

ANNUAL REPORT



Broadcasting Authority Malta

2012

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BROADCASTING AUTHORITY



MALTA

L - AWTORITÀ TAX - XANDIR

The Hon. Dr Joseph Muscat KUON, Ph.D., M.P
Prime Minister
Office of the Prime Minister
Auberge De Castille
Valletta

27th March 2013

Honourable Prime Minister,

Broadcasting Authority Annual Report 2012

In accordance with sub-article (1) of article 30 of the Broadcasting Act, Chapter 350 of the Laws of Malta, we have pleasure in forwarding the Broadcasting Authority's Annual Report for 2012.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'A. Tabone'.

Anthony J. Tabone
Chairman

A handwritten signature in blue ink, appearing to read 'P. Cassar'.

Pierre Cassar
Chief Executive



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CHAIRMAN'S STATEMENT

The year under review was yet another one that presented a number of challenges which the Authority had to face and which added to the pressure on its resources.



*Chairman
Mr. Anthony J. Tabone*

The two main political parties operated under an electoral campaign mode throughout the year, and this impacted on the programming of not only the two private stations owned by the two main political parties but also on the two stations operated by the national public broadcaster. The Authority had to allocate its monitoring resources to ensure careful, constant vigilance of broadcasting output which moved hand in hand with apt decisions of the Board to ensure a keen observance of the provisions of Article 119 of the Constitution of Malta and those of the Broadcasting Act. This concentration of the Authority on the observance of impartiality in the delicate period leading to a general election did not deter it from giving due attention to the other aspects of its role in the protection of listeners and viewers and in the observance of the provisions of the Broadcasting Act in areas other than balance.

A cursory look at the content of this Report covering the year under review quickly reveals that the Authority dealt with no less than 42 administrative charges and this apart from the number of informal contacts drawing the attention of stations to shortcomings flagged by the Monitoring Department. Fully aware of the financial constraints burdening broadcasting stations, the Authority's main aim is not to impose monetary fines, but to instil the proper ethics and a consciousness of the stations' obligations to listeners and viewers.

The Authority understands the changing consumption patterns of viewers and listeners, especially in the light of the growing importance of electronic media over which the Authority has no control. However, whatever the changes, both television and radio retain their significance. The Authority realises that the economic crisis has had an impact on the advertising revenue of radio and television stations which in turn impacts on the quality of programming. The Authority, whilst appreciating the limitations of the Maltese market and the fragmentation of resources that exists, keeps a watchful eye on what is happening in the local mediascape to ensure that viewers and listeners continue to receive the best possible deal.

Whilst according to the Broadcasting Act, the Authority is only obliged to carry out and publish the results of a research in the state of listenership and viewership once a year, it does in fact, carry out and publish four such reports every year. This is an added service to all the operators in the broadcasting sector and also to the general public. The reports are made available free of charge and can be accessed for free on the Authority's website.



During the past year, the Authority continued to give due importance to its role as part of the Mediterranean Network of Regulating Authorities. We have taken an active part in the Plenary Meeting of the Network, even more so this year when Malta held the Presidency of the Network. It was indeed an honour for me to Chair the MNRA Plenary Meeting hosted in Lisbon by the Portuguese Authority. The Final Communication issued at the end of the meeting gives an indication of the work that was carried out by the Chair together with my colleagues. My delegation presented two different papers at the meeting, one by the Chief Executive giving an assessment of a study conducted amongst member authorities about the legal and regulatory framework in the Mediterranean. This paper was published on the MNRA website after the meeting and is dealt with in more detail elsewhere in this Annual Report. The second paper was presented by the Head of the Monitoring Department and dealt with the representation of disability on television and the accessibility of the programmes. Both presentations were very well received.

Besides the admission of three new members in the Network, we managed to achieve a consensus on a final document relating to the fight against gender stereotyping in the audiovisual media and a working group was set up with one of the objectives being to adopt indicators and assessment tools that identify sexism and discriminatory stereotypes in the audiovisual media, especially in information, fiction and entertainment programmes as well as in advertising. The contribution given by the Maltese Authority delegation was unanimously recognised during the concluding session of the meeting.

I am indeed grateful for the support of my colleagues on the Board during a difficult and sensitive year of operation. My appreciation goes also to the Chief Executive for his valuable advice and dedication and also for the way he managed certain delicate issues. A special word of thanks goes to members of the staff for their hard work and commitment throughout the year.

Anthony J. Tabone
Chairman



CHAIRMAN AND MEMBERS OF THE BROADCASTING AUTHORITY DURING 2012



*Chairman,
Mr Anthony J. Tabone
Dip MRS, MCIM*



*Member
Mrs Rose Sciberras
B.A (Hons.), L.P.*



*Member
Dr Peter Febech
LL.D., M.A.*



*Member
Mr. Alfred Mallia
Milanes*



*Member
Dr Reno Borg
B.A. (Hons.), M.A.,
LL.D.*



*Chief Executive
Mr Pierre Cassar,
B.A. (Hons.),
M.Sc.(Leicester)*



*Secretary
Dr Simon Manicolo,
B.A., LL.D.*

THE CHIEF EXECUTIVE'S STATEMENT

Against the backdrop of political uncertainty and the possibility of a general election being announced ahead of schedule, the year under review can be described as uncharacteristic to previous years.

The Broadcasting Authority channelled all its available resources to ensure that the provisions of Article 119 of the Constitution and the Broadcasting Act were adequately respected. A risk assessment was undertaken a number of times during the year in review to identify those programmes on radio and television which were to be constantly monitored. In principle, this meant that all current affairs and discussion programmes as well as news updates and news bulletins were under scrutiny. In addition, Local Councils Elections were held in early March and the Authority issued a Directive governing the broadcast of programmes between 13th February and 10th March 2012.

Being a regulatory body, the Authority's main task is to ensure compliance with the provisions emanating from the Broadcasting Act. Apart from the administrative charges issued against defaulting stations, the Authority, through its Monitoring Department, has embarked on a strategy whereby broadcasters and producers can obtain the necessary information on the interpretation of certain aspects of legislation.

Broadcasting is an evolving field and legislation has to be consonant with the latest developments happening in the industry. The provisions of product placement have signified a new trend in television programming and the Maltese context is no exception.

Apart from traditional media, news services are being introduced. Connected television is one such phenomenon that is poised to become very popular over the coming years. As viewers become choosier, operators have to strike a balance between pre-determined schedules of programmes and a flexible line-up of content that can be accessed at any time. As part of the subsidiary legislation under the Broadcasting Act, during the year in review, a new Legal Notice was enacted regulating the registration of on-demand services.

Yet, the Authority's remit goes beyond simple regulation. As the owner of the Gharghur Transmitting Facility, a number of efforts were undertaken to consolidate this important communication hub which serves as a vital communication link. A specific health and safety training programme was offered to those members of the industry who need to scale the Gharghur Transmitting Tower for maintenance works. It is the Authority's long term goal that a back-up hub is identified to eliminate the necessity to switch-off analogue radio signals whenever maintenance works need to be undertaken on the tower. Although such occurrences are relatively rare, there are instances when the Authority is compelled to conduct urgent works during the morning and, as a result, consumers are deprived of traditional FM radio programming.

Elsewhere, the Authority successfully held the Presidency of the Mediterranean Network for Regulatory Authorities (MNRA). Chairman Anthony Tabone was instrumental in chairing a number of delicate sessions during the Plenary Meeting in Portugal, which resulted in Kosovo, Montenegro and Croatia being accepted as permanent members and Gibraltar being introduced as observer member. The way he negotiated these requests for membership resulted in a near unanimous vote by all the regulatory authorities present.

Finally I would like to thank the Chairman and members. Theirs is a difficult assignment as they are often called upon to decide on contentious issues which are not straightforward and which require meticulous analysis. My heartfelt appreciation to the Management Team and all the members of staff at the Authority. Every effort, however small, is crucial in contributing to the common goal of the organisation in being an effective regulator of broadcasting.

Pierre Cassar
Chief Executive



1. REVIEW OF THE YEAR

by the Chief Executive

1.1 The Broadcasting Authority.

During the year under review, the Authority was composed of:

Chairman: Mr Anthony J Tabone Dip MRS, MCIM

Members: Dr Reno Borg M.A, B.A. (Hons), LL.D

Dr Peter Fenech LL.D, M.A.

Mr Alfred Mallia Milanés

Ms Rose Sciberras, B. A (Hons), L.P.

Secretary: Dr Simon Manicolo B.A., LL.D

Chief Executive: Mr Pierre Cassar M.Sc., B.A (Hons)



The Authority held a total of 45 meetings during the year.

1.2 Human Resources

Staff complement remained stable during the year in review. The Authority currently has a work force of 30 employees, half of whom are engaged within the Monitoring Department. One employee from the Monitoring Department tendered her resignation towards the end of the year.

The Authority also renewed the contract of its Technical Consultant, Mr Joe Francalanza, who is entrusted with the management, maintenance and other technical requirements of the Gharghur Transmitting Tower.

During the year in review two employees benefitted from a career break. The Authority actively believes in providing the right family friendly measures to its staff, and to this effect, whilst one employee works on flexible hours, another two benefit from reduced hours and another employee benefits by teleworking one day per week.

1.3 Staff Development

The Authority continues to support members of its staff who seek to further their academic studies in specialised fields. During the year, the following three students were reading for various degrees as follows:

Pierre Cassar	Chief Executive	Diploma (Laws of Procedure) (University of Malta)
Joanna Spiteri	Head of Monitoring	Ph.D in Film and Media Studies (University of Sterling, Scotland)
Ian Sammut	Senior Programme Monitor	Masters in Education for Sustainable Development



In addition, the Authority, following discussions with the Department of Maltese Studies at the University of Malta, once again agreed to sponsor a number of employees hailing from the media industry to attend the certificate course in proof-reading of the Maltese Language: Dione Borg, Annette Vella and Colette Seychell from Medialink Communications and Natalie Bonnici from Education 22. The Authority actively believes in assisting producers and journalists who hail from the broadcasting industry to attend such courses in a bid to improve the level of Maltese in the broadcasting industry.

1.4 Sponsorship – Malta Journalism Awards

The Authority once again sponsored a number of categories in the Malta Journalism Awards organised by the Institute of Journalists (IGM). As from this year, the total number of categories supported by the Authority have increased to four which are: Broadcast Journalism TV - Script Category, Broadcast Journalism TV - Film category, Broadcast Journalism TV- Script Features and the Broadcast Journalism - Radio Category.

The final night was held on May 5th and the winners in the categories sponsored by the Authority were:

Gurnalizmu Mxandar Television Script News

– Winner Mario Micallef

Gurnalizmu Mxandar Television Script Features

– Winner Basement Productions and Dione Borg for NET TV

Gurnalizmu Mxandar

– Category Film, Winner Xarabank for TVM

Gurnalizmu Mxandar

– Radio Winner, Andrew Azzopardi for Radju Malta

1.5 Reaching Out to the Industry

The Authority strives to maintain a direct link with the various stakeholders, in particular production houses.

During the year in review, the Head of Monitoring delivered a presentation entitled: ‘Unwrapping the Maltese broadcasting legislation on cultural diversity’ during the Media Interact Conference organised by SOS Malta.

In addition, the Chief Executive delivered a presentation entitled: ‘The Broadcasting Authority – The Silent Guardian of the Consumer at Large’ during the national forum organised by the Consumer Affairs Council.

The Chairman and the Chief Executive attended the President’s Forum which discussed, *inter alia*, the state of broadcasting in Malta.



Furthermore, the Chairman and Chief Executive met a special Libyan delegation which visited Malta on a fact-finding mission to learn how a Constitutional Authority like the Broadcasting Authority operates and regulates broadcasting. The meeting also focused on the need for one law which covers broadcasting in its various forms.



Together with the Head of Monitoring and the Secretary to the Board, the Chief Executive met a delegation from the European Racial Equality Commission to discuss the legislative framework on the promotion of racial equality in Malta.

1.6 Security Services at the Għargħur Transmitting Facility

The Authority provides for security services at the Għargħur Transmitting Facility on a daily basis including weekends and public holidays. This enables all users to gain access to the facility for any inspection or maintenance that needs to be undertaken on site. Outside daylight hours, admission to the site is only possible for urgent matters.

Following a call for tender issued in 2011, Kavalier Security Services is the company entrusted with the provisions of providing security services at the Għargħur Transmitting Facility.



The Authority also commissioned a report on the possibility of introducing renewable energy resources at the site. An original report was commissioned in 2008, but at the time the venture was not deemed to be cost effective.

The new report, compiled by Ing Anton Cutajar, provides a number of solutions for the Transmitting Facility. The Authority is currently studying the feasibility of a number of recommendations that emerge from the report.

During the year under review the Authority commissioned a Health and Safety Risk Assessment for the Għargħur Site. The purpose of this assessment was to identify the relative hazards which are present within the premises and to recommend solutions which will eliminate or minimize the hazards associated with this workplace. Secondly, the risk assessment was to identify any hazards related to particular jobs which are carried out within these premises. Finally, this exercise had to evaluate the company's position and its compliance vis-à-vis the Occupational Health and Safety Authority Act and the regulations issued thereunder.

The Authority was presented with the report on the 12th October, 2012 and immediately identified the recommendations needing of immediate intervention. On the 26th November a site inspection and familiarisation visit was carried out by officers from the Civil Protection Department with the aim of identifying access problems in cases of emergency and to draw up a proper procedure for evacuation.

Through this study, the Authority decided to implement a stricter standard procedure in relation to Health and Safety issues on personnel who actually work on the Tower. The Authority felt that it was of utmost importance to have all such personnel duly qualified at least at foundation level. In view of this, stations had to identify the persons charged with such works since only duly qualified personnel were to be allowed access to the Tower.

In order to put in place a level of standardisation, the Authority organised and sponsored two courses for users of the Għargħur Tower, namely Working Safely at Heights and Workmate Retrieval. The primary goal of the working safely at heights course was to provide knowledge and tools for workers that will enable them to work at height and to use harnesses, work positioning lanyards, and fall arrestors safely. The working methods demonstrated included restraint, work positioning and fall arrest. The Workmate Retrieval course was intended to introduce participants to methods to retrieve fallen workers. During this course evacuation systems were practised and used.

The Working Safely at Heights course was held on the 18th December 2012 at the Authority's premises whereas the Workmate Retrieval course was held on site at Għargħur. Courses were attended by six PBS Ltd employees and two freelance technicians.





1.7 Reports compiled by the Monitoring Department for 2012

- The Monitoring Department presented a series of reports analysing TV schedules – Autumn/ Winter schedules and Summer schedules. Such quantitative and qualitative reports include analysis of the schedules of the public service broadcaster and the political television stations.
- The Monitoring Department, in collaboration with the Health Promotion and Disease Prevention Department, compiled a report regarding food and beverage advertising aimed at children on the



local TV channels. The report covered a one-week period of transmission in mid-April and was conducted on three television channels: TVM, ONE and NET TV. This project is still ongoing, and the aim of the two entities is to enhance the local broadcasting industry in depicting children's advertising of food and beverages.

