcasting service where listeners can put together their "ideal radio" by selecting programming of the national public service radios (France Info, France Inter – a generalist radio station, France Musique, France Culturelle, Le Mouv' – a youth radio). This is a free offer accessible via <http://www.radiofrance.fr/services/rfmobiles/podcast/>.

Greece

ERT has its own Internet site, but for the moment is not active in mobile services etc., as there is not yet the legal framework for these services.

Latvia

PSBs broadcast over the internet. Latvian Television has plans to increase the number of channels once DTV is introduced.

Lithuania

LRT has its internet page, provides broadcasting of radio programmes online (<http://www.lrt.lt/>) and via satellite. There are plans to start broadcasting TV programmes on IPTV network.

Moldova

Moldova's PSB is using IP-Audio technology and it broadcasts its programmes on the Internet. Its mobile and Internet network is developing in full swing. But that refers mainly to the radio public service.

Netherlands

▶▶ Websites: <http://www.omroep.nl/> serves as a portal to the public services and offers access to the individual contents of the different broadcasting organisations. This website is very successful and is being used on a large scale. The aim is to further explore the possibilities of and limitations to this multimedia tool. In the next few years, public broadcasters aim to further professionalise their websites.

▶▶ Electronic Programme Guides: independently as well as in co-operation with third parties, EPGs have been developed.

▶▶ Thematic digital channels: radio and television channels by Internet. Via a special website, "Nederland 4", a wide range of thematic channels is available. <http://www.nederland4.nl/> offers channels with all sorts of thematic subjects, e.g. on history, consumer matters, talent development, religion, health etc. A variety of radio programmes and podcasts is also offered on this site or the sites of the individual programmes or broadcasters.

▶▶ <http://www.uitzendinggemist.nl/> ("misses a programme") offers VOD programs of the national public broadcaster.

▶▶ All regional public broadcasting organisations offer Internet sites and

information about programmes and VOD on their sites.

▶▶ Nearly all local public broadcasters offer Internet sites and information about programs, some with VOD.

▶▶ The public broadcaster is about to start offering mobile services.

Poland

The new "flagship" service of the PSB is ipTV – consisting of streaming on the Internet of TVP (public television) programme service as well as on demand service enabling users to watch their favourite programmes on the Internet.

Portugal

The public service broadcaster website (<http://www.rtp.pt/>) offers several new services, such as downloading or streaming real-time radio or television contents, downloading on demand radio or television archive programmes and podcasting radio programmes. Other services offered by the public service broadcaster include RTP Mobile, a daily 24 hours specific television channel for mobile platforms.

Some public service contents can also be accessed by WAP (Wireless Application Protocol) compatible mobile devices.

SMS services include information on radio and television programme listings, as well as other, more personalised, services. The public can also use SMS or e-mails to interact with certain programmes.

Spain

The law attributes the management of public radio and television service to the RTVE Corporation, and to such purpose, among others, it shall promote digital and multimedia creation, that is, high-quality interactive and multimedia services for everybody.

DTT as a support of public service interactive applications is used by the state-owned PSB (and in some cases, by regional televisions), for services currently available for the citizens, such as Electronic Programming Guides (EPG), advanced Digital Tele-

text, Traffic, Weather and Stock Exchange Information services, and access services to job offers. Also, new state-owned PSB mobile television services have been launched.¹¹

Sweden

The public service companies have their own websites where the public can use the new digital services, for example listen to web-based radio channels and view programmes after they have been broadcast. The same principles for funding and the same general guidelines for the content apply to new services as traditional broadcasts. This means that the companies have a special responsibility to guarantee that websites and other platforms are free from commercial messages and follow the guidelines that are the core of the remit. See also answers to questions 7 and 9 below ##. For more detailed information on the new services used by the public service companies, see links: <http://www.svt.se/>; <http://www.sr.se/>; <http://www.ur.se/>.

Switzerland

Various programmes are accessible on the German-language TV SF's internet site, the French-language TV TSR's Internet site and the Italian-language TV TSI's internet site and can be watched one hour after being broadcast, including news programmes and radio programmes. Podcasts are also available. Discussion forums are also offered; TSR and SF produce a news journal specifically designed for mobile phones and which is constantly actualised. There is another internet media, Swissinfo, which is a public service media enterprise. Its role is to inform Swiss living abroad about events in their homeland and to raise awareness of Switzerland in other countries. Swissinfo achieves this through its nine-language internet news and its information platform.¹²

11. http://www.rtve.es/rtve_movil/index.html.

12. For more information see: <http://www.sf.tv/>; <http://www.drs.ch/>; <http://www.trs.ch/>; <http://www.rsr.ch/>; <http://www.rtsi.ch/>; <http://www.rtr.ch/>; <http://www.swissinfo.ch/>.

Turkey

In line with the relevant decisions of the Communications High Board (HYK), DVB-T test broadcasts have been started as of 2 February 2006 in three main cities, Ankara, Izmir and Istanbul; and DVB-T coverage and mobile reception tests are still being carried out. The work on spreading DVB-T to 13 cities in line with HYK decisions are going on. Studies are also being done on the research project on interactive broadband applications. Test project on the web-casting of the current TRT broadcasts has been sustained in the last years. At the end of the year 2006, tests on podcasting and RSS have been started.

United Kingdom

There have been a variety of new services offered by public service media providers to enable further household reach and new developments, including:

Freesat

The BBC and partners are currently developing a new service, a guaranteed free-to-view satellite proposition called Freesat. Freesat is expected to offer up to 300 TV and radio channels - compared with around 75 that are currently available through Freeview. This is a non-commercial venture for the BBC and the new company would operate on a not-for-profit basis and enable more households to view a wider range of channels.

iPlayer

The BBC is currently developing its iPlayer (formerly known as iMP – Interactive Media Player). The iPlayer is a computer program being developed by the BBC to replace and extend its existing RealPlayer-based “Radio Player” and other streamed content. The service, which has been under development since 2003, incorporates a media player, an electronic programme guide (EPG) and specially designed download client, and will allow the download of both TV and radio

content by United Kingdom-based Internet users, for use up to 7 days after broadcast. The iPlayer received the approval of the BBC Trust on 30 April 2007 and was launched on 25 December 2007.

4oD

Launched towards the end of 2006 by Channel 4, 4oD stands for “4 on Demand”, a service which allows some Internet users to view programming recently shown on Channel 4, E4 or More4, or from their archives. The cable version is operated through an appropriate set top box whilst the Internet variant requires the installation of a free piece of software, which allows users to download the programmes to a computer for viewing.

4Radio

In June 2006 Channel 4 launched a wide range of exclusive on demand shows. Their programming is currently accessible as downloads or streamed on-line from their website.