- Two analytical reports highlighted the trends of Smash TV news bulletins over a specific period of time. Such report focused on a sample of Smash TV news bulletins aired during the period July 2012 to October 2012.
- An analytical report of *TVAM* programmes broadcast in October highlighted the trends of this current affairs programme broadcast on TVM.
- A quantitative and qualitative report gave an insight on the programme scheduling, particularly highlighting the percentage of repeated programmes aired on TVM and TVM2 between October and December 2012.
- An analysis report on Smash TV programming during the period April – August 2012 focused on news bulletins and current affairs programmes.
- A descriptive report on *L-Istrina* transmission investigated issues related to the portrayal of disabled people and/or vulnerable people. The Monitoring Department analysed the form, content and presentation, particularly of clips and interviews presented during the fund-raising televised event.
- A report analyzed the news bulletins aired during the period September – October 2012. The report gives an overview of how news were reported and presented, besides giving an insight on whether such news bulletins were abiding by the Legal Requirements applicable to News Bulletins and Current Affairs Programmes.
- A report highlighted the content, format and style of the evening bulletin aired on Bay Radio during July and August 2012. The aim of the report was to provide feedback on how a music radio channel provides such a news genre.
- An analysis report presented a snapshot of the gender equality landscape on local television in 2012. This report looked at a number of instances aired on the local channels which were analysed in terms of gender balance and equality awareness on television. The report analysed a sample of some adverts aired locally and the gender representation in a small sample of news and current affairs programmes highlight that gender balance is still not addressed.



2. ADMINISTRATIVE OFFENCES

In terms of the Article 41 of the Broadcasting Act, the offences listed in the Fifth Schedule to the Act are considered to be administrative offences and thus punishable by the Authority. In determining whether a person is guilty or otherwise of an administrative offence, it is the duty on the part of the Authority to ensure that the principles of a fair and public hearing are observed and guaranteed.

In the event that the Authority is satisfied that the person has committed an offence as listed in the First Column of the Fifth Schedule under the Act, it may: (a) issue a warning in writing; or (b) direct the offender not to broadcast for a period of time; (c) impose an administrative penalty as established in the second column of the Fifth Schedule to the Broadcasting Act, including applying a suspended penalty. The Authority may choose to apply separately or concurrently the measures listed in (b) and (c).

During the year in review, the Chief Executive issued a total of 42 charges against broadcasting stations. The issuing of charges and the procedures related to the hearing thereof emanate and are regulated under the Broadcasting Act (Article 41) and Subsidiary Legislation 350.07. During these proceedings the Authority acts as a quasi-judicial body where the Chief Executive acts as a prosecutor, which role is completely distinct from the other functions pertaining to his office.

Besides, on a number of occasions, the attention of stations is informally drawn to shortcomings flagged by the Monitoring Department. Normally stations are very cooperative and the highlighted problems are instantly rectified, thus avoiding the need of further regulatory intervention.

The table hereunder represents the total number of charges processed by the Authority in 2012 according to station.

These 42 charges were decided as follows: 17 warnings, 2 suspended sentences, 3 instances where the Authority did not proceed with the hearing of the case, and 4 instances where the charges were not proved. There were 16 instances where the station was found guilty of a breach under the Broadcasting Act and a penalty in terms of the Fifth Schedule to the same Act was imposed.

	Station	Charges
Television	TVM	6
	NET	6
	ONE	8
	Favourite	9
	Education 22	1
Nationwide Radios	RTK	1
	XFM	1
	Calypso Radio	2
	Vibe FM	1
	Radio 101	1
	Bay Radio	2
	Community Radios	Leħen il-Belt Ġorġjana
Galaxy Radio		1
Leħen il-Ġużepkini		1
Radju Katidral		1
Total		42

3. BROADCASTING LICENCES

Article 10 (2) of the Broadcasting Act stipulates that:

“No person may provide sound or television broadcasting services in Malta for Malta or any part thereof without the licence in writing of the Authority, nor may any person retransmit sound or television broadcasting services from Malta to any foreign state without the licence in writing of the Authority.”

Apart from TVM and TVM2, both of which are licensed by the Government, the Authority licenses different genres of stations which at present include the following:

- (i) free-to-air digital terrestrial television stations;
- (ii) commercial television stations;
- (iii) satellite television stations;
- (iv) nationwide analogue radio stations;
- (v) nationwide digital radio stations (on the DAB+ network);
- (vi) analogue community radio stations.

3.1 Radio Broadcasting Licences

3.1.1 Nationwide and Community Radio Stations

During the year under review, the following licences were issued by the Authority:

Lic No.	Community Stations (Long Term)	Valid From	Duration	Freq (MHz)	Power (Watts)
531	Radju Vilhena 106FM	14 Jan	2 yrs	106	5.6
533	Radju Hompesch	20 Mar	3 yrs	90	7.4
535	Trinitarji FM	1 Apr	3 yrs	89.3	8.8
536	South End FM	15 Mar	3 yrs	91	10.4
539	Pure Gold	1 May	3 yrs	97.8	9.6
541	Lehen il-Belt Victoria	25 Jun	3 yrs	104	4.3
545	Radio Galaxy	14 Jun	3 yrs	105	9.1
554	Radio Sacro Cuor Sliema	20 Jun	3 yrs	94	8.5
558	Kottoner 98FM	29 Jul	3 yrs	98	9.9
563	Y4J Radio	6 Oct	3 yrs	105.4	4.6
566	Radju Bambina	13 Dec	3 yrs	98.3	7.6
567	Radio Sacro Cuor	15 Nov	3 yrs	105.5	7.2
569	Radju Elenjani	3 Nov	3 yrs	95.8	10.6
572	Radju Katidral	1 Dec	3 yrs	90.9	2.8
573	Radju Vġitazzjoni	12 Dec	3 yrs	92.4	2.8
574	Radju Luminaria	14 Dec	3 yrs	106.9	4.2
579	Big FM	1 Jan 2013	3 yrs	107.1	8.9

Lic No.	Community Stations (Short Term)	Valid From	Duration	Freq (MHz)	Power (Watts)
530	Jehovah's Witnesses Circuit Assembly	7 Jan	2 days	108	0.5
532	Radju Elenjani	9 March	1 month	95.8	10.6
534	Radju Lauretana	24 March	23 days	89.3	4.3
537	Radju Kazin Banda San Filep	11 May	1 month	106.3	7.6
538	Radju Margerita	28 June	27 days	96.1	3.5
540	Jehovah's Witnesses Special Assembly	22 April	1 day	108	0.5
542	Radio 12 th May	11 May	1 month	96.5	7.9
543	Radju Lauretana	19 May	16 days	89.3	4.3
544	Radju Banda Fgura	11 June	27 days	93.1	5.9
546	Radju Sant'Andrija	13 June	19 days	88.4	9.4
547	Tal-Gilju FM	7 June	12 days	95.4	3.2
549	Lehen il-Karmelitani	1 July	1 month	101.4	8.5



Lic No.	Community Stations (Short Term)	Valid From	Duration	Freq (MHz)	Power (Watts)
553	Radju Marija Assunta	16 July	1 month	98.9	9.1
555	Radju Elenjani	20 July	1 month	95.8	10.6
556	Radju Lauretana	1 August	28 days	89.3	4.3
557	MMG FM	10 August	1 month	97.5	6.6
559	Radju 15 t'Awwissu	30 July	17 days	98.3	3.5
560	Radju Maria Bambina	16 August	1 month	90.2	9.1
561	Radio Leonardo	12 August	10 days	105.2	4.9
562	2012 Convention of Jehovah's Witnesses	7 September	3 days	108	0.5
565	Radju 15 t'Awwissu	23 October	10 days	98.3	3.5
568	Radju Sant'Andrija	16 November	15 days	88.4	9.4
570	Leĥen il-Karmelitani	1 December	1 month	101.4	8.5
571	Tal-Ġilju FM	30 November	29 days	95.4	3.2
575	Radju Lauretana	8 December	25 days	89.3	4.3
576	Radju 15 t'Awwissu	3 December	1 month	98.3	3.5
577	Circuit Assembly of Jehovah	5 Jan 2013	2 days	108	0.5
578	Radju Marija Assunta	17 December	21 days	98.9	9.1

Community radio stations have remained popular and a number of temporary stations were awarded a licence to broadcast within their community for periods not exceeding one month. Such stations' broadcasts are usually in connection with the village feast or a seasonal activity such as Christmas or Easter.

3.1.2 Nationwide Analogue Radio (FM/AM)

The number of nationwide stations on the FM dial has remained unaltered at 13 and this is the maximum limit of stations that the current combiner houses at Gharghur.

3.1.3 Digital Radio Platform

The new digital platform is slowly gaining ground in the Maltese islands. Established in 2008, Digi B+ operates the only digital radio platform in Malta and has rolled out a number of foreign stations together with most of the local analogue FM stations.

In 2012, two new stations were licensed by the Authority to operate exclusively on the DAB+ network, namely KISS, an all music channel owned and operated by One Productions Limited, and DJ 956, owned and operated by Deejays Enterprises Limited, predominantly broadcasting religious music and programmes. (The latter was originally a community radio station which had benefited from a two-year period of simulcasting allowed through the Digital Radio Broadcasting Regulations). The stations obtained a four-year licence: Kiss from 1st June 2012 and DJ956 from 10th November, 2012.

3.2 Nationwide Television and Satellite Stations

3.2.1 New Licences

Following a revision of Government policy whereby the multiplex for free-to-air stations could accommodate a further channel, the Authority approved and licensed a niche music GIO channel to broadcast on the digital free-to-air platform, namely *Calypso Music TV*, owned and operated by Calypso Media Communications Ltd. Said channel broadcasts music programmes and music videos and caters for different music genres for the benefit of a wide audience. The station which has been granted a



licence valid until 30th September, 2013, is available on the Multiplex operated by PBS Ltd, and commenced broadcasts on 1st October 2012.

Further *Prime TV Shopping Channel*, which favourably satisfied its obligations under a probationary one-year licence during 2011, was granted a four-year licence from the 1st August 2012. The addition of Calypso Music TV and *Prime TV Shopping Channel* brings the total number of local television channels (excluding own-broadcast channels owned by GO and Melita) to nine.

Following the licensing of various thematic stations to the duly registered company *Aureusfin Limited*, the Authority issued three new satellite licences to the company during the year in review. These were issued to *Dilje, Medya and Ekin*.

		Valid From	Date of Issue
STL 35	Dilje TV	12 Sep 12	11 Sep 15
STL 36	Medya TV	12 Sep 12	11 Sep 15
STL 37	Ekin TV	12 Sep 12	11 Sep 15

The total number of channels currently licensed to *Aureusfin Limited* is 12.

3.2.2 New applications

The Authority did not have any pending applications to process at the end of the year although it dealt with several preliminary queries from foreign-based companies interested in applying for a satellite television service under the Broadcasting Act. At the end of the year, however, no such formal applications were received by the Authority.



4. BROADCASTING LEGISLATION

Broadcasting is a dynamic medium and any changes in the field have to be reflected in the corresponding legislation. Although during the year in review, no amendments were made to the Broadcasting Act, towards the end of the year, one existing legal Notice was amended whereas two others were introduced. This brings the total number of legal notices under the Broadcasting Act to 34.

4.1 Digital Radio Broadcasting Regulations 2012

Digital radio is becoming more popular in Malta with at least 10% of the population claiming to own a DAB+ radio. This encouraging statistic emerges from the audience survey conducted on a regular basis by the Broadcasting Authority.

In a bid to further encourage uptake of the medium, the Legal Notice governing licensing of radio stations broadcasting exclusively on the DAB+ network has been amended. Licence fees have been scaled down to make it easier for new players to enter the market. As from January 1st 2013, the annual licence fee was reduced from €7,000 to €3,000. Companies or organisation having more than one channel on the DAB+ network will only pay an additional €400 per channel per year. The licence fees will rise to €4,500 in 2014 and to €7,000 in 2015. This gradation of tariffs will hopefully result in more local stations broadcasting exclusively on the network.

To date, the DAB+ network exclusively carries a number of local stations. These are Bay Easy, Bay Retro, All Rock, All R&B, Kiss and DJ956.

A copy of the Legal Notice 470 of 2012 (Digital Radio Broadcasting Regulations) is found in the Appendix I of this Annual Report

4.2 Broadcast Distribution Services Regulations

This new Legal Notice addressed the lacuna that existed in the licensing of locally originating television stations operated by the private operators, essentially GO and Melita. This move ensures a uniform licensing regime for all locally originating television stations on the island, and the Broadcasting Authority has been charged with issuing content licences for 'own broadcast' stations which at present are all niche-stations. The majority of such stations broadcast sporting events and teleserials. This new Legal Notice under the Broadcasting Act replaces the former Cable Systems Regulations which was enacted under the Electronic Communications Act.

Essentially, the new legislation focuses solely on the licensing of such stations and the approval of the channel-line up of the service providers.

Given that the two service providers on the island operate a number of such own-broadcast niche stations, the annual licence tariffs have been structured to reflect multiple-ownership. Apart from the first licence,



companies will now be paying a nominal fee for any additional television station that does not carry news or current affairs programmes.

A copy of the Legal Notice 468 of 2012 (Broadcast Services Regulations) is found in the Appendix II of this Annual Report.

4.3 Notification of On-Demand Audiovisual Media Services Order

The transposition of the Audio-Visual Media Services Directive in the Broadcasting Act meant that non-linear services were to be licensed by the Broadcasting Authority. As per Article 16(0) of the Broadcasting Act, any person who intends to provide an on-demand audio-visual media service shall, before doing so, notify the Authority.

The Legal Notice published at the end of the year in review establishes the form of such notification. On-demand services in Malta are in their early stages and, as such, service providers offering this service are exempt from any registration or licence fees. However, operators are duty bound to ensure that any material available which may *“seriously impair the physical, mental or moral development of minors shall only be available in such a way that ensures that minors will not normally hear or see such on-demand audiovisual media services”*.

This is normally done through a system of codes and passwords which ensure that material that is not adequate to be consumed by minors is not accessible.

The full text of this Legal Notice 469 of 2012 (Notification of On-Demand Audiovisual Media Services Order) is reproduced in Appendix III of this Annual Report.