Good practice examples

The following examples have been chosen because they are considered characteristic of the new services that can be and are offered by PSM, making use of the advantages of new communication technologies and at the same time building on and expanding the traditional strength of public service media. These examples are not to be seen as giving a complete picture of what is happening in the European PSM landscape nor does the selection carry the meaning that other offers are not considered commendable. Quite the contrary, there exists an infinite number of new media offers that bring with them a real bonus in terms of accomplishing PSMs’ mission.

RTVE’s multimedia offer, Spain

See Screenshot 1, page 36

RTVE offers the possibility to watch television programmes for free via mobile telephone. The live streaming

is easily accessible at <http://www.movil.rtv.es/>. The programme is offered for free, nevertheless the mobile telephone operator could charge for the connection. At the moment, one TV channel (canal 24), various radio emissions (from channel RNE) and one news update are available. In the next months, the offer shall be expanded. When accessing the site, the customer is supposed to be guided through the connection procedure in a very comprehensible and user-friendly way.

NRK-P2’s language programme, Norway

See Screenshot 2, page 36

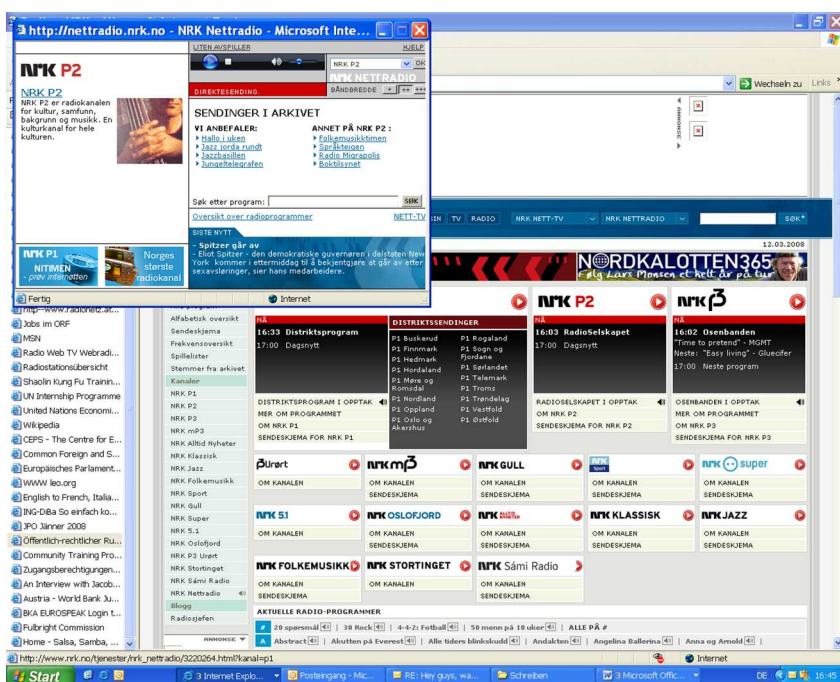
NRK P2 is a cultural radio station of the Norwegian public broadcaster NRK. Cultural material makes up most of the programmes offered, which consist of news, debate programmes, analyses and social commentary. NRK started podcasting in September 2005 with its

P2 Kurér (Courier) programme. In 2006 more than thirty of NRK’s regular radio programmes were available for downloading free of charge to MP3 players and computers. This offering has become extremely popular, and usage reached new heights in December 2006, when over 90 000 unique users visited NRK’s podcast site and downloaded 590 000 clips. One of the most popular podcasts last year was the language programme *Språkteigen* on P2: <http://www.nrk.no/radio/>.

“Untouched” is a website edited by NRK’s youth radio channel at <http://www.nrk.no/>. (See Screenshot 3, page 37.) It is mainly for user-generated content, and younger Norwegian amateur musicians can upload their work and make it available for a broader audience. The audience can vote for the best song/performance of the week and the winner’s work is broadcast in a radio programme. Some of the musicians have obtained agreements with



Screenshot 1. RTVE's multimedia offer, Spain



Screenshot 2. NRK-P2's language programme, Norway

phonogram producers based on the publication of their work on "Untouched".

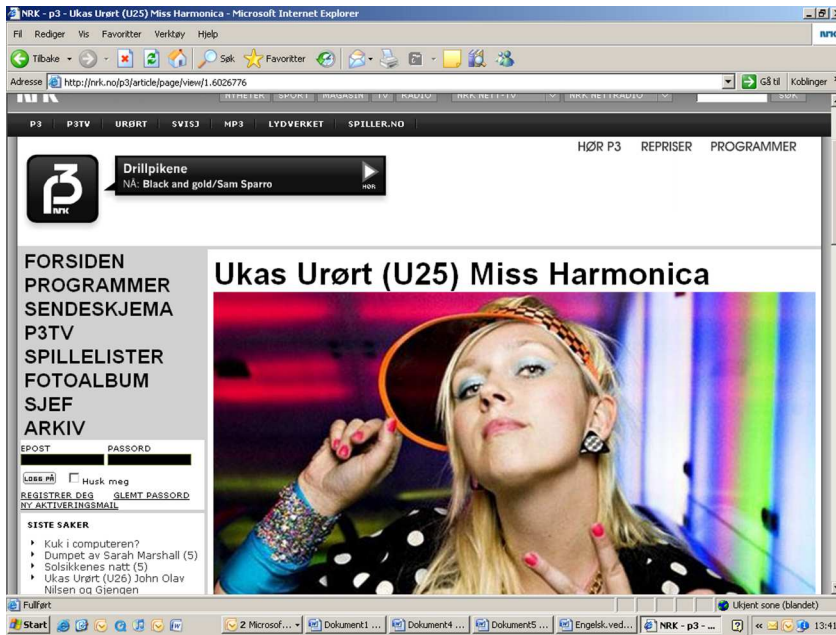
Télévision Suisse Romande's multimedia offering

See Screenshot 4, page 37

Télévision Suisse Romande (TSR) is a French-language channel of the Swiss public service broadcaster SRG SSR. Its offering is complemented by exten-

sive multimedia content. Viewers are given the opportunity to review in-house productions, call up the latest news, find out about the weather forecast and forthcoming television programmes and even take part in competitions or discussion forums that are held in connection with TSR programmes or events. An important part of the site is dedicated to Video à la carte, which provides for videos relat-

ing to the categories Best of the Week, New Videos and Top 50. Furthermore, an audiovisual portal with more than 20 channels and a video on-demand platform is available. Newscast concerning major events is currently being put online and the video on-demand pool is continuously being updated after the programmes emission. German- and Italian-language Swiss Public Service TV has a similar offer.



Screenshot 3. "Untouched", a website edited by NRK's youth radio channel



Screenshot 4. Télévision Suisse Romande's multimedia offering

La Chaîne Parlementaire et Public Sénat, France

See Screenshot 5, page 38

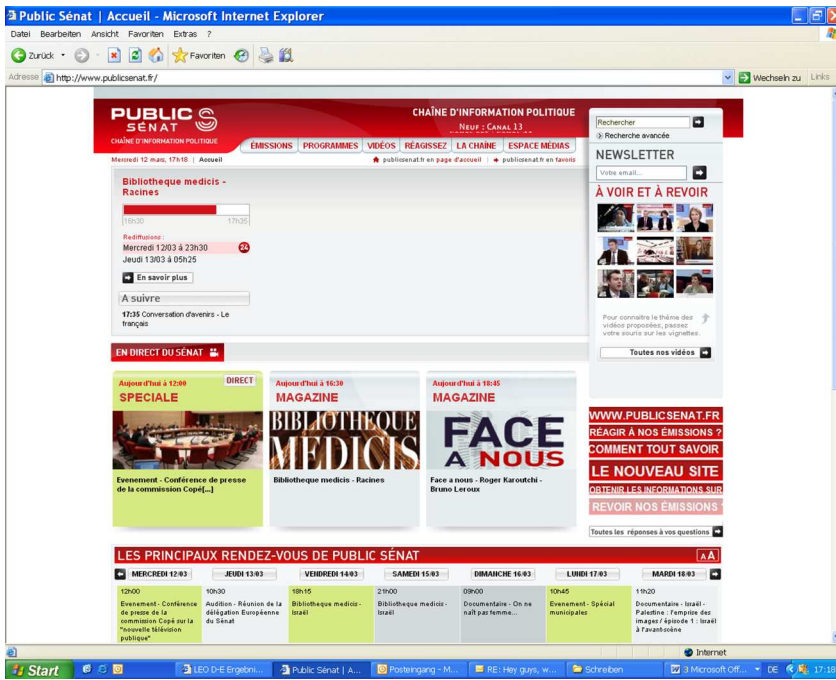
La Chaîne parlementaire is a French public service television network responsible for broadcasting activity from the National Assembly of France and the Senate of France. It is available through digital terrestrial television "TNT". It was created in 1999 on the request of the National Assembly of France. It started by broadcasting twice a week, Tuesday and Wednes-

day, in the afternoons on France 3. On 8 February 2000 the channel started broadcasting activity from the Senate of France. The channel broadcasts 24 hours from the Assembly followed by 24 hours from the Senate in a pre-arranged order. On 31 March 2005, the channel obtained its own TNT frequency. The channel provides for online videos of the debates, too, which are available in the categories "Videos relating to the different programmes", "Most frequently watched videos" and "What's currently on".

DR's web radio offering, Denmark

See Screenshot 6, page 38

DR, Denmark's national broadcasting corporation, runs four nationwide FM radio stations, 15 Digital Audio Broadcast (DAB) stations and 13 additional web radio channels, plus three television channels and an extensive website, a version of which is accessible via mobile phone. As to the 13 web radio channels, they all play Danish and international music in the following categories:



Screenshot 5. La Chaîne Parlementaire et Public Sénat, France



Screenshot 6. DR's web radio offering, Denmark

- » DR Allegro – popular classical music, film music, musicals, operetta
- » DR Barometer – alt-rock and indie
- » DR Country – country music
- » DR Dansktop – popular music and schlagers
- » DR Electronica – electronica
- » DR Evergreen - evergreens
- » DR Folk – folk music
- » DR Hip Hop – hiphop from underground to mainstream
- » DR Modern Rock - modern rock
- » DR R&B – R&B, soul
- » DR Soft – soft pop
- » DR Spillemand – Danish, Nordic, and Irish/Scottish/English folk music
- » DR World – world music

CT24's multiplex platform, Czech Republic

See Screenshot 7, page 39

CT24 is one of the 4 channels of the Czech public service broadcaster Česká televize. CT24 is a news programme, which broadcasts continually latest news with live material which is updated every hour. The content covers extended economic and cultural news, discussions, magazines, economic overviews etc. The DVB-T



Screenshot 7. CT24's multiplex platform, Czech Republic

public service multiplex is still under construction, but once it is brought into full operation, the programme offer of traditional TV channels will be supplemented by additional services – textual information, charts, maps, dictionaries, practical information designed to help the viewers in emergencies and other stress situations, but also a special verbal description of visual scenes for the blind etc. The programme is accompanied by the additional services at the web pages of the broadcaster. At the moment, the offering includes:

- ▶▶ Videos of current political and social events relating to the categories Domestic Policy, Foreign Policy, Sports, Culture, Entertainment, Economy.
- ▶▶ A chat forum offering visitors the possibility to debate on current political issues
- ▶▶ A poll section where visitors can vote on a current topic.
- ▶▶ A huge archive of older video casts
- ▶▶ A weather forecast.

ZDF Mediathek

<http://www.zdf.de/ZDFmediathek/startseite>

The “Mediathek” established by ZDF, one of Germany’s Public Service Broadcasters, is an Online Video Archive putting a substantial amount of material that has already been broadcasted to the disposition of viewers. The material dates back more than one year; a lot of recent material is available so that users can watch/listen to emissions they have missed at the moment of broadcasting.

Additionally, a substantial number of live-streams is available as well as a limited number of “web-first”-broadcasts. Podcasts are also available. Users can choose different media players; various formats are available in order to ensure maximum flexibility of use (e.g. higher quality for good Internet connections, lower quality for slower connections).

The “Mediathek” serves as the central ZDF platform for the distribution of audiovisual content on ZDF; the main ZDF page contains a significant number of links to Mediathek offers. A search functions as well as thematic sub-pages enable easy navigation for users.

Other noteworthy offers by ZDF:

ZDFvision: digital distribution offers supplementary services

ZDF has been operating its own digital bouquet of channels since 1997. ZDFvision is broadcast via satellite (ASTRA 1H) and cable, and carries the main channel ZDF, the partner channels 3sat and Ki.KA, the two partner radio channels Deutschlandfunk and Deutschlandradio Kultur, as well as, among others, a digital-only thematic channel focused on culture: ZDFtheaterkanal offers an electronic stage, providing a space for the performance of drama, dance, concerts, opera and cabaret.

For further information (in English) about ZDF vision: <http://www.zdf.com/index.php?id=203&artid=181&backpid=180&cHash=02d63dfbd8>.