5. PROGRAMME COMPLAINTS

During the year under review the Authority received and decided a total of fourteen complaints from various quarters, including political parties, private individuals and other entities:

5.1 Ms Mariella Debattista vs PBS Ltd - 'Bongu' dated 8 April 2011

This complaint follows a charge issued by the Chief Executive Officer and decided by the Authority during its meeting dated 30th August 2011. It dealt with the failure of the station to award the prize due to Ms Vella following her participation in the edition of the programme *Bongu* of 8th April 2011. In this case, the Authority had found in favour of Ms Vella and decided to impose the relative penalty, but given the fact that the station declared it would resolve the matter, the penalty was suspended for six months. It so transpired that the promised prize consisting of a fully paid flight to Corfu was never delivered and Ms Debattista reported the shortcoming to the Authority for appropriate action. In view of the outcome and its initial decision, the Authority decided that, unless the matter was resolved on that day, it would impose the relative penalty. The Authority was later informed that in fact the matter had been resolved amicably and that the complainant was resting her case.

5.2 PN vs PBS Ltd - 'Xarabank' dated 6 January 2012

In this case the PN complained of the fact that in a meeting of the 10th January the Authority had 'arbitrarily' ordered the station to allocate 15 minutes of airtime to the PL during the edition which was to be broadcast on the 13th January 2012. The Authority held that comments made by the Prime Minister in relation to the Leader of the Opposition during the programme necessitated a reply and therefore in order to preserve due impartiality, as duty bound, it felt that it had to remedy the situation and allocate 15 minutes to the PL. After hearing the relative submissions, the Authority confirmed its decision of the 10th January, 2012.

5.3 PN vs PBS Ltd - 'Bondiplus' dated 10 January 2012

The PN contended that the sole participation of Dr Franco Debono during the edition of *Bondiplus* broadcast on the 10th of January 2012 was unjust given that the guest had unfairly criticised the Prime Minister, the members of the Cabinet and the Party without being challenged or presented with any counter arguments. The Authority upheld in part the complaint on the basis that during the programme the PN had not been given the opportunity to rebut the comments of Dr Debono referring to the Prime Minister, the Cabinet and the Party and therefore ordered the station to allocate 10 minutes of airtime during the edition of the 19th January 2012 so that a representative of the Party could reply and present the Party's views on the issues raised.

5.4 Robert Cutajar vs ONE - One News dated 1 April 2012

Mr Cutajar complained that a right of reply requested by him was not broadcast. During the hearing, the Authority was informed that in actual fact the right of reply was broadcast just after the Board Secretary



had informed the station of the date of the hearing i.e more than 16 days after the complaint was lodged. The Authority held that in this regard the station was in breach of the provisions as expressed in its Subsidiary Legislation pertaining to News and Current Affairs, but given that the case before it was not a charge but a complaint, it could not apply the relative penalty. Besides, in view of the fact that considerable time had elapsed since the lodging of the complaint, it felt that it was not appropriate to order the station to re-broadcast the reply.

5.5 Paul Vassallo vs TVM - 'Stylewatch' dated 26 February 2012

This case referred to the airing of images of a branded condom and the tattoo featuring a butterfly on the upper part of the foreleg of the Argentinian showgirl Belen Rodriguez during the edition of Stylewatch of the 26th February, 2012. Mr Vassallo contended that the said images were shown at around 7.15 p.m. and therefore easily accessible to young children. The Authority upheld in part the complaint, stating that the images of the condom and the comments of the presenter were inappropriate and should not have been broadcast at such a time. In view of this, the Authority decided to draw the attention of the station to the issues involved and to request that a more sensitive approach is adopted in future.

5.6 The Commissioner for Children vs Favourite Channel - 'Mitqlu Deheb'

Ms Helen D'Amato, in her capacity as Commissioner for Children, complained of the fact that the presence of two children in the studio during a programme which dealt with adult-related themes was inappropriate and objectionable. Ms D'Amato argued that said presence unreasonably exposed the children to difficult and sometimes heartbreaking situations which could have an adverse psychological effect and was detrimental to their performance at school the following day since the programme was broadcast between 9.00p.m. and 11.00p.m. The Authority upheld the complaint and ordered the station to take the necessary measures so that young children would not be allowed to participate in programmes aimed at adults and which are broadcast after 9.00p.m.

5.7 PL vs PBS Ltd - 'TVAM' dated 30 and 31 May 2012

The PL contended that the editions of the programme *TVAM*, which dealt with the motion of censure against Minister Carm Mifsud Bonnici and the repercussions brought about by the subsequent vote in Parliament, were unbalanced and placed the Party at a disadvantage. The Authority held that in general the programme was balanced and the Parties were adequately represented. Nevertheless, certain comments during the programmes under discussion were of a controversial nature and required the participation of persons with different views. In view of this, the Authority brought the matter to the station's attention and pointed out that it was duty bound under the Constitution to present viewers with an impartial discussion on matters of controversy.

5.8 PL vs PBS Ltd - TVM News

The Party submitted two complaints. In the first case it complained of the fact that the station had presented two activities: one by the Government and the other by the Opposition on the creative industry in a somewhat different and partial manner; the second case referred to a visit by the Leader of the



Opposition to the Co-operatives Board which the station failed to report. Regarding the first case, the Authority held that the station could have reported the PL activity in the 8.00p.m. News Bulletin instead of the News Update and failure to do so rendered the station guilty of unjust treatment. In the second case, the Authority held that it was evident from the submissions before it that the station had been reactive to the complaint by the PL and, instead of reporting the actual activity on the day, it prepared a feature incorporating different issues, including the visit by the Leader of the Opposition. The fact that the station felt compelled to report the activity in some way or another meant that it had accepted that it was newsworthy. So it was not justified in reporting the item a week after the event actually took place. Therefore the Authority felt that the second complaint too was justified. In view of these decisions, the Authority ordered the station to read out a summary of its decision during its news bulletin.

5.9 Rose Hili vs ONE - 'Kilo Challenge'

Ms Hili, a participant in the programme *Kilo Challenge* broadcast on ONE, felt aggrieved by the fact that the producers of the programme failed to honour their contractual obligation and award the winner of the series. The Authority, after hearing the parties and analysing the contents of the relative contract signed by the producers and the participants, decided that the complaint was not justified.

5.10 Dr Natalino Fenech vs ONE - political spot

Dr Natalino Fenech complained of the fact that ONE had been airing a political spot, the content of which was a manipulation of comments he had previously made in a different scenario. He reiterated that his comments were taken out of context and were therefore conveying an incorrect interpretation of what was actually said. Dr Fenech contended that this constituted unfair and unjust treatment in his regard and requested the Authority to intervene and stop the airing of said spot. The Authority, after referring the matter to its legal advisor, held that the case did not fall under its competence and that Dr Fenech could seek a remedy through other avenues.

5.11 AD vs PBS Ltd - 'Xarabank' dated 12 October 2012

Alternattiva Demokratika, referring to the edition of *Xarabank* of the 12th October 2012 which had discussed IVF and co-habitation, contended that initially the Party was not invited to participate in the programme and that when eventually the relative invitation was issued, it was informed that its representative would be forming part of the audience. AD argued that the station's decision was discriminatory. The Authority, whilst underlining the overarching human right of freedom of expression and the need to safeguard said right, held that, in the case under discussion, there was no evidence that the station was systematically excluding Alternattiva Demokratika from its programmes. The Authority held that even though AD was offered a seat amongst the audience, it had been granted adequate time to put forward its arguments on the issues raised during the programme. In view of this, the Authority decided that the complaint was not justified.

5.12 Nevisse Borg Caligari, Pierre Borg and Nigel Borg Cardona vs Favourite Channel - 'Bejnietna' dated 22 October 2012.

Complainants submitted that they were the organisers of a Charity Ride and a Dog Walk through which they raised funds which were subsequently donated to animal sanctuaries and animal feeders. Said funds were distributed through vouchers which could be exchanged by the respective donees in food and medicines for the animals. Complainants argued that during this particular edition of the programme *Bejnietna* the presenter/producer had raised doubts over the activities in question and their organisers attributing false and unjust facts on the manner the funds are distributed, and therefore they were requesting airtime on the programme in order to rebut said allegations. During the sitting, the producer agreed to dedicate one whole edition of the programme in order to discuss the same subject and to have complainants or a representative present so that any misinterpretations relating to the case are clarified. In view of this agreement, the Authority refrained from taking any further action.

5.13 Joe Grima vs PBS Ltd - 'Bondiplus' dated 30 October 2012

Mr Grima complained of the fact that during the edition of the programme broadcast on TVM2 on the 30th October 2012 the presenter had made false allegations when referring to the edition of *Inkontri* with the participation of Mr Anton Attard (CEO of PBS Ltd). Mr Grima contended that it was not true that during said programme Mr Attard's microphone was switched off and that the comments of the presenter in this sense were lies and necessitated a reply. The Authority, having analysed a report by its Monitoring Department, held that the remedy afforded by the station during the edition of the programme broadcast on the 15th November 2012 was adequate and sufficient. Nevertheless, the Authority pointed out to the station that future rights of reply should conform to the regulations stipulated in the relative subsidiary legislation.

5.14 PN vs PBS Ltd - 'Dissett' dated 29 December 2012

The PN complained of the fact that during this edition of *Dissett* the station had invited the Deputy Leader of the PL, Mr Louis Grech, who was to be the only guest in the programme. The party requested that Dr Simon Busuttil should likewise be invited to take part in the programme and that a recorded clip of the same was not considered adequate. The Authority, having taken note of the submissions of the PN and the PL, in particular the agreement between the two to have the two deputy leaders participate within the same programme, decided to recommend to the station that the proposed edition of the programme be postponed to Saturday 5 January 2013 and to secure the participation of both Deputy Leaders as was the intention of both Parties.

5.15 PL vs PBS Ltd – 'Bondiplus' dated 30 October 2012 and 13 November 2012

The PL contended that in the first programme which included the participation of the Honourable Helena Dalli the producers had broadcast an item from Net News which featured comments by the Honourable Dalli in relation to a process of auditing and redeployment of employees in the public sector. The party argued that said comments had been used by the PN in its electoral campaign through its billboards and



therefore constituted a political spot. The PL highlighted the fact that during the same programme comments by the Honourable Gino Cauchi and Silvio Parnis were broadcast out of context.

The PL said that after it had drawn the attention of the station to these shortcomings, the party was invited to take part in a subsequent edition of Bondiplus (13/11/2012) so that it could make its case on the issues raised and rebut any objectionable comments. The party contended that during the second programme, which was attended by Dr Francis Zammit Dimech and Mr Kurt Farrugia, the station broadcast once again the objectionable spot and this according to the PL was in breach of required balance and therefore it requested the Authority's intervention.

The Authority, having seen the programmes in question and after having heard the parties held that initially the complaint referred to the edition of Bondiplus of the 30 October 2012, and it was only during the hearing that the party raised additional issues over the edition broadcast on the 13 November 2012. The Authority held that as a remedy the station had broadcast a subsequent edition of the programme with the participation of Mr Kurt Farrugia, the Director of Communications of the Party, and even though it was declared that said participation was without prejudice to the case before the Authority, Mr Farrugia had been afforded the opportunity and the possibility to put forward the PL's views. In view of these considerations, the Authority decided that the complaint was not justified and could not be upheld.

6. BROADCASTING CASE LAW

During the year in review, the Authority was involved in a landmark judgment delivered by the First Hall Civil Court involving a case filed by Smash TV way back in 2004.

6.1 Smash Communications Limited vs. Broadcasting Authority et. decided by the Civil Court, First Hall per Justice Raymond C. Pace, Case number 481/2004.

On 7 February 2012, In *Smash Communications Limited vs. Broadcasting Authority et.*, the court concluded that the present system established in the Broadcasting Act regulating the imposition of administrative sanctions by the Broadcasting Authority was in breach of the principle of natural justice *nemo iudex in causa propria* - no person may be a judge in his/her own cause.

In brief, the facts of the case were as follows. The Broadcasting Authority's Chief Executive Officer had issued a charge against Smash Television alleging that in a particular programme there was a breach of the sponsorship rules as a sponsor had been given an excessive credit. The television station requested the Authority to allow it to challenge in court the procedure used by the Authority in the issue of the charge. The Authority agreed and Smash Communications Limited filed a court case against both the Authority and its Chief Executive. The Authority therefore did not hear the charge against the station and suspended the hearing until the court would have decided the case. The television station held that once it was the Chief Executive who was delegated by the Authority to issue the charge against the station and that once the Authority was to decide that charge, the Authority was in breach of the principle of natural justice that no person should be a judge in his/her own cause. This was so because the Chief Executive was an employee of the Authority and, in this respect, he was the *lunga manus* of the Authority. In other words, by issuing a charge against a television station, the Authority was through its Chief Executive alleging that there was a possible breach of broadcasting law. The authority which issued the charge against the station was the same authority called upon to decide the charge. In this case, the Authority was acting both as a prosecutor and a judge at one and the same time. Such conduct was offensive against the right to be adjudged by an independent and impartial tribunal established by law in so far as the Authority was exercising a concurrent jurisdiction: that of prosecutor and that of judge.

The Court further noted that although it was correct to state that the Broadcasting Law had a subsidiary law which stated that prosecutorial functions were to be exercised by the Chief Executive and not by the Authority, the fact still remained that the Chief Executive was an employee of the Authority subject to its direction even if the Chief Executive maintained that in so far as the institution of administrative offences were concerned, he carried out such functions on his own independent judgment and not following the receipt of any direction from the Authority. The Court nevertheless stated that this was more of a legal fiction rather than a reality as the Chief Executive and the Broadcasting Authority were inextricably linked to each other. Moreover, the Court stated that the procedure as set down by law did not comply with the legal maxim that justice should not only be done but must be seen to be done. The Chief Executive was



seen as too much part of the Authority: he was appointed and paid by it; his staff were Authority employees; his office was situated in the Authority's building; he was invited to attend all Authority meetings (except when the Authority would be deliberating on the sanction to be imposed following the issue of a charge by the Chief Executive) and participated during Authority meetings even if he was not a member of the Authority and had no right to vote. At certain occasions he was also summoned to provide the Authority with information when it was deliberating its decision on a charge issued by him. All these factors taken together ensured that the Authority was not impartial and therefore could not hear charges issued by its own Chief Executive Officer.

Through its legal counsel the Broadcasting Authority appealed the judgment before the Court of Appeal which appeal is still pending judgment. In its appeal, in rebutting the claims expounded above, besides other submissions the Authority cited the case before the European Court of Human Rights *Sigma Radio Television Limited vs. Cyprus* decided on the 21st July 2011. This case, concerned a number of decisions of the Cyprus Radio and Television Authority imposing fines on the applicant company for violations of legislation concerning radio and television programmes it had broadcast, and the alleged unfairness of the related domestic proceedings. In this case the Court held in favour of the regulatory Authority declaring that its procedures, which in effect are very similar to those in force under our Broadcasting Act, were not in breach of Article 6 of the European Convention and the principal of natural justice *nemo iudex in causa propria* had not been violated.



7. POLITICAL BROADCASTS

7.1 Local Council Elections

Local Council Elections were held on 10th March 2012 during which practically half of the electorate was called to cast the vote to elect Local Councillors.