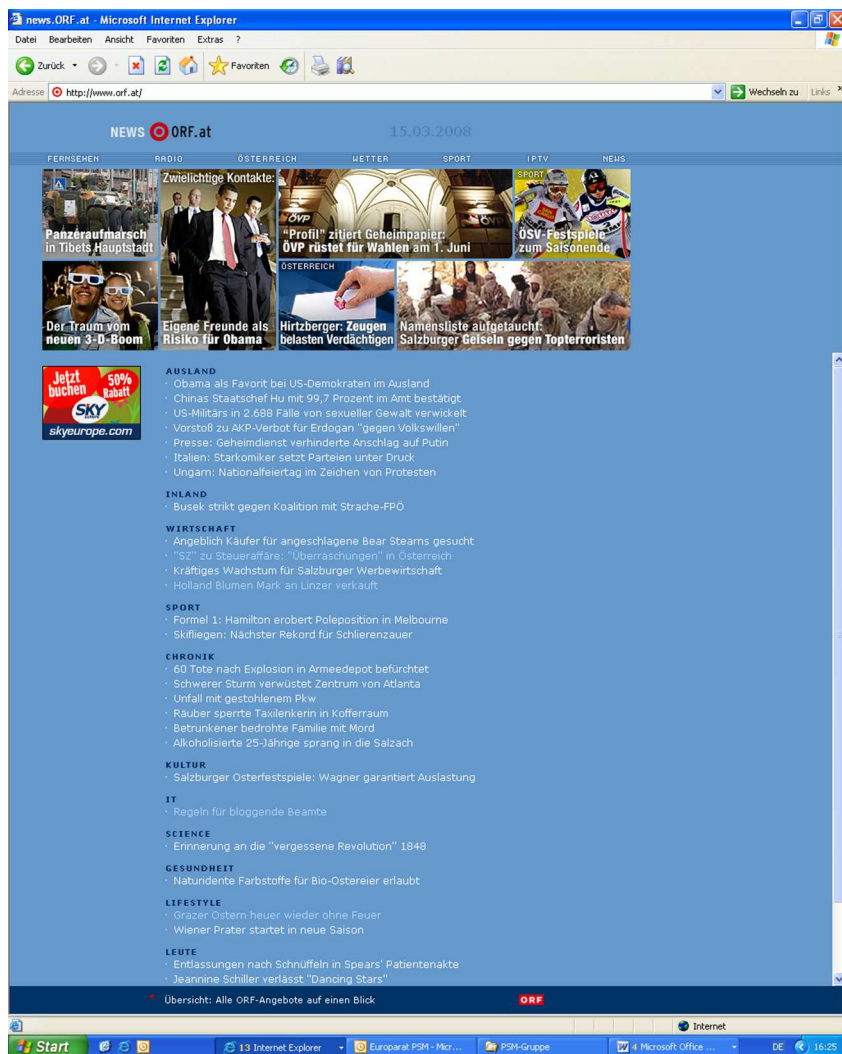
ZDFonline services: Children’s web page

At the German children’s media festival Goldener Spatz (Golden Sparrow) which takes place every year in Gera and Erfurt, the ZDF children’s web page <http://www.tivi.de/> has won the award “Goldener Webspatz”. The web page <http://www.tivi.de/> is aimed at children aged seven to twelve.

The ZDF web presence <http://www.tivi.de/>, which is most suitable for children, impressed the jury with its content, design, navigation, high security, the

possibility of actively taking part and the absence of advertising.

Screenshot 8. ORF's website, Austria



ORF, Austria

<http://www.orf.at/>

See Screenshot 8, page 40

The Austrian Broadcaster's main Internet site <http://www.orf.at/> is a good example of a "static" Internet presence of a PSM organisation. Its main focus is the provision of classical information; recently, more and more multimedia offers (streaming, archive of news programmes) have been added to the web offer.

The main page gives an overview of the most important international and national news. Additional pages contain regional news. Specific sub-sites offer information e.g. on sports, culture, science, technologies and religion. These pages enable users to gather a comprehensive overview of

the most important news which are presented in an objective and informative, yet easy to understand manner. The offer thus provides quality news also to those users who, for various reasons, might never visit the home page of quality newspapers. It is therefore a good example of a PSM offer that strives to promote social cohesion and to serve all parts of society.

One of ORF's radio stations, FM4, a service specifically directed at a young, alternative audience, has a very sophisticated web-presence. See Screenshot 9, page 41. Among many offers, it is worthy to note the FM4 sound-park (<http://fm4.orf.at/soundpark/>), a platform where young musicians and bands can provide information on themselves and upload music that can then be lis-

tened to free of charge by users of the site.

Netherlands Public Broadcasting children's site Z@ppelin

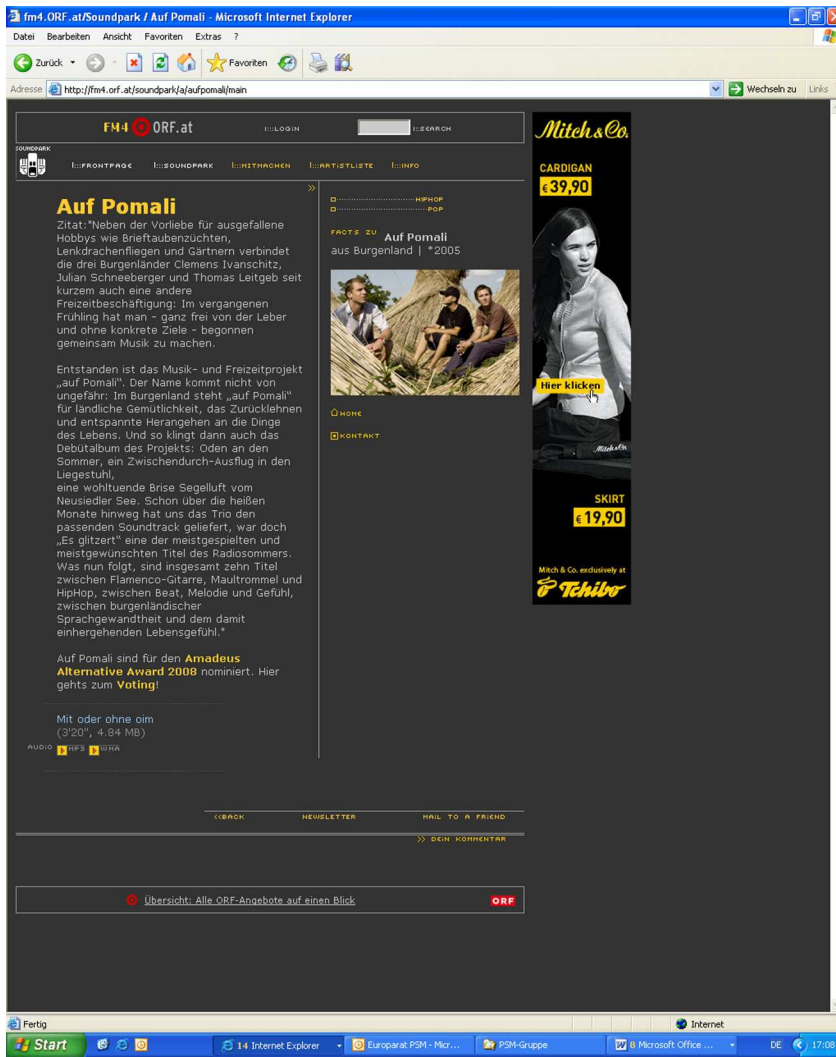
<http://www.zappelin.nl/>

See Screenshot 10, page 41

Z@ppelin is a TV youth channel but also has an extensive internet presence.

Multimedia Meets Radio Project

Multimedia Meets Radio is an annual conference that looks at best practices in the use of new technology to attract a younger, more "tech savvy" audience to radio. It brings to the attention of EBU Members the very best ideas on New Media, including the Internet and services to mobile equipment.