As per Article 13 (4) of the Broadcasting Act, the Authority organised a token scheme of political broadcasts. This consisted of debates and party productions broadcast on TVM. In the case of the debates, these were simulcast on Radju Malta.

A total of three debates were broadcast, each of 60 minute duration. Details were as follows:

Monday 20th February –

Subject chosen by Alternattiva Demokratika – *Kunsilli Verament tar-Residenti*

Participants:

Alternattiva Demokratika: Ralph Cassar
Partit Nazzjonalista: Dr Shirley Farrugia, Matthew Paris
Partit Laburista: Dr Toni Abela, Alison Zerafa

Wednesday 29th February –

Subject chosen by Partit Laburista – *Favur il-Familji, Kontra l-Burokrazija*

Participants:

Partit Laburista: Cyrus Engerer, Dr Aaron Farrugia
Alternattiva Demokratika: Simon Galea
Partit Nazzjonalista: Dr Paula Mifsud Bonnici, Noel Muscat

Wednesday 7th March –

Subject chosen by Partit Nazzjonalista – *Lokalitajiet Ghall-Familja Taghna*

Participants:

Partit Nazzjonalista: Dr Carol Aquilina, Caroline Galea
Partit Laburista: Edric Micallef, Roberto Cristiano
Alternattiva Demokratika: Dr Michael Briguglio

In addition, broadcasting time was assigned to the political parties for political spots/productions. Whilst Alternattiva Demokratika was assigned a total of 30 minutes for such spots, the other two parties were each assigned a total of 60 minutes. Political spots are usually aired during prime time and political parties have the right to select the time when such spot is to be aired. No such broadcasts are allowed during news bulletins. In the case of a clash, the Authority adopts a roster system which ensures fair distribution of political productions by the different political parties during prime time broadcasts.

As per Article 15 of the Broadcasting Act, the Authority issued a Directive covering programmes broadcast between 13th February and 10th March 2012. The Directive outlines specific regulations which all broadcasting stations have to follow in the run-up to the Local Council Elections. A copy of this directive is found as Appendix IV.



8. INTERNATIONAL RELATIONS

8.1 Mediterranean Network of Regulatory Authorities

The year in review was of particular significance vis-à-vis international relations as the Broadcasting Authority held the presidency of the Mediterranean Network of Regulatory Authorities. Following the successful organisation of the Technical Commission Meeting held in June and the Plenary Session in November 2011, the Authority was entrusted with the Presidency of the Network.

During this period, the Authority spearheaded a number of initiatives which included an electronic newsletter with the latest news relating to broadcasting across the Mediterranean region as well as the undertaking of a comparative study on the different broadcasting legislations governing regulatory authorities in the region.

As Portugal held the vice-presidency during the year in review, the Portuguese Authority was entrusted with the organisation of the Technical Commission Meeting which was held in Lisbon in June and the Plenary Session which was held in late November. The Chairman and the Chief Executive attended the Technical Commission Meeting during which an agreement was reached on the agenda for the Plenary Session as well as the new MNRA website which was being financed and managed by the CSA (France). The meeting was once again well attended with delegates from Albania, Lebanon, Croatia, Turkey, Morocco, Cyprus, France and Spain (together with Malta and Portugal) present for the one-day meeting.

The thirteenth plenary session of the MNRA was held in Lisbon between the 23rd and the 24th November with Broadcasting Authority's Chairman Anthony J Tabone presiding over the two-day gathering. The Chief Executive of the Authority presented the findings of the comparative analysis of the survey conducted amongst MNRA members whilst Head of Monitoring, Joanna Spiteri, delivered a presentation on the portrayal of disability in the media.

The Authority was also instrumental in negotiating the acceptance of Kosovo, Croatia and Montenegro as full members of the Network. In addition, Gibraltar was admitted as an observer regulatory authority and will become a full member in the next plenary session in November 2013 in Cyprus.



8.2 European Platform of Regulatory Authorities

Due to the conflict in Israel in early November, the EPRA Executive Committee called off the meeting which was meant to be held in Jerusalem as most delegates had expressed concern about having to travel to a conflict zone. This cancellation meant that only one meeting was held throughout the year. This took place in Portoroz, Slovenia on 31st May and 1st June.

The Authority was represented by its Chairman and Chief Executive. During the two-day meeting, the Chairman delivered a short presentation regarding the way the Broadcasting Authority operates in a rather unique environment with the two major political parties both owning radio and television stations.

The main themes discussed during the Portoroz meeting focused on the future of connected TV and audiovisual commercial communication in such an environment. Whilst the Chairman attended the working group on jurisdiction, the Chief Executive participated in the working group which discussed the future of commercial communications (advertising).

8.3 Connected TV Conference

In October, the Chairman and Chief Executive attended a special conference organised by the CRTA (Cyprus) in Limassol as part of the programme of events organised by Cyprus to celebrate the presidency of the European Union. The conference brought together experts from across the globe to share knowledge and experiences on connected tv and how this is impacting the industry.

The conference spanned two days – the 25th and 26th October. The Chief Executive was invited by the CRTA to chair the first session of the second day of the conference which was entitled: ‘Connected Tv – How it will Effect Viewership Habits – New Viewer Experiences’. The speakers during this session included German MEP, Petra Kammerevert, Rene Sumer from the Erickson Group and Thomas Spiller from the Walt Disney Company.

8.4 Memorandum of Understanding with CRTA, Cyprus

In August, the Chairman of the Cyprus Radio and Television Authority visited Malta to sign a memorandum of understanding between the two Authorities. The signing took place on 27th August and highlights a number of key areas in which the two authorities can share their expertise and work together.

As a result of this agreement, two members of the Authority’s staff visited Cyprus in November to obtain first hand knowledge on the TVCMS system currently being used by the CRTA for monitoring purposes. The software was specifically programmed by the Hungarian Broadcasting Council and is



Signing of the memorandum of understanding between the Cyprus Radio and Television Authority and the Broadcasting Authority, 27th August 2012



tailor made to capture and store audiovisual material. This visit gave the Authority further insights into the system which is planned on being introduced over the coming months.

8.5 Contact Committee of the EU Audiovisual Media Services Directive and Working Group of Audiovisual Regulatory Authorities

Two meetings of the Contact Committee of the EU Audiovisual Media Services Directive were held on 8th June and 21st November 2012 respectively and one meeting of the Working Groups of Audiovisual Regulatory Authorities was held on 16th November 2012. The second meeting of the Contact Committee could not be attended by any of the officials of the Broadcasting Authority since this coincided with the plenary session of the Mediterranean Network of Regulatory Authorities held in November.

The meeting of the Contact Committee held on 8th June was attended by the Head of Research & Communications. The meeting concerned 'Connected TV' or the current trend of integration of the internet and its features into modern television sets and set-top boxes; media pluralism and media futures; interpretative communication on television advertising; sponsorship; product placement; and teleshopping; and the transposition, infringement procedures, and the first application report of the AVMS Directive by member states.

The agenda for the Working Group of Audiovisual Regulatory Authorities held on 16th November 2012 concerned mainly the application report of the AVMS Directive and state of play; the interpretative communication by the EU on separation of advertising and editorial content; virtual advertising; product placement and thematic product placement; sponsorship announcements, and longer forms of advertising; and a discussion on connected devices and the connected viewer.

9. RADIO AND TELEVISION AUDIENCE ASSESSMENT

Under Article 30(2) of the Broadcasting Act, Cap. 350, the Broadcasting Authority commissioned the National Statistics Office [N.S.O.] for the compilation of relevant data on audiences through telephone interviews. Since the broadcasting season starts in October of each year, this report covers the audiences for October 2011 to September 2012.

Data was collected on a daily basis by the N.S.O. and the stratified sample data based on national demographics was forwarded to the Authority on a quarterly basis while the analysis was published through the Authority's website. Respondents were only known to the N.S.O.; no personal data is revealed and no respondent can ever be identified. The overall response rate of 51.99% was constantly slightly above the norms accepted for this kind of assessment [45%-50%] while the margin of error of each assessment was adequate for the estimation of radio and television audiences – see table below.

Responses	Oct 2011 – Sep 2012		Oct-Dec 2011		Jan-Mar 2012		Apr-Jun 2012		Jul-Sep 2012	
	No.	%	No.	%	No.	%	No.	%	No.	%
Accepted	7,321	51.99%	1,842	53.11%	1,820	52.21%	1,820	50.74%	1,839	51.93%
Refused	467	3.32%	103	2.97%	127	3.64%	115	3.21%	122	3.45%
Non-Contact	3,200	22.72%	853	24.60%	839	24.07%	823	22.94%	685	19.34%
Unreachable	3,050	21.66%	659	19.00%	691	19.82%	818	22.80%	882	24.91%
Ineligible	44	0.31%	11	0.32%	9	0.26%	11	0.32%	13	0.37%
Contacted	14,082	100%	3,468	100%	3,486	100%	3,587	100%	3,541	100%
Not used	557		212		154		53		138	
Total	14,639		3,680		3,640		3,640		3,679	
Population [12 yrs and over]			370,812		371,359		371,903		372,447	
Response Rate			53.11%		52.21%		50.74%		51.93%	
Margin of Error [95% confidence]			±2.27		±2.29		±2.29		±2.28	

Data was collected through telephone-calls and this limits the number of questions that can be asked by interviewers. Respondents were asked which station they had followed most the day before the interview and for how long they had watched television and/or followed a radio broadcasting station. Three other areas queried were on what reception platforms they followed radio and television programmes; whether they had followed any teleshopping channel; and what their three favourite programmes on local television stations were.

Every broadcasting quarter, the analysis of radio and television audiences was done on two parameters: audience reach which is defined as the number of listeners/viewers of particular stations; and audience share which is the total amount of broadcasting time that is consumed by listeners/viewers. These two measures can be made use of differently depending on the scrutiny being made by the end-users of this assessment. While advertisers are interested in the number and composition of consumers that tune in to a particular broadcasting station, broadcasting stations are more concerned with the length of time they can maintain their audiences.



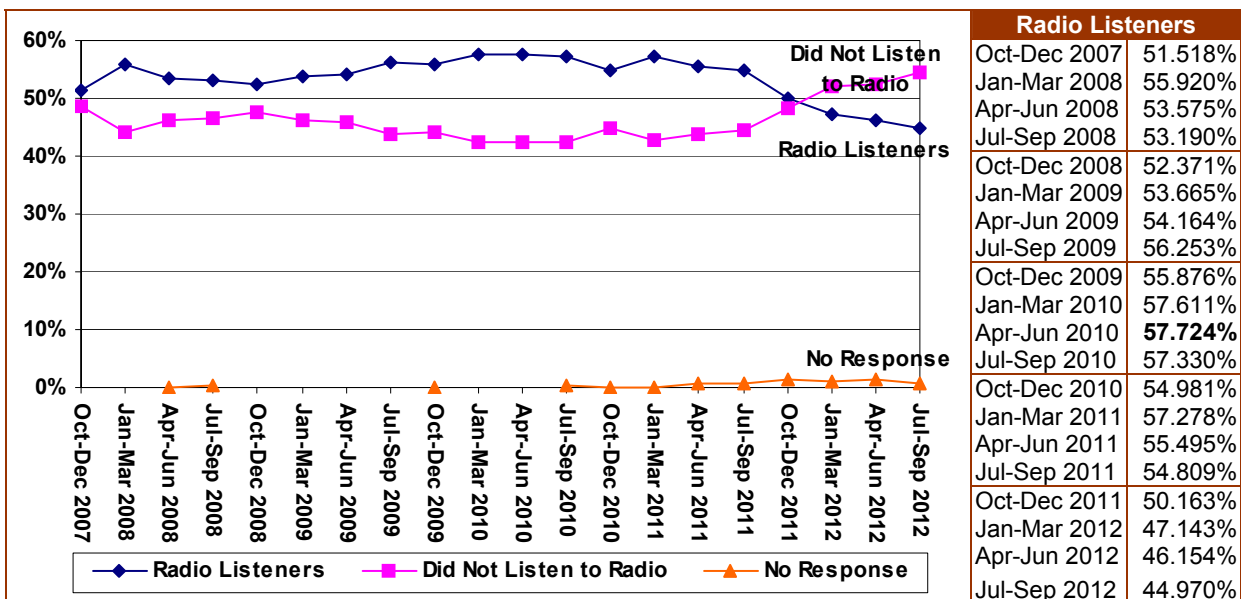
9.1 During this broadcasting season

At the start of this broadcasting year on-demand and movie rental services started being offered on cable television while catch-up TV and re-wind services were offered on the digital aerial system. Education 22 was re-branded as TVM2 and as from 8th March 2012 the channel started test transmissions with direct links to those programmes being broadcast on TVM. By the end of the month programmes previously produced under Education 22 were completely transferred to TVM2 under the complete management of the public service broadcaster.

During June 2012 the Euro 2012 was held. The UEFA champions league was broadcast on TVM and TVM2 with two matches being daily shown at 18:00 and 20:45 while the final match was broadcast on TVM on 1st July 2012. Following these 31 football matches, the London 2012 Olympics were held between 27th July and 12th August with daily snippets being broadcast on TVM2.

9.2 Radio Audiences

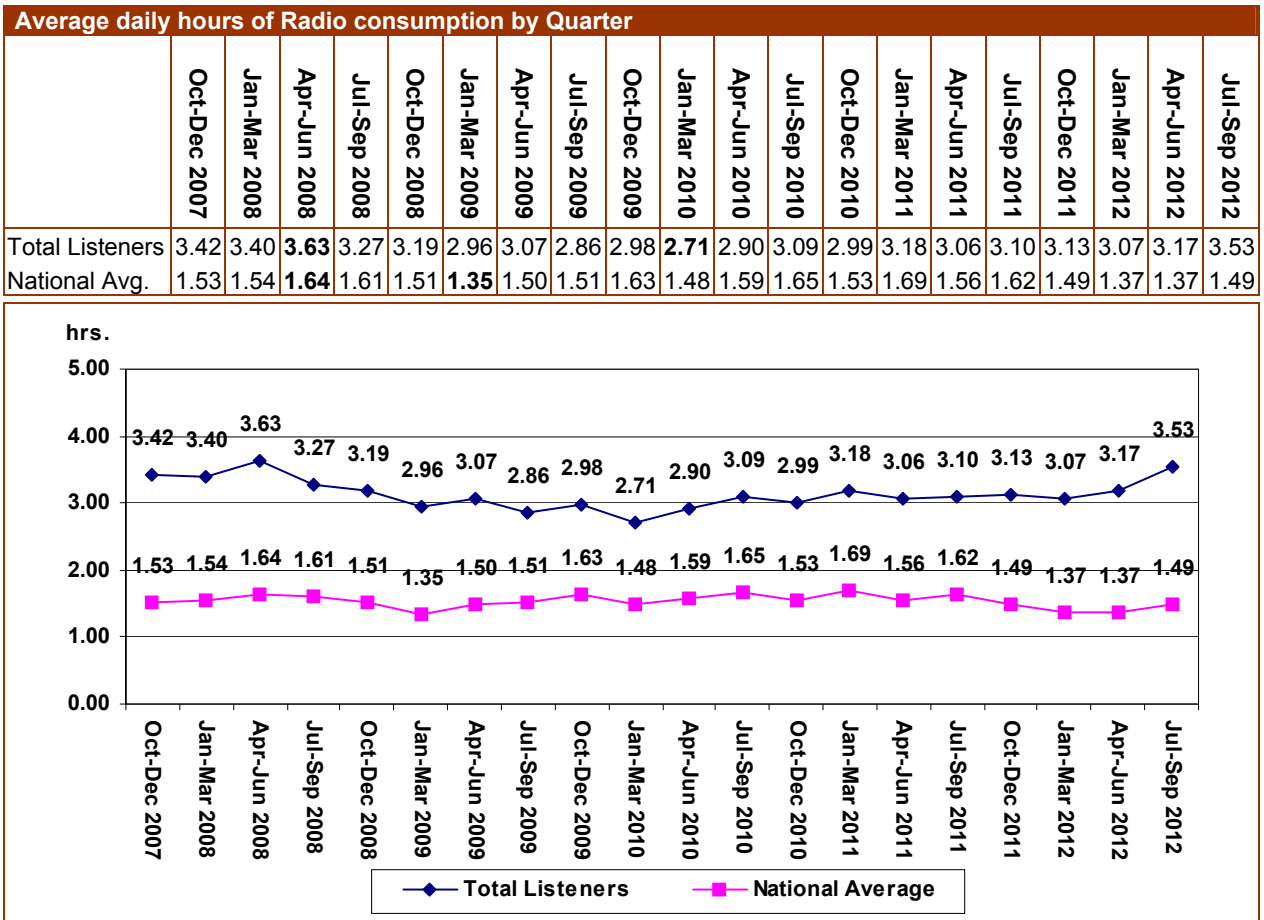
Respondents were asked whether they had listened to radio the day before the interview or not – this includes all those who listened to radio but not to a particular station, and all those who did not remember which station they had listened to. Since October-December 2007 radio listening was maintained just above the 50% mark with the highest being registered for April-June 2010 [57.724%]. However regular radio listening during the last three quarters of this broadcasting season has dropped below the 50% and those who did not listen to radio exceeded regular listeners. There was also a slight increase in the number of respondents who did not want to disclose whether they had listened to radio or not – from 0.66% in July-September 2011, to 1.52 in October-December 2011, 1.54% in April-June 2012, and levelling off to 0.6% in July-September 2012.



Another indicator is the duration of radio listening by consumers. The amount of hours spent differed from quarter to quarter and on average consumers spent from 2:71 hrs [Jan-Mar 2010] to 3.63 hrs [Apr-



Jun 2008]. The national average, i.e. including all those who did not listen to radio, ranged from 1:64 hrs [Apr-Jun 2008] to 1:35 hrs [Jan-Mar 2009].



Although those who did not listen to radio exceeded radio listeners during this broadcasting season, the average number of hours spent by consumers has increased and the average for July-September 2012 has registered as the second highest – 3.53 hrs – since April-June 2008 [3.63 hrs].

For each broadcasting quarter the total number of radio listeners was analysed by broadcasting station, thus giving the effective percentage number of radio listeners that each radio broadcasting station has attracted. Since the quarter of October-December 2008, Bay Radio has attracted the largest number of radio listeners, followed by ONE Radio and, to a certain extent, by Calypso Radio. However, Calypso Radio has lost its third place to Radju Malta during October-December 2011 and July-September 2012 and to RTK during January-March 2012.

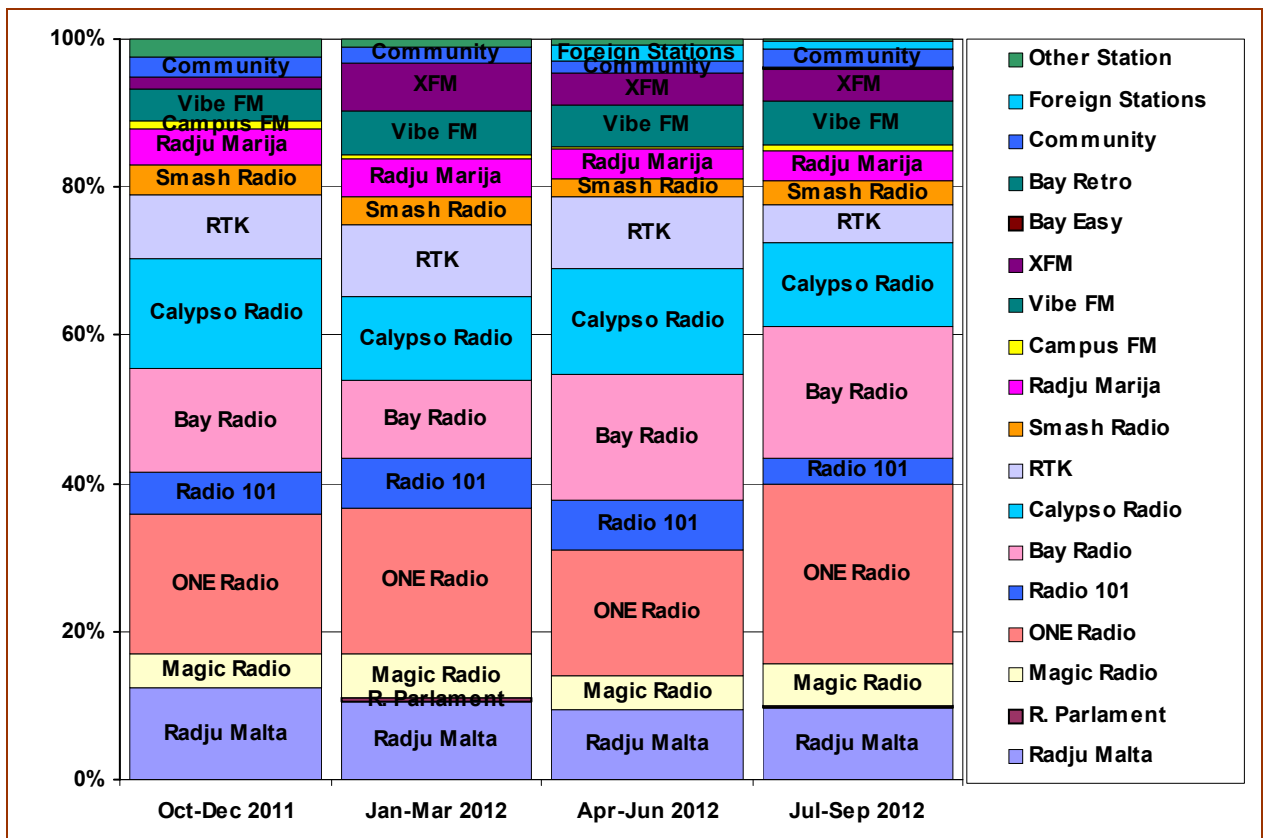
Every quarter, the average hours spent by consumers for each particular broadcasting station was worked out and analysed by demographics for that station. While leading stations have maintained the average hours spent by their listeners, some of the stations varied greatly by quarter.



Average Hours consumed by Quarter and by Broadcasting Station																	
	Radju Malta	Radju Parliament	Magic Radio	ONE Radio	Radio 101	Bay Radio	Calypso Radio	RTK	Smash Radio	Radju Marija	Campus FM	Vibe FM	XFM	Bay Easy	Bay Retro	Community Stations	Foreign &/ Other Stations
Oct-Dec 2011	3.60	0.00	2.47	4.31	3.38	2.15	4.46	3.09	3.26	2.81	3.46	1.99	1.62	-	-	3.60	3.12
Jan-Mar 2012	3.10	2.47	2.39	3.87	3.27	1.90	3.58	2.82	4.82	3.43	1.77	3.05	3.81	-	-	3.98	2.34
Apr-Jun 2012	3.54	0.00	2.14	3.69	2.46	2.43	4.68	4.12	3.40	2.70	1.40	3.40	2.86	-	-	2.81	6.28
Jul-Sep 2012	3.58	0.81	3.47	4.86	2.90	2.68	4.17	2.72	5.34	2.68	2.12	3.85	3.44	4.21	2.50	5.89	5.13

Although these and ten other radio stations all broadcast nationwide, the composition of their audiences differs depending on the type of broadcast content being provided and the section of the population being targeted by the respective station. The amount of time spent by listeners of Bay Radio is much less than the amount of time spent by ONE Radio listeners. And although Bay Radio has attracted the largest number of listeners, its share of audiences ranked second during this broadcasting season.

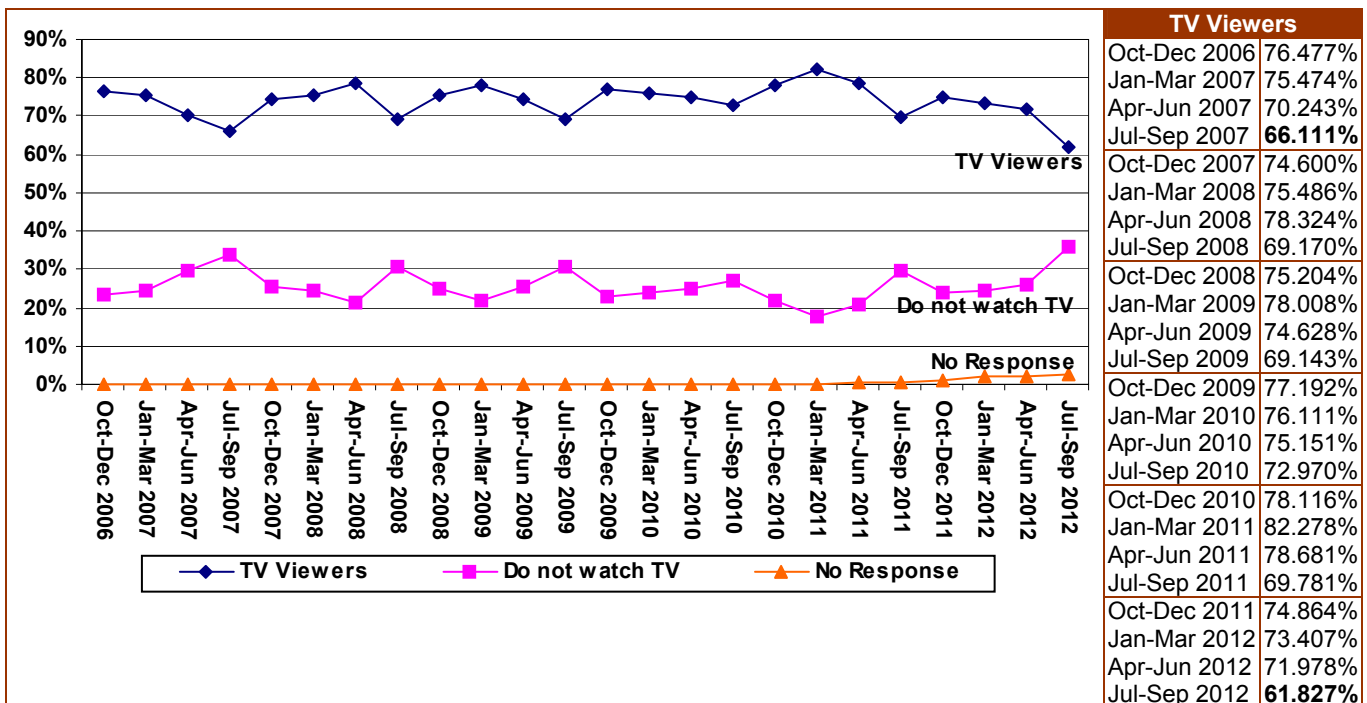
Total Average [%]	RADJU MALTA	R. PARLAMENT	MAGIC RADIO	ONE RADIO	RADIO 101	BAY RADIO	CALYPSO RADIO	RTK	SMASH RADIO	RADJU MARIJA	CAMPUS FM	VIBE FM	XFM	BAY EASY	BAY RETRO	COMMUNITY STATIONS	FOREIGN STATIONS	OTHER STATION
Oct-Dec 2011	12.52	0.00	4.49	18.86	5.54	14.03	14.99	8.43	4.15	4.79	1.08	4.35	1.70			2.58		2.49
Jan-Mar 2012	10.55	0.49	5.88	19.66	6.73	10.57	11.25	9.75	3.88	5.15	0.51	5.82	6.47			2.17		1.12
Apr-Jun 2012	9.46	0.00	4.48	17.12	6.68	16.95	14.43	9.59	2.47	3.95	0.29	5.81	4.08			1.73	2.19	0.77
Jul-Sep 2012	9.67	0.17	5.70	24.22	3.66	17.80	11.21	5.19	3.12	4.22	0.63	6.14	4.11	0.31	0.18	2.41	0.98	0.27



9.3 Television Audiences

Similar to radio, data for TV was also monitored for the past years using the same analytical methods. For this analysis TV viewers also includes all those who stated that they did not watch any particular station [they channel-hopped] and those who stated that they did not remember which TV station they had followed most.

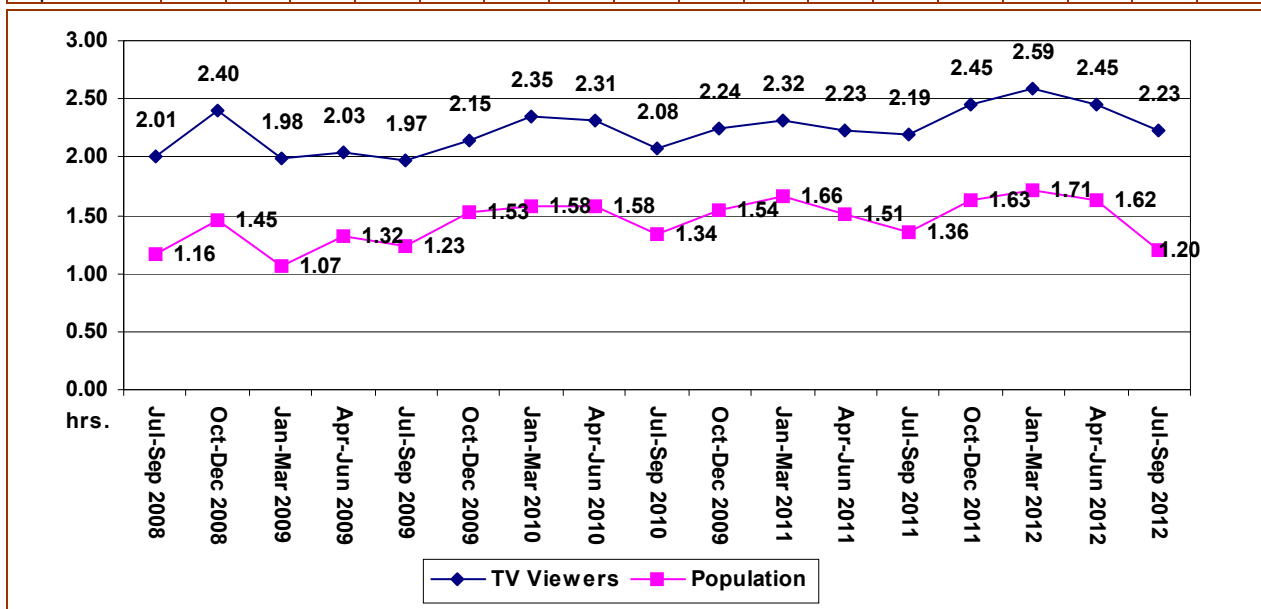
The number of television viewers has remained fairly constant over the first three quarters of this assessment period. However, for the last summer quarter [61.827%], the percentage of TV viewers has reached the lowest ever recorded since July September 2007 [66.111%]. Similar to radio, a small percentage did not want to disclose whether they had watched television and opted not to reply. In this case the trend started to increase in April-June 2011 with 0.55% reaching its highest at 2.45% in July-September 2012.