Screenshot 9. One of ORF's radio stations, FM4



Screenshot 10. Netherlands Public Broadcasting children's site Z@ppelijn

The focus is very much on storytelling and interactivity. Producers and journalists not only present projects but also discuss common challenges and opportunities. Topics dealt with at MMR include Web 2.0, podcasting, blogging, social networking, peer-to-peer distribution and user-generated content. Typical participants include content-makers, journalists, editors, New Media managers, programme directors, engineers, analysts, podcasters, Webcasters and bloggers.

One of the most interesting aspects of MMR is that the conversation takes place not only in the conference room but also online. The participants' blog, twitter, take photographs and make videos not for themselves but to share on social networking sites such as Flickr and YouTube.

MMR gives participants an opportunity to exchange experiences at a time when media paradigms are shifting. Social websites, collaborative software and other technology harnessing the power of users have already transformed the landscape. Broadcasters attend MMR because they recognize that they are not immune to these trends and can learn from one another.

Further information about MMR: http://www.ebu.ch/fr/technical/trev/trev_310-mm2007.pdf; http://www.ebu.ch/en/radio/news_and_sports/mmr08.php?display=EN.

Eurosonic

Free access to music and live events: Eurosonic is the world's largest concert arena for rock, pop, dance and world music artists. It is a unique network of EBU radio stations which exchange and broadcast the best of their live music recordings, on a free basis. It is

an entirely non-profit collaboration with a strong public service dimension. Eurosonic comprises over 70 stations with a pool of 500 million potential listeners. Every major name in music radio is part of the Eurosonic Partnership, from RUV RAS-2 in Iceland to VRT Studio Brussel, from BBC Radio 1 to Radio France. Over 500 Eurosonic concerts and music programmes are offered/exchanged each year. The EBU Radio Department coordinates these mutual and reciprocal offers.

Negotiating rights: Eurosonic negotiates radio rights for its network of members for the transmission of major events, such as the Sonar and Benicasim Festivals (Spain), Hove Festival (Norway), Paléo and Montreux Festivals (Switzerland), Transmusicales (France) and many others. The Group has acquired free broadcasting rights for artists like Coldplay, Peter Dinklage, Ben Harper, Cat Power, Amy Winehouse and many other major international names. In order to do so, Eurosonic develops a close working relationship with artists and recording companies such as EMI United Kingdom for Coldplay and Radiohead and more recently with Because Records for Manu Chao and Warner for New Order and Gnarl Barkley.

Promoting new live music and new talent: Eurosonic brings music to European audiences by giving fans free access to outstanding music acts, major festivals and shows across Europe. Eurosonic's aim is to offer more live music, more major festivals, more interviews and exclusive presentations to a growing number of listeners across Europe. The live music

recordings of top acts are offered to Eurosonic Members free of charge. In 2005, the Coldplay concert was relayed by 38 Eurosonic Members, reaching a pool of millions of listeners in Europe. In 2003, Radiohead's live concert recording from Montreux was acquired by the Eurosonic network and was aired by 28 radio channels. Eurosonic provides a perfect opportunity to promote new talent and new ideas in music through the broadcast of music events to its large network, thereby offering exceptionally wide exposure to Europe's contemporary musicians. Many celebrities have started their international careers thanks to the Eurosonic partnership including the following: The Dø, Ojos de Brujos, Mando Diao, Kings of Convenience, Sunday Drivers, Beatsteaks, Ghinzu and Under Byen.

Eurosonic Festival: The Eurosonic Festival is the most extensive and progressive showcase festival in Europe. It is held each year in Groningen (the Netherlands) in January, with many European countries taking part. The festival attracts over 2,000 music professionals from all over Europe, including representatives of over 100 European live music festivals, and it features a programme of over 250 bands and acts from all over Europe. Many of the Eurosonic partners select one of their own new bands to perform at the Festival, where the live show is recorded and broadcast on the EBU network, reaching an audience of millions of listeners.

More information is available on <http://www.eurosonic.net/>.

Conclusions

This report has addressed various and diverse issues related to the conditions that PSM need in order to being able to fulfil their remit in the context of the information society. Among those many conditions, the report has focussed on the definition of the remit of PSM in the digital age, on the necessary technical and financial conditions

and on transparency and accountability. All those factors have, as can be gathered from the report, changed tremendously with the recent technological changes and the related changes in the media landscape. The report has highlighted some of these changes and above all the challenges to PSM that have come from them.

Concerning the *remit of PSM*, Recommendation (2007) 3 makes it clear that it should be extended to significant new platforms in order to enable PSM to reach its audience and therefore to fulfil its tasks on them as well and avoiding a situation where PSM remain stuck in traditional broadcasting while their audience is moving

away. The report shows that an ever increasing number of member states have indeed adapted the remit in the way recommended, including new digital TV and radio channels as well as internet services (both streaming and others) and, in some cases, mobile services.

However, it seems that there is not yet a consensus on the way in which to define this new remit, although both the remit itself and the procedure leading to its definition seems to be getting more complex as well as more differentiated in many countries. The traditional way of remit definition consisting in defining a number of radio and TV channels and having a very broadly defined remit does not work anymore, since both online and in digital broadcasting, there are little or no capacity limitations, and at least for non-linear online services, a quantitative limitation is difficult to achieve. Also, given the very different possibilities to make use of online and mobile services – especially compared to traditional broadcasting – it is difficult for member states to precisely define what PSM should do on these platforms; they also risk stifling innovatory content if they get too precise.

On the other hand, it is clear that competition issues, which in the case of EU member states are pursued by the European Commission based on complaints from private competitors, are pushing member states into further detailing their PSMs' remit, and so is the fact that so much content is on offer on the new media platforms that the public increasingly questions PSM' special status and the financial contribution of fee or tax payers to its operations, thus raising the necessity for member states and PSM to legitimise what PSM is doing and therefore concretise its remit.

Regarding *financial conditions*, member states have to guarantee that public service broadcasters will receive the financial means necessary to carry out their remit. The independence of the PSM requires financial independence, which includes a guarantee of continuity of service, adaptation to the new needs of society and to the new media environment, as well as the capacity to plan activities in the long term. Consequently, specific attention should be drawn to the risk of under-compensation as well as over-compensation. The assessment of the needs of the public service broadcasters should be based on objective criteria and should be fixed after consultation with them. Nevertheless, the report shows that, while the European Union's rules on State aid provide effective safeguards against over-compensation, as far as EU/EEA Member States are concerned, few of them have established mechanisms to ensure that the public service broadcasters are not under-funded.

Concerning *technical conditions*, broadcasting is, and will remain, an important pillar of public service media, and public services will need a number of technical elements to fulfil their mission. There is a wide variation across European States in the evaluation of necessary technical conditions, which suggests that future studies should be made to agree common conceptions.