Another indicator is for how long on average consumers watched their TV-sets. There is a clear seasonal trend with the highest amount of time spent being at the beginning of each broadcasting season in October-December of each year. And although there was a decrease in the number of TV-viewers the trend for this broadcasting season was higher than previous trends where on average consumers have spent the highest registered since October-December 2008 of 2.59 hrs daily.



Average daily hours of TV consumption by Quarter																	
	Jul-Sep 2008	Oct-Dec 2008	Jan-Mar 2009	Apr-Jun 2009	Jul-Sep 2009	Oct-Dec 2009	Jan-Mar 2010	Apr-Jun 2010	Jul-Sep 2010	Oct-Dec 2010	Jan-Mar 2011	Apr-Jun 2011	Jul-Sep 2011	Oct-Dec 2011	Jan-Mar 2012	Apr-Jun 2012	Jul-Sep 2012
TV Viewers	2.01	2.40	1.98	2.03	1.97	2.15	2.35	2.31	2.08	2.24	2.32	2.23	2.19	2.45	2.59	2.45	2.23
Population	1.16	1.45	1.07	1.32	1.23	1.53	1.58	1.58	1.34	1.54	1.66	1.51	1.36	1.63	1.71	1.62	1.20



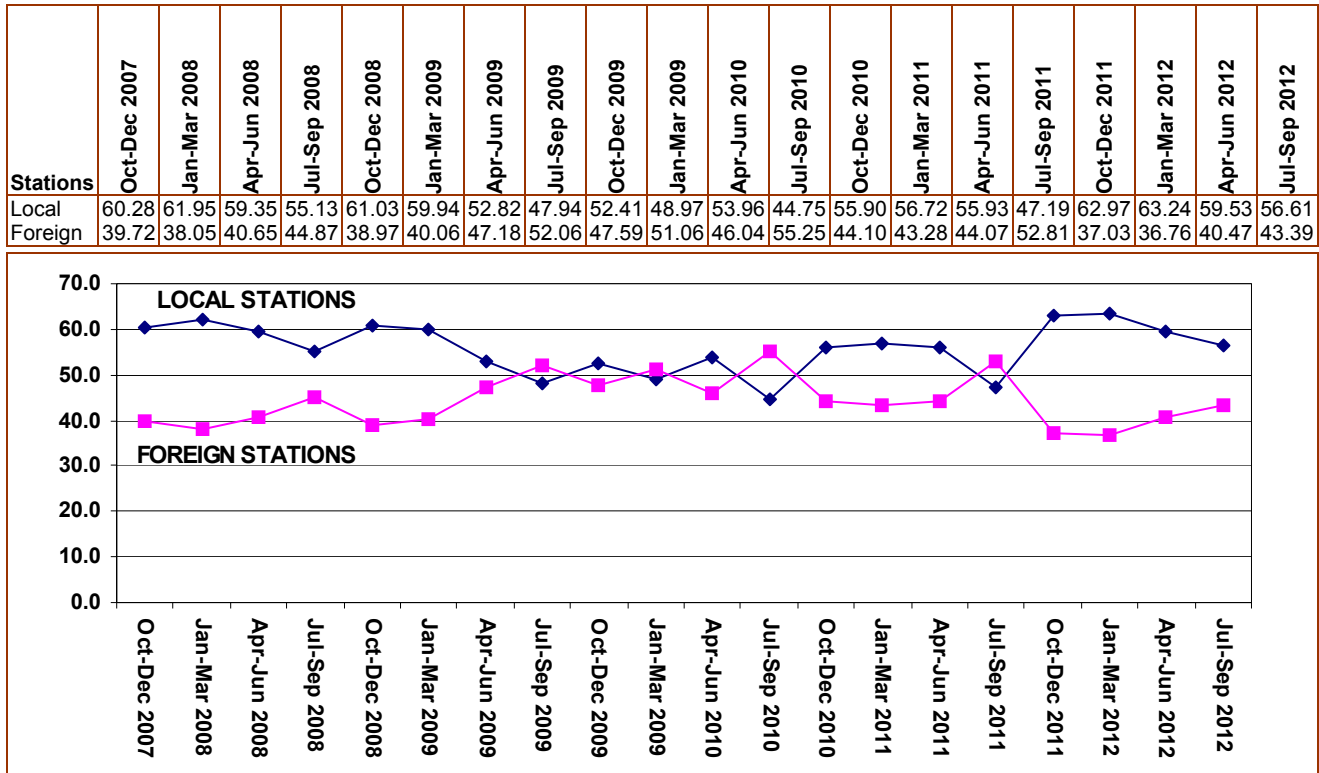
For each broadcasting quarter the total number of hours spent by consumers watching television was analysed by broadcasting station. And although the seasonal trend is reflected amongst all stations, audiences favoured one station more than others at the various quarters.

Average Hours consumed by Quarter and by Broadcasting Station																				
	TVM	ONE	Net TV	Smash TV	TVM2	Favorite TV*	Calypso Music TV	iTV	Prime TV	Rai 1	Rai 2	Rai 3	Rete 4	Canale 5	Italia 1	Discovery Channel	MTV	BBC	Prime/Wld/Ent	Other TV stations
Oct-Dec 2011	2.35	3.10	2.24	0.00	0.00	2.98	0.00	2.36	6.50	2.96	2.37	2.00	2.04	2.52	2.15	1.98	1.61	2.74	2.17	
Jan-Mar 2012	2.39	3.42	2.50	0.00	3.85	1.59	0.00	3.00	0.00	2.65	1.84	2.25	2.69	3.16	2.18	1.84	1.27	2.54	2.38	
Apr-Jun 2012	2.17	3.08	2.46	2.21	2.80	1.62	4.50	1.50	1.00	2.84	2.45	1.50	2.01	2.30	2.21	2.01	3.10	3.32	2.46	
Jul-Sep 2012	1.70	2.80	1.98	1.80	2.77	1.00	0.00	2.00	0.00	2.33	3.36	2.02	2.07	2.29	2.13	2.26	1.55	2.11	2.40	

Local television consumption has always been competed for not only by local broadcasting stations but also from overspill of broadcasts from neighbouring countries, much more so with the introduction of cable services, the digital aerial and satellite installations on rooftops. Although local stations have been preferred by local audiences over foreign stations in the ratio of 6:4, this has not always been the case. Local broadcasting stations generally schedule programmes for the first three quarters of the broadcasting season while repeat programmes are scheduled for the summer months. This is based on the assumption that during the summer months consumers would turn to their radio-sets for media consumption rather than their TV-sets. For three consecutive summers of 2009, 2010 and 2011 local



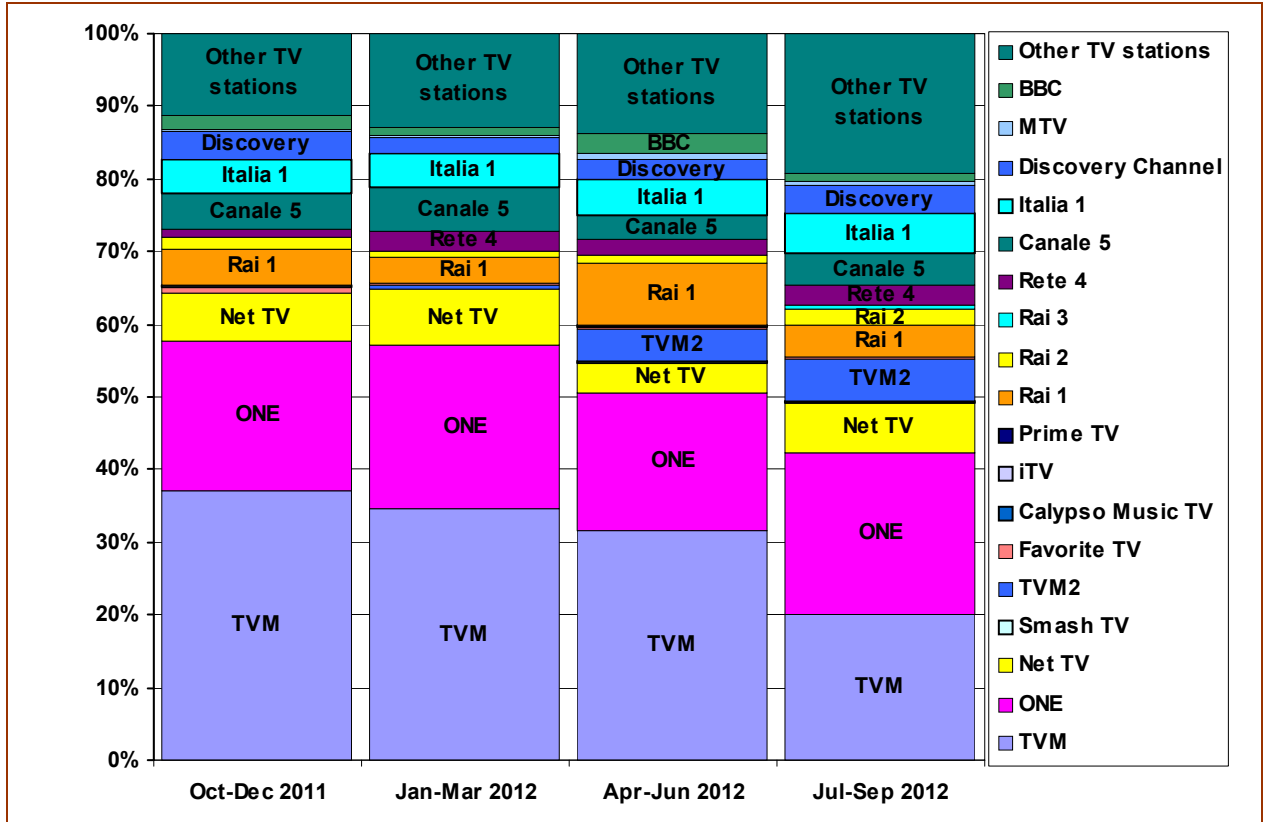
consumers tuned in to foreign stations more than they tuned in to local stations. However, the introduction of a summer schedule by local stations which includes both repeat programmes as well as short summer series have induced local consumers to follow local programmes during the summer months while those stations which introduced a summer schedule attained the highest ratings.



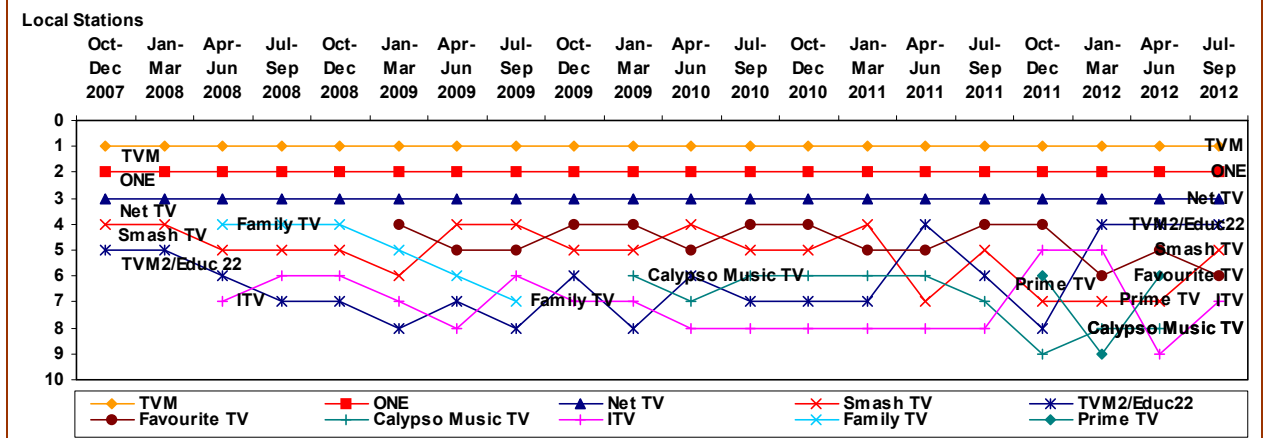
The main three broadcasting stations [TVM, ONE, and Net TV] have ranked first, second and third respectively with regard to the number of viewers since October-December 2007. For this broadcasting season the same applies. However, when audiences were calculated on the time spent by consumers, the audience share of each broadcasting station varied. While TVM maintained the highest percentage share of audiences for the first three broadcasting seasons, ONE exceeded TVM during the summer months. Another case in point are the audiences attained by TVM2 which started with a full schedule at the end of March 2012.



Total Avg.	TVM	ONE	NET TV	SMASH TV	TVM2	FAVORITE TV	CALYPSO MUSIC TV	ITV	PRIME TV	RAI 1	RAI 2	RAI 3	RETE 4	CANALE 5	ITALIA 1	DISCOVERY CHANNEL	MTV	BBC	OTHER TV STATIONS
Oct-Dec 2011	36.96	20.82	6.39			0.94		0.15	0.20	4.92	1.61	0.05	1.09	4.85	4.70	3.72	0.43	1.76	11.39
Jan-Mar 2012	34.57	22.47	7.93		0.52	0.10		0.17		3.54	0.68	0.08	2.84	5.86	4.65	2.26	0.25	1.25	12.83
Apr-Jun 2012	31.67	18.98	4.05	0.14	4.39	0.25	0.19	0.05	0.06	8.57	1.02	0.24	2.03	3.43	4.83	2.66	1.05	2.52	13.86
Jul-Sep 2012	20.08	22.21	6.81	0.30	5.95	0.17		0.10		4.27	2.32	0.52	2.65	4.38	5.57	3.85	0.40	1.26	19.16



Ranking by Number of Viewers only

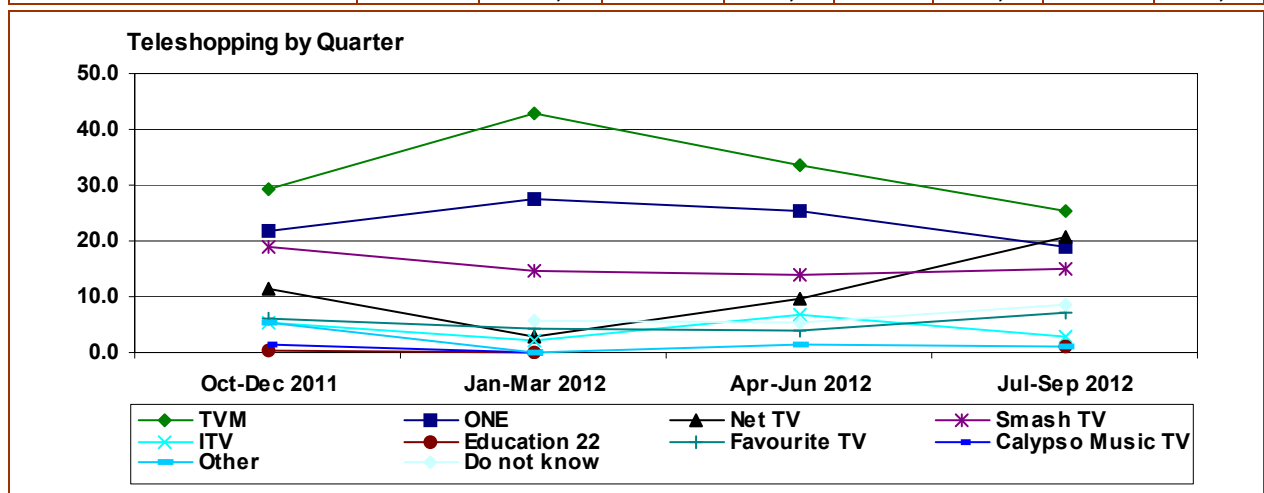


9.4 Teleshopping

Respondents were asked whether they regularly watch teleshopping and on which channels such programmes were followed. Teleshopping programmes are aired on local broadcasting stations, generally during the off-peak hours during the day while two teleshopping channels – iTV and Prime TV – are licensed specifically for this genre of programmes. Less than 10% of the viewers have stated that they have regularly watched teleshopping and TVM was the station most followed by these viewers.

	Oct-Dec 2007	Jan-Mar 2008	April-Jun 2008	Jul-Sep 2008	Oct-Dec 2008	Jan-Mar 2009	Apr-Jun 2009	Jul-Sep 2009	Oct-Dec 2009	Jan-Mar 2010	Apr-Jun 2010	Jul-Sep 2010	Oct-Dec 2010	Jan-Mar 2011	Apr-Jun 2011	Jul-Sep 2011	Oct-Dec 2011	Jan-Mar 2012	Apr-Jun 2012	Jul-Sep 2012
Yes	10.77	9.62	8.77	9.15	10.73	10.63	7.45	10.65	9.19	8.48	8.95	10.4	9.2	7.1	9.2	10.41	8.38	8.4	6.3	7.06
No	88.74	90.11	90.89	90.40	88.83	89.14	92.11	88.86	90.37	91.52	91.05	89.6	90.8	92.9	90.8	89.59	91.62	91.6	93.7	92.94
No TV set	0.50	0.28	0.34	0.45	0.44	0.22	0.44	0.49	0.44		0.00									
	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

	Oct-Dec 2011		Jan-Mar 2012		Apr-Jun 2012		Jul-Sep 2012	
	%	N	%	N	%	N	%	N
Yes	8.4	31,092	8.4	31,015	6.3	23,575	7.06	26,301
No	91.6	339,720	91.6	340,343	93.7	348,328	92.94	346,146
	100%	370,812	100%	371,359	100%	371,903	100%	372,447
TVM	[1] 29.15	9,064	[1] 43.01	13,341	[1] 33.46	7,889	[1] 25.25	6,641
ONE	[2] 21.63	6,726	[2] 27.32	8,474	[2] 25.27	5,957	[3] 18.92	4,977
Net TV	[4] 11.53	3,584	2.72	843	[4] 9.66	2,277	[2] 20.81	5,474
Smash TV	[3] 18.98	5,901	[3] 14.82	4,595	[3] 13.95	3,290	15.05	3,957
iTV	5.46	1,697	2.22	687	6.62	1,560	2.70	709
TVM2 [Education 22]	0.54	166					0.95	251
Favourite TV	6.15	1,913	4.30	1,333	4.10	967	6.99	1,838
Calypso Music TV	1.34	417						
Other	5.22	1,623			1.49	352	0.93	246
Do not know			5.62	1,743	5.44	1,283	8.40	2,209
	100%	31,092	100%	31,015	100%	23,575	100%	26,301



9.5 Favourite Programmes

Respondents were asked to list their three most favourite programmes. This is not a “beauty contest” between programmes or producers, but rather the Authority wants to research what type of programmes local consumers would prefer. The results do not represent the actual audience share of particular programmes attained by the respective broadcasting stations.

Instead of listing a series of programme genres which respondents could choose from [such as local news; foreign news; current affairs; sports; weather; feature films; serials and soap operas; documentaries; etc] it was decided to ask for the three most preferred programmes. The determination of genres of programmes broadcast is not always clear, as most locally produced programmes would fall in more than one single genre. To take an example, the main news bulletin at prime time could easily contain various genres as local news, foreign news, news features, current affairs exponents, sports summary bulletin, as well as the weather forecast. Morning breakfast shows would then contain a synopsis of all these included with other programme sections such as children’s corner, household maintenance, art and culture, and quizzes/game shows/variety creations.

The programmes named in no way reflect the quality of the programmes broadcast as theoretical quality in media would also consider other areas as broadcasting compliance by broadcasters, resources deployment, and staff professionalism. However, they do indicate consumers’ perception of media with regard to their perceived three major areas: entertainment, information and education.

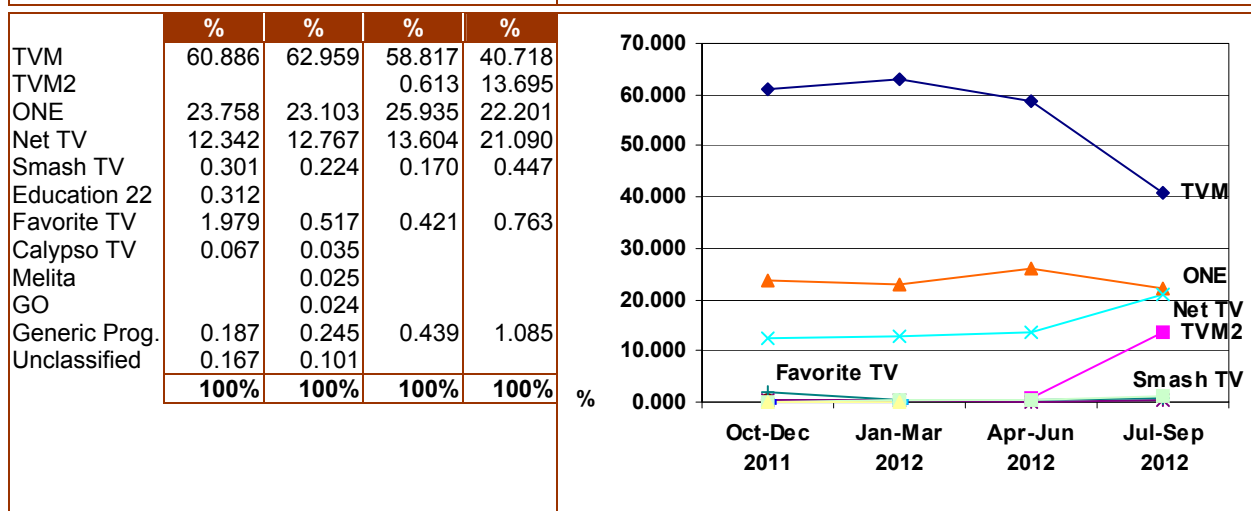
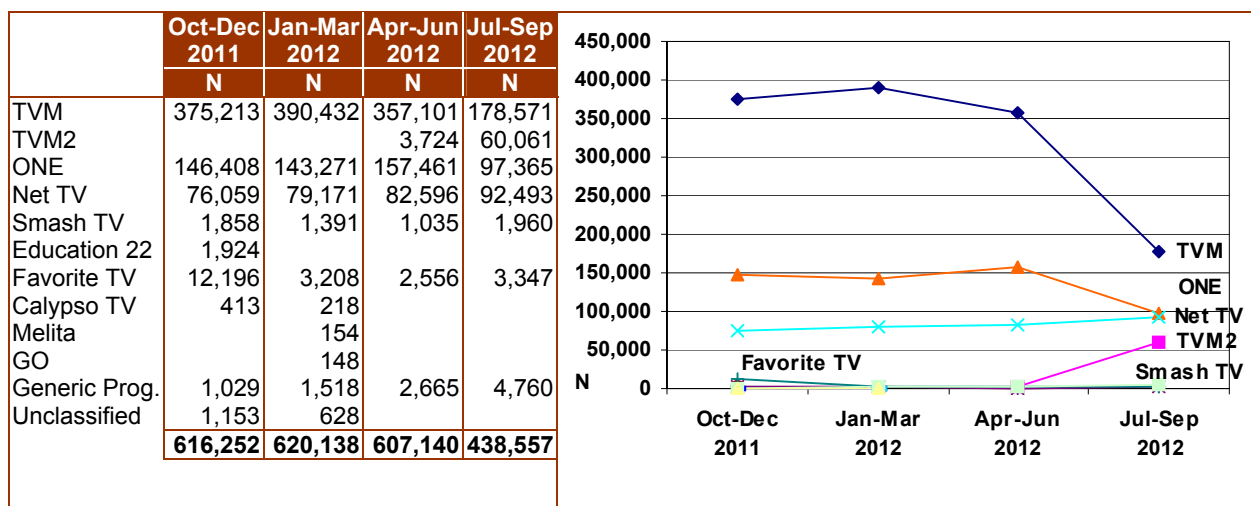
Respondents were given the possibility of naming three programmes broadcast on local TV stations while allowing also for two other types of responses: respondents could state that they do not regularly watch television; and/or they could also state that they do not watch local television programmes.

The programmes mentioned were classified according to their declared order by each respondent [i.e. the first, second and third named programme]; by their broadcast time as per generic time-brackets; and by the broadcasting station on which they were broadcast. The programmes named were also compared to the broadcasting schedules as provided by each broadcasting station. Naturally, some of the programmes named were broadcast during previous broadcasting schedules and these were checked for repeated series on the same or other broadcasting station; some were also of a generic nature; broadcast on radio or on the digital/cable network; or could not be properly identified as the programme named was a combination of programmes.

All the responses are analysed by broadcasting quarter. It can be clearly seen that overall preferences for local programmes dropped sharply during the summer months of July-September 2012 – a drop of 27.8% over the previous quarter of April-June 2012. Preference for programmes broadcast on TVM constantly attained the highest preferences ranging from 60.886% at the start of the broadcasting season and decreasing to 40.718% of all preferences for the summer months. Similarly for ONE, which overall ranked second, the same trends were followed during the summer months.

Of note, however, are the preferences for programmes broadcast on Net TV, which overall ranked third, and where the preferences for its programmes increased during the summer months and registered its highest percentage of total preference [21.09%].

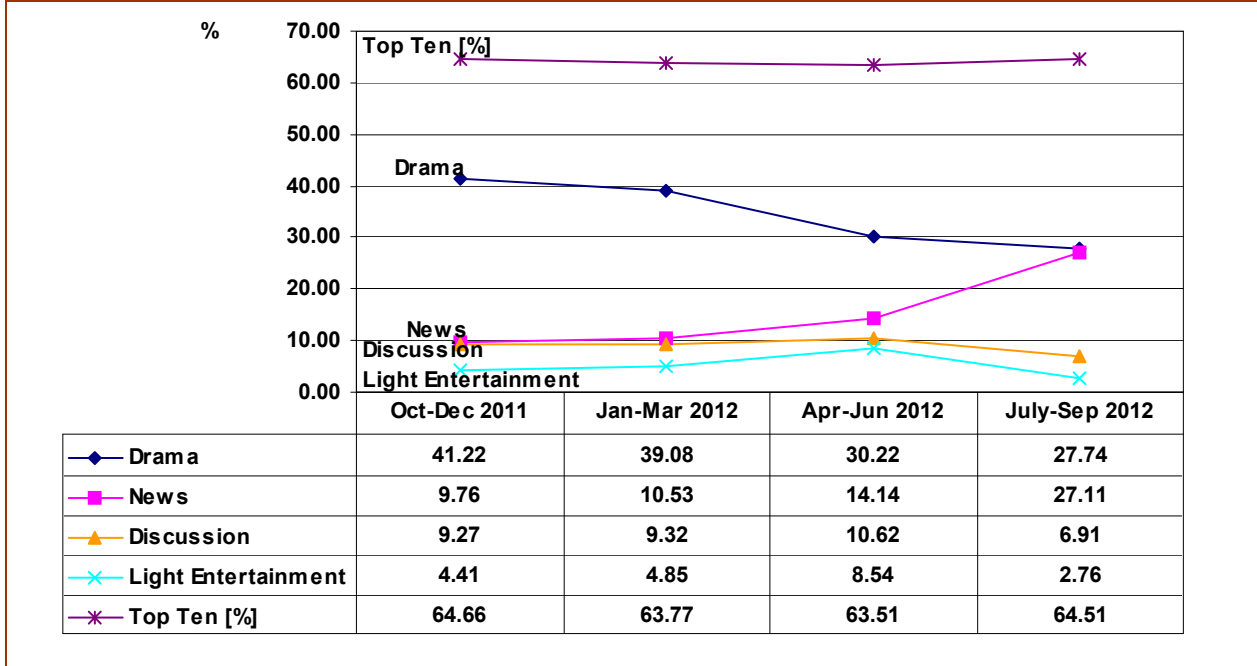
Also of note are the programme preferences for TVM2 which overall ranked fourth and where 94% of all the preferences received for that station were for programmes broadcast during the summer months.



Analysed by programme genre, the top ten programmes named always accounted for more than 60% of all the preferences and, by genre, the preference for Drama always ranked first. The second most preferred genre was News, followed by Discussion and Light Entertainment in that order. While all Drama programmes named featured in the list of the top ten most preferred program genre, only one discussion program “Xarabank” featured – all the rest of the discussion programmes named earned less than 2% of all preferences.