The necessary technical elements include adequate terrestrial frequency spectrum both for their current services and for future services, such as high definition television. The transition to HDTV is inevitable, and public service broadcasters should not be constrained by yesterday's technology. Another critical element needed to ensure the lowest costs and maximum choice for viewers and listeners is the

adoption of common technology standards across Europe for digital television and radio. Most States take very little part today in standardization studies, which are consequently fragmenting, and this is not in Europe's interests.

As broadband delivery is likely to have equal public reach to broadcasting in the next decade, public service media must be equipped with the technology to provide this. A diverse picture emerges today across Europe for these means.

To guarantee the public's access to public service media, the application of must-carry rules may be considered, beyond traditional cable television networks, for other "closed" networks, where all media services are provided/controlled by the service/network operator. With respect to "open" networks such as the open Internet (where there is open access and where media services are provided/controlled by the media service providers themselves), "net neutrality" principles can play an important role in facilitating the public's access to both linear and non-linear services.

The report has shown that member states and PSM themselves still mostly adhere to traditional mechanisms to ensure *transparency and accountability of PSM*, most importantly the use of governing structures to achieve this goals. It has, however, to be noticed, that other transparency requirements, in particular regular reporting by PSM and regular controls by external regulators are clearly on the increase. This can also be traced back to the need for enhanced legitimacy for PSM in the new media environment (since the offer of content on the internet from other sources is so large, PSM must constantly justify their special status) and to competition law pressures.

Appendix 1. Recommendation Rec (2007) 3

Recommendation Rec (2007) 3 of the Committee of Ministers to member states on the remit of public service media in the

information society

Adopted by the Committee of Ministers on 31 January 2007 at the 985th

meeting of the Ministers' Deputies

The Committee of Ministers, under the terms of Article 15.b of the Statute of the Council of Europe,

Considering that the aim of the Council of Europe is to achieve a greater unity between its members for the purpose of safeguarding and realising the ideals and principles that are their common heritage;

Recalling the commitment of member states to the fundamental right to freedom of expression and information, as guaranteed by Article 10 of the Convention for the Protection of Human Rights and Fundamental Freedoms;

Recalling the importance for democratic societies of a wide variety of independent and autonomous media, able to reflect the diversity of ideas and opinions, and that new information and communication techniques and services must be effectively used to broaden the scope of freedom of expression, as stated in its Declaration on the freedom of expression and information (April 1982);

Bearing in mind Resolution No. 1 on the future of public service broadcasting adopted at the 4th European Ministerial Conference on Mass Media Policy (Prague, December 1994);

Recalling its Recommendation No. R (96) 10 on the guarantee of the independence of public service broadcasting and its Recommendation Rec (2003) 9 on measures to promote the democratic and social contribution of digital broadcasting, as well as its Declaration on the guarantee of the independence of public service broadcasting in the member states (September 2006);

Recalling Recommendation 1641 (2004) of the Parliamentary Assembly of the Council of Europe on public service broadcasting, calling for the adoption of a new major policy document on public service broadcasting taking stock of recent technological developments, as well as the report on public service broadcasting by the Parliamentary Assembly's Committee on Culture, Science and Education (Doc. 10029, January 2004), noting the need for the evolution and modernisation of this sector, and the positive reply of the Committee of Ministers to this recommendation;

Bearing in mind the political documents adopted at the 7th European Ministerial Conference on Mass Media Policy (Kyiv, March 2005) and, more particularly, the objective set out in the Action Plan to examine how the public service remit should, as appropriate, be developed and adapted by member states to suit the new digital environment;

Recalling the UNESCO Convention on the protection and promotion of the diversity of cultural expressions (October 2005), which attaches considerable importance to, inter alia, the creation of conditions conducive to diversity of the media including through public service broadcasting;

Conscious of the need to safeguard the fundamental objectives of the public interest in the information society, including freedom of expression and access to information, media pluralism, cultural diversity, and the protection of minors and human dignity, in conformity with the Council of Europe standards and norms;

Underlining the specific role of public service broadcasting, which is to promote the values of democratic societies, in particular respect for human rights, cultures and political pluralism; and with regard to its goal of offering a wide choice of programmes and services to all sectors of the public, promoting social cohesion, cultural diversity and pluralist communication accessible to everyone;

Mindful of the fact that growing competition in broadcasting makes it more difficult for many commercial broadcasters to maintain the public value of their programming, especially in their free-to-air services;

Conscious of the fact that globalisation and international integration, as well as the growing horizontal and vertical concentration of privately owned media at the national and international levels, have far-reaching effects for states and their media systems;

Noting that in the information society, the public, and especially the younger generations, more and more often turn to the new communication services for content and for the satisfaction

of their communication needs, at the expense of traditional media;

Convinced therefore that the public service remit is all the more relevant in the information society and that it can be discharged by public service organisations via diverse platforms and an offer of various services, resulting in the emergence of public service media, which, for the purpose of this recommendation, does not include print media;

Recognising the continued full legitimacy and the specific objectives of public service media in the information society;

Persuaded that, while paying attention to market and competition questions, the common interest requires that public service media be provided with adequate funds for the fulfilment of the public service remit as conferred on them;

Recognising the right of member states to define the remits of individual public service media in accordance with their own national circumstances;

Acknowledging that the remits of individual public service media may vary within each member state, and that these remits may not necessarily include all the principles set out in this recommendation,

Recommends that the governments of member states:

- i. guarantee the fundamental role of the public service media in the new digital environment, setting a clear remit for public service media, and enabling them to use new technical means to better fulfil this remit and adapt to rapid changes in the current media and technological landscape, and to changes in the viewing and listening patterns and expectations of the audience;
- ii. include, where they have not already done so, provisions in their legislation/regulations specific to the remit of public service media, covering in particular the new communication services, thereby enabling public service media to make full use of their potential and especially to promote broader democratic, social and cultural

participation, inter alia, with the help of new interactive technologies;

iii. guarantee public service media, via a secure and appropriate financing and organisational framework, the conditions required to carry out the function entrusted to them by member states in the new digital environment, in a transparent and accountable manner;

iv. enable public service media to respond fully and effectively to the challenges of the information society, respecting the public/private dual structure of the European electronic media landscape and paying attention to market and competition questions;

v. ensure that universal access to public service media is offered to all individuals and social groups, including minority and disadvantaged groups, through a range of technological means;

vi. disseminate widely this recommendation and, in particular, bring to the attention of public authorities, public service media, professional groups and the public at large, the guiding principles set out below, and ensure that the necessary conditions are in place for these principles to be put into practice.

Guiding principles concerning the remit of public service media in the information society

I. The public service remit: maintaining the key elements

1. Member states have the competence to define and assign a public service remit to one or more specific media organisations, in the public and/or private sector, maintaining the key elements underpinning the traditional public service remit, while adjusting it to new circumstances. This remit should be performed with the use of state-of-the-art technology appropriate for the purpose. These elements have been referred to on several occasions in Council of Europe documents, which have defined public service broadcasting as, amongst other things:

a. a reference point for all members of the public, offering universal access;

b. a factor for social cohesion and integration of all individuals, groups and communities;

c. a source of impartial and independent information and comment, and of innovatory and varied content which complies with high ethical and quality standards;

d. a forum for pluralistic public discussion and a means of promoting broader democratic participation of individuals;

e. an active contributor to audiovisual creation and production and greater appreciation and dissemination of the diversity of national and European cultural heritage.

2. In the information society, relying heavily on digital technologies, where the means of content distribution have diversified beyond traditional broadcasting, member states should ensure that the public service remit is extended to cover provision of appropriate content also via new communication platforms.

II. Adapting the public service remit to the information society

a. A reference point for all members of the public, with universal access offered

3. Public service media should offer news, information, educational, cultural, sports and entertainment programmes and content aimed at the various categories of the public and which, taken as a whole, constitute an added public value compared to those of other broadcasters and content providers.

4. The principle of universality, which is fundamental to public service media, should be addressed having regard to technical, social and content aspects. Member states should, in particular, ensure that public service media can be present on significant platforms and have the necessary resources for this purpose.

5. In view of changing user habits, public service media should be able to offer both generalist and specialised

contents and services, as well as personalised interactive and on-demand services. They should address all generations, but especially involve the younger generation in active forms of communication, encouraging the provision of user-generated content and establishing other participatory schemes.

6. Member states should see to it that the goals and means for achievement of these goals by public service media are clearly defined, in particular regarding the use of thematic services and new communication services. This may include regular evaluation and review of such activities by the relevant bodies, so as to ensure that all groups in the audience are adequately served.

b. A factor for social cohesion and integration of all individuals, groups and communities

7. Public service media should be adapted to the new digital environment to enable them to fulfil their remit in promoting social cohesion at local, regional, national and international levels, and to foster a sense of co-responsibility of the public for the achievement of this objective.

8. Public service media should integrate all communities, social groups and generations, including minority groups, young people, old persons, the most disadvantaged social categories, persons with disabilities, while respecting their different identities and needs. In this context, attention should be paid to the content created by and for such groups, and to their access to, and presence and portrayal in, public service media. Due attention should be also paid to gender equality issues.

9. Public service media should act as a trusted guide of society, bringing concretely useful knowledge into the life of individuals and of different communities in society. In this context, they should pay particular attention to the needs of minority groups and underprivileged and disadvantaged social categories. This role of filling a gap in the market, which is an important part of the traditional public

service media remit, should be maintained in the new digital environment.

10. In an era of globalisation, migration and integration at European and international levels, the public service media should promote better understanding among peoples and contribute to intercultural and inter-religious dialogue.

11. Public service media should promote digital inclusion and efforts to bridge the digital divide by, *inter alia*, enhancing the accessibility of programmes and services on new platforms.

c. A source of impartial and independent information and comment, and of innovatory and varied content which complies with high ethical and quality standards

12. Member states should ensure that public service media constitute a space of credibility and reliability among a profusion of digital media, fulfilling their role as an impartial and independent source of information, opinion and comment, and of a wide range of programming and services, satisfying high ethical and quality standards.

13. When assigning the public service remit, member states should take account of the public service media's role in bridging fragmentation, reducing social and political alienation and promoting the development of civil society. A requirement for this is the independent and impartial news and current affairs content, which should be provided on both traditional programmes and new communication services.

d. A forum for public discussion and a means of promoting broader democratic participation of individuals

14. Public service media should play an important role in promoting broader democratic debate and participation, with the assistance, among other things, of new interactive technologies, offering the public greater involvement in the democratic process. Public service media should fulfil a vital role in educating active and responsible citizens, providing not only

quality content but also a forum for public debate, open to diverse ideas and convictions in society, and a platform for disseminating democratic values.

15. Public service media should provide adequate information about the democratic system and democratic procedures, and should encourage participation not only in elections but also in decision-making processes and public life in general. Accordingly, one of the public service media's roles should be to foster citizens' interest in public affairs and encourage them to play a more active part.

16. Public service media should also actively promote a culture of tolerance and mutual understanding by using new digital and online technologies.

17. Public service media should play a leading role in public scrutiny of national governments and international governmental organisations, enhancing their transparency, accountability to the public and legitimacy, helping eliminate any democratic deficit, and contributing to the development of a European public sphere.

18. Public service media should enhance their dialogue with, and accountability to, the general public, also with the help of new interactive services.

e. An active contributor to audiovisual creation and production and to a greater appreciation and dissemination of the diversity of national and European cultural heritage

19. Public service media should play a particular role in the promotion of cultural diversity and identity, including through new communication services and platforms. To this end, public service media should continue to invest in new, original content production, made in formats suitable for the new communication services. They should support the creation and production of domestic audiovisual works reflecting as well local and regional characteristics.

20. Public service media should stimulate creativity and reflect the diversity of cultural activities, through their cultural programmes, in fields such as

music, arts and theatre, and they should, where appropriate, support cultural events and performances.

21. Public service media should continue to play a central role in education, media literacy and life-long learning, and should actively contribute to the formation of knowledge-based society. Public service media should pursue this task, taking full advantage of the new opportunities and including all social groups and generations.

22. Public service media should play a particular role in preservation of cultural heritage. They should rely on and develop their archives, which should be digitised, thus being preserved for future generations. In order to be accessible to a broader audience, the audiovisual archives should, where appropriate and feasible, be accessible online. Member states should consider possible options to facilitate the accomplishment of such projects.

23. In their programming and content, public service media should reflect the increasingly multi-ethnic and multicultural societies in which they operate, protecting the cultural heritage of different minorities and communities, providing possibilities for cultural expression and exchange, and promoting closer integration, without obliterating cultural diversity at the national level.

24. Public service media should promote respect for cultural diversity, while simultaneously introducing the audience to the cultures of other peoples around the world.

III. The appropriate conditions required to fulfil the public service remit in the information society

25. Member states should ensure that the specific legal, technical, financial and organisational conditions required to fulfil the public service remit continue to apply in, and are adapted to, the new digital environment. Taking into account the challenges of the information society, member states should be free to organise their own national systems of public service media, suited to the rapidly changing technological and social realities, while at the

same time remaining faithful to the fundamental principles of public service.

a. Legal conditions

26. Member states should establish a clear legal framework for the development of public service media and the fulfilment of their remit. They should incorporate into their legislation provisions enabling public service media to exercise, as effectively as possible, their specific function in the information society and, in particular, allowing them to develop new communication services.

27. To reconcile the need for a clear definition of the remit with the need to respect editorial independence and programme autonomy and to allow for flexibility to adapt public service activities rapidly to new developments, member states should find appropriate solutions, involving, if needed, the public service media, in line with their legal traditions.

b. Technical conditions

28. Member states should ensure that public service media have the necessary technical resources to fulfil their function in the information society. Developing a range of new services would enable them to reach more households, to produce more quality contents, responding to the expectations of the public, and to keep pace with developments in the digital envi-

ronment. Public service media should play an active role in the technological innovation of the electronic media, as well as in the digital switchover.

c. Financial conditions

29. Member states should secure adequate financing for public service media, enabling them to fulfil their role in the information society, as defined in their remit. Traditional funding models relying on sources such as licence fees, the state budget and advertising remain valid under the new conditions.

30. Taking into account the developments of the new digital technology, member states may consider complementary funding solutions paying due attention to market and competition questions. In particular, in the case of new personalised services, member states may consider allowing public service media to collect remunerations. Member states may also take advantage of public and community initiatives for the creation and financing of new types of public service media. However, none of these solutions should endanger the principle of universality of public service media or lead to discrimination between different groups of society. When developing new funding systems, member states should pay due attention to the nature of the content provided in the in-

terest of the public and in the common interest.

d. Organisational conditions

31. Member states should establish the organisational conditions for public service media that provide the most appropriate background for the delivery of the public service remit in the digital environment. In doing so they should pay due attention to the guarantee of the editorial independence and institutional autonomy of public service media and the particularities of their national media systems, as well as organisational changes needed to take advantage of new production and distribution methods in the digital environment.

32. Member states should ensure that public service media organisations have the capacity and critical mass to operate successfully in the new digital environment, fulfil an extended public service remit and maintain their position in a highly concentrated market.

33. In organising the delivery of the public service remit, member states should make sure that public service media can, as necessary, engage in co-operation with other economic actors, such as commercial media, rights holders, producers of audiovisual content, platform operators and distributors of audiovisual content.

Appendix 2. Questionnaire on the appropriate conditions required for public service media to fulfil their remit, April 2007

Introduction

Council of Europe Recommendation Rec (2007) 3 on the remit of public service media in the information society was adopted by the Committee of Ministers on 31 January 2007. The main purpose of this major instrument is to encourage member states to “guarantee the fundamental role of the public service media in the new digital environment, setting a clear remit for public service media, and en-

abling them to use new technical means to better fulfil this remit and adapt to rapid changes in the current media and technological landscape, and to changes in the viewing and listening patterns and expectations of the audience”.

The Recommendation addresses *inter alia* the question of the specific legal, technical, financial and organisational conditions required for public service media to fulfil their remit in an ade-

quate manner (Chapter III), in recommending to the member states to ensure that these conditions continue to apply in, and are adapted to, the new digital environment.

The Secretariat of the Council of Europe would be grateful if you could respond, if necessary via the competent authorities, to the following questions. Please provide as many facts, figures and concrete examples of your country’s practice or regulation as pos-

sible. If necessary, please give any further comments/analysis related to the addressed points.

Legal conditions

1. Describe what provisions your country's legislation incorporates, enabling public service media to fulfil their remit, to exercise effectively their specific function and, in particular, allowing them to develop new communication services.
2. How does the legislation in your country reconcile the need for a clear definition of the remit of public service media with the need to respect editorial independence and institutional autonomy and to allow for flexibility to adapt public service activities rapidly to new developments?

Technical conditions

3. Describe how the state ensures that public service media have the necessary technical resources to fulfil their remit.
4. Could you provide concrete examples of how the public service is using new services (such as internet, mobile services, podcasting, etc.) enabling them to reach more households, to produce more quality content, to respond to the expectations of the public, and to keep pace with developments in the digital environment?
5. If appropriate, to what extent do the public service media take part in the technological innovation of the electronic media, as well as in the digital switchover?

Financial conditions

6. Describe the current funding model for the public service broad-

casters/media in your country. Has your country changed or does your country envisage changing the amount of funding or the funding model in the context of evolving technological innovation? If so, how?

7. In the context of the developments of the new digital technology, does, in your country, the state consider complementary funding solutions?

8. If appropriate, describe how and to what extent attention is paid to market and competition questions in your country when modifying funding systems for public service media. If appropriate, describe to what extent and how funding systems for public service media are influenced by external factors.

9. In the case of new personalised services, is it envisaged to allow public service media to collect remuneration and if yes, how would such a system be designed?

10. If applicable, how does the state take advantage of public and community initiatives for the creation and financing of new types of public service media?

11. If the answers to (9) and (10) are positive, how does your country ensure that these solutions do not endanger the principle of universality of public service media or lead to discrimination between different groups of society?

12. How does your country ensure that needed attention is paid to editorial independence and to the content provided in the interest of the public when new funding models are being introduced? If appropriate, is possible influence of new funding models on

the content of public service media being assessed and how?

Organisational conditions

13. Describe how, in your country, the state establishes the organisational conditions for public service media that provide an appropriate background for the delivery of the public service remit in the digital environment. In doing so, does it pay due attention to the guarantee of the editorial independence and institutional autonomy of public service media within the specific circumstances of your national media system, as well as organisational changes needed to take advantage of new production and distribution methods in the digital environment?

14. How does the state, in your country, ensure that public service media organisations have the capacity to operate successfully in the new digital environment, fulfil an extended public service remit and maintain their position in a highly concentrated market?

15. Describe how the state makes sure that public service media can, as necessary, engage in co-operation with other economic actors, such as commercial media, rights holders, producers of audiovisual content, platform operators and distributors of audiovisual content.

16. How has the regulatory framework concerning public service media been adapted to suit technological changes and evolutions of media sector? What further changes are envisaged?

Appendix 3. Questionnaire on transparency and accountability of public service media, March 2008

1. Please indicate the regulations/obligations your national legislations impose on public service media (PSM) regarding transparency towards the public (e.g. reports, on-line information, etc.). Please also include meas-

ures taken by PSM organisations as a result of other regulatory factors or self-regulatory action.

2. Please describe the mechanisms your national legislation foresees for insuring that PSM remain accountable

to viewers/listeners/users as well as the general public (e.g. users/representation councils, consultative structures, etc.), and in what sense the public are able to influence the policies and output of the PSM. Please also

include measures taken by PSM organisations as a result of other regulatory or self-regulatory action.

3. Please describe how the impact of the PSM on the public and their public service value is measured (quantitatively and qualitatively) by your na-

tional PSM organisation, especially concerning new media communication services (e.g. surveys of audience/users number, qualitative surveys, etc.). In this context, a special emphasis should be placed on measures that acknowledge the impact of specific PSM

offers, such as online or mobile offers, on the respective target groups, as well as ways to measure the degree to which the expectations of viewers/listeners/users are met by PSM offers.

Please provide examples that are as concrete as possible.

Additional sources mentioned in the report

» Responses to the Questionnaire on appropriate conditions for public service media to fulfil their remit

» Responses to the Questionnaire on transparency and accountability of public service media

» Report on the situation in six member states as regards the legal,

technical, financial and organisational conditions required to fulfil a public service remit, prepared by Ms Evelyne Lentzen, Council of Europe consultant

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