Top 10 Program Preferences by Genre



		Total	M	F	12-14	15-24	25-29	30-49	50-64	65-79	80+
Oct-Dec 2011											
Drama											
Deceduti	TVM	12.54	13.93	11.42	25.57	25.33	18.44	12.25	7.93	1.29	2.54
F'Salib It-Toroq	TVM	12.05	9.91	13.79	4.64	11.27	13.85	11.40	12.94	15.02	13.94
Emilja	ONE	7.24	5.17	8.92	6.96	7.67	5.59	6.68	7.76	8.56	2.63
Simpatiki	Net TV	3.34	2.64	3.90	2.16	2.26	2.86	2.31	4.23	5.33	6.24
Xablott	ONE	3.14	3.56	2.80	3.70	4.98	4.04	2.88	2.27	3.26	0.00
Dreams	TVM	2.91	1.92	3.71	9.51	4.79	3.38	2.77	1.45	0.77	2.59
		41.22	37.13	44.54	52.54	56.30	48.15	38.28	36.57	34.23	27.93
News											
TVM News	TVM	7.02	9.08	5.35	3.17	3.88	9.48	5.93	9.12	7.70	18.62
ONE News	ONE	2.74	3.99	1.72	0.96	0.49	1.75	2.46	3.71	4.44	7.31
		9.76	13.07	7.07	4.13	4.37	11.23	8.39	12.83	12.14	25.93
Discussion											
Xarabank	TVM	9.27	9.57	9.03	5.23	8.20	11.41	11.81	8.28	8.38	5.21
		9.27	9.57	9.03	5.23	8.20	11.41	11.81	8.28	8.38	5.21
Light Entertainment											
Min Imissu	TVM	4.41	4.33	4.47	10.43	7.14	5.06	5.07	2.89	0.56	0.00
		4.41	4.33	4.47	10.43	7.14	5.06	5.07	2.89	0.56	0.00
Top Ten [%]		64.66	64.10	65.11	72.33	76.01	75.86	63.55	60.57	55.31	59.07
Jan-Mar 2012											
Drama											
F'Salib it-Toroq	TVM	11.43	9.00	13.32	5.67	9.92	9.48	9.77	13.76	14.86	11.63
Deceduti	TVM	9.59	10.66	8.76	25.80	19.85	12.08	10.42	5.03	0.77	0.00
Emilja	ONE	6.67	3.14	9.42	3.23	7.08	8.73	6.80	7.13	5.77	4.44
Dreams	TVM	4.73	2.66	6.34	11.80	7.48	3.63	5.97	2.29	2.60	1.14
Dejavu	ONE	3.41	2.58	4.07	3.30	2.79	0.41	4.13	3.37	4.26	2.04
Simpatiki	Net TV	3.25	2.59	3.77	4.68	2.17	2.20	2.71	3.00	5.64	5.52
		39.08	30.62	45.68	54.48	49.29	36.52	39.79	34.57	33.89	24.77
News											
TVM News	TVM	7.27	9.84	5.25	1.77	5.39	6.98	7.00	7.75	9.08	17.98
ONE News	ONE	3.26	4.61	2.20	0.00	0.34	2.62	2.40	4.40	6.26	9.68
		10.53	14.45	7.46	1.77	5.73	9.60	9.40	12.15	15.34	27.66
Discussion											
Xarabank	TVM	9.32	11.56	7.57	6.46	9.55	15.53	10.02	9.13	6.54	7.42
		9.32	11.56	7.57	6.46	9.55	15.53	10.02	9.13	6.54	7.42
Light Entertainment											
Min Imissu	TVM	4.85	5.30	4.50	13.49	8.03	5.58	5.40	3.24	0.88	0.00
		4.85	5.30	4.50	13.49	8.03	5.58	5.40	3.24	0.88	0.00
Top Ten [%]		63.77	61.93	65.20	76.21	72.60	67.23	64.60	59.08	56.65	59.84



	Total	M	F	12-14	15-24	25-29	30-49	50-64	65-79	80+
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Apr-Jun 2012

Drama											
F'Salib it-Toroq	TVM	12.16	9.33	14.43	12.56	11.23	10.40	10.41	12.50	16.48	14.75
Emilja	ONE	8.18	4.70	10.97	6.61	6.99	11.77	7.47	9.72	7.33	5.18
Dreams	TVM	6.06	4.16	7.57	17.90	8.60	5.53	5.86	4.82	3.22	1.98
Simpatici	Net TV	3.82	3.91	3.75	6.95	2.02	2.62	3.02	3.34	7.31	6.15
		30.22	22.09	36.71	44.01	28.84	30.32	26.75	30.37	34.33	28.05
News											
News TVM	TVM	7.77	11.01	5.17	1.96	5.47	5.99	9.92	7.92	6.94	11.71
News ONE	ONE	3.98	5.80	2.53	0.87	1.47	3.44	3.38	5.36	5.73	6.74
News Net TV	Net TV	2.39	3.40	1.58	0.00	1.85	1.68	1.65	3.42	3.30	4.12
		14.14	20.21	9.28	2.83	8.79	11.12	14.95	16.69	15.97	22.56
Discussion											
Xarabank	TVM	10.62	12.15	9.40	4.91	13.94	14.13	13.59	8.59	5.76	9.57
		10.62	12.15	9.40	4.91	13.94	14.13	13.59	8.59	5.76	9.57
Light Entertainment											
Liquorish	ONE	4.48	3.77	5.06	5.98	6.56	5.55	4.05	5.00	2.21	0.00
Min Imissu	TVM	4.05	4.25	3.89	12.81	6.94	8.70	4.01	2.23	0.49	0.98
		8.54	8.02	8.95	18.78	13.50	14.26	8.06	7.23	2.70	0.98
Top Ten [%]		63.51	62.47	64.34	70.54	65.07	69.82	63.35	62.88	58.76	61.17

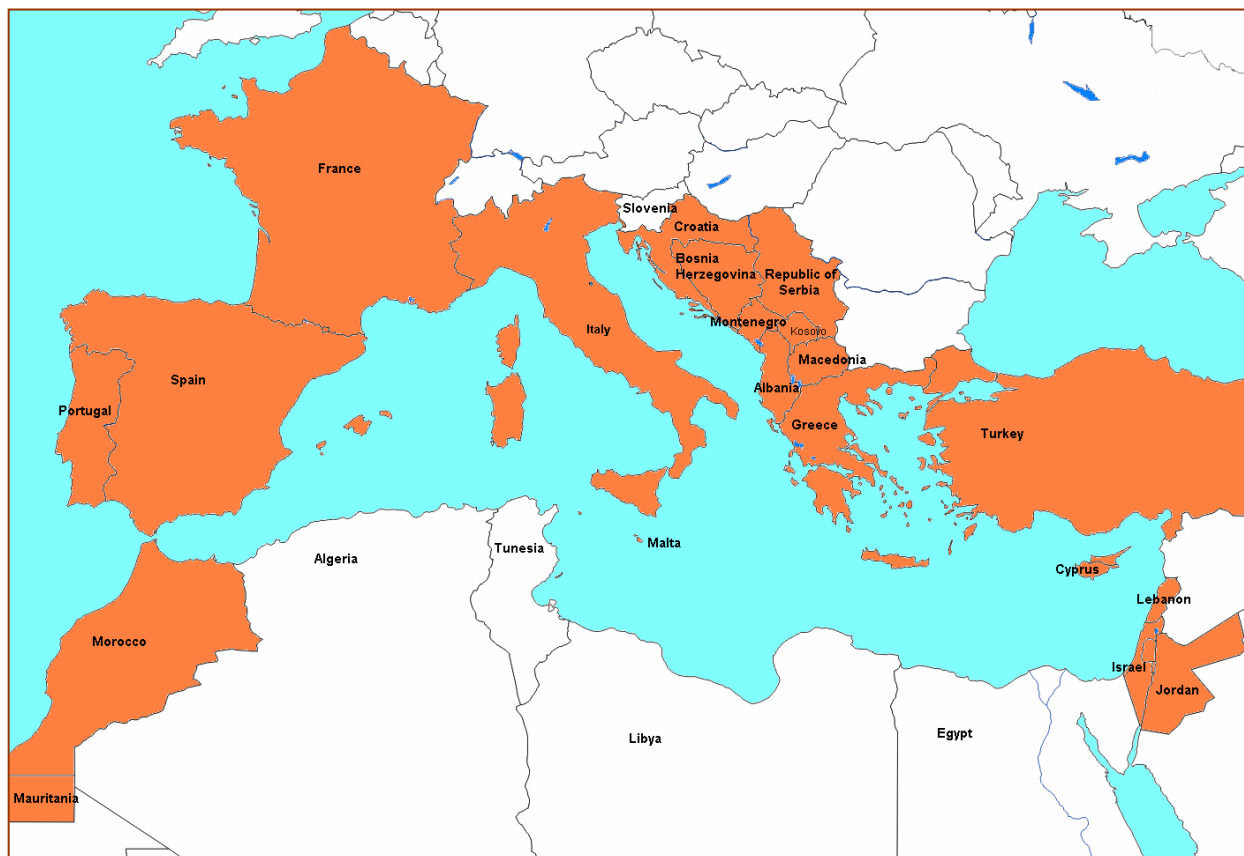
July-Sep 2012

Drama											
F'Salib it-Toroq	TVM2	8.54	6.38	10.55	5.04	7.81	11.11	6.87	8.75	11.83	11.62
Emilja	ONE	6.45	3.79	8.93	7.81	7.30	11.60	5.46	6.06	6.00	7.16
Simpatici	Net TV	6.08	5.00	7.09	18.65	7.92	1.41	4.42	4.29	8.21	8.31
Hazen u Mrar	Net TV	3.75	2.65	4.78	0.00	2.46	4.49	2.02	5.39	6.58	3.43
Deceduti	TVM2	2.92	2.77	3.05	8.15	5.15	5.65	3.63	1.21	0.53	0.00
		27.74	20.59	34.41	39.65	30.64	34.26	22.40	25.70	33.14	30.52
News											
News TVM	TVM	14.17	17.48	11.09	7.00	11.52	7.46	17.41	15.03	12.16	17.56
News ONE	ONE	7.56	10.94	4.40	0.00	3.51	5.31	7.64	10.78	7.99	9.06
News Net TV	Net TV	5.38	7.57	3.32	1.10	1.97	3.54	5.30	7.13	5.98	11.17
		27.11	35.99	18.81	8.11	17.00	16.31	30.35	32.94	26.13	37.79
Discussion											
Xarabank	TVM	6.91	7.54	6.33	6.09	11.56	8.91	8.10	5.45	3.39	3.65
		6.91	7.54	6.33	6.09	11.56	8.91	8.10	5.45	3.39	3.65
Light Entertainment											
Sellili	TVM	2.76	0.92	4.47	3.03	0.67	4.55	2.44	3.46	3.08	3.19
		2.76	0.92	4.47	3.03	0.67	4.55	2.44	3.46	3.08	3.19
Top Ten [%]		64.51	65.04	64.03	56.87	59.87	64.02	63.29	67.55	65.74	75.15



10. BROADCASTING REGULATION REGIMES IN THE MEDITERRANEAN REGION – COMPARATIVE ANALYSIS

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10.1 Preamble

The Mediterranean Network of Regulatory Authorities was created on a proposal of the French *Conseil Supérieur de l'Audiovisuel* and the *Consell de l'Audiovisual de Catalunya* in Barcelona on the 29th of November, 1997, in order to strengthen the historical and cultural links between Mediterranean countries, and to give the opportunity to the independent regulatory authorities from the Mediterranean area to exchange views about the common challenges they have to face.

The aim of this document is to highlight the state of play of broadcasting regulation regimes of Member regulatory authorities of the M.N.R.A. – 23 authorities coming from 19 countries of the Mediterranean region.¹

A questionnaire was circulated among member authorities under the Presidency of Malta entrusted at the 13th Plenary Assembly held in la Valletta, Malta, 24th and 25th November 2011.



This comparative analysis focuses on four areas:

1. The legislative powers of regulatory authorities/councils;
2. Licensing powers, extent and limitations;
3. Regulatory powers and compliance; and
4. Legislative regulation and extension.

A total of 19 regulatory authorities replied to the questionnaire, with two of the authorities established in one nation, Spain – the *Consell de l'Audiovisual de Catalunya* [CAC] and the *Consejo Audiovisual de Andalucía* [CAA].²

10.2 The Legislative Powers of Regulatory Authorities/Councils

The latest authority to be set up is that of ERC, Portugal in 2006 while the longest serving authority is that of BAM, Malta which was set up in 1961. Broadcasting regulation experience ranges from 50 years to 6 years.

All the authorities/councils regulate radio and television broadcasts. Three authorities [AEM, Croatia; AGCOM, Italy; and HACA, Morocco] also regulate Internet; while AGCOM, Italy is also responsible for the press.

The responses received indicate that with the exception of four, the member authorities are not responsible for the assignment of spectrum and frequencies. While AGCOM, Italy considers itself to be

convergent as it is responsible for all media platforms (having regulatory and supervisory functions over electronic communications – fixed, mobile, Internet, and new technologies; audiovisual; as well as the press and publishing sectors), the actual assignment of Italian frequencies is held by the Ministry of Economic Development. CRA, Bosnia-Herzégovina; CAN, Lebanon; and HACA, Morocco are the other convergent authorities/councils.

The replies to whether the authority/council is convergent or not also have to be congruently analysed with the replies to whether the respective authority/council is responsible for the issuing of a broadcasting licence [q.5/q.15]. Out of all the regulatory regimes only two authorities/councils reported that they do not issue broadcasting licences to individual stations: AGCOM, Italy and CAA, Spain.

In this respect it can be stated that CRA, BiH; CAN, Lebanon; and HACA, Morocco are the convergent authorities with regard to radio and television broadcasts in the sense that while they actually issue the frequency within their broadcasting spectrum, they also have the competence of assigning the individual frequency to a particular broadcasting station.

Entity	Country	Year set-up
ERC	Portugal	2006
IMC	Kosovo	2005
CAA	Spain	2005
AEM	Croatia	2004
AEM	Montenegro	2003
AVC	Jordan	2003
RBA	Serbia	2003
HACA	Morocco	2002
CRA	BiH	2001
CAC	Spain	2000
NCRT	Albania	1999
CRTA	Cyprus	1998
AGCOM	Italy	1997
BCRM	Macedonia	1997
CAN	Lebanon	1994
RTUK	Turkey	1994
CSA	France	1989
NCRTV	Greece	1989
BAM	Malta	1961



On the other hand, defining convergence to signify only the extent of regulatory powers over media and excluding the assignment of spectrum, it can be stated that AGCOM, Italy is convergent over the whole media platform.

10.2a Constitutional entrenchment

Nearly half of the authorities/councils [nine entities] have reported that they are enshrined within the Constitution of each country while the other half [ten entities] have been set up through an act of Parliament. Of note are the two regulatory authorities from Spain. Both authorities were set up under a *Statute of Autonomy for each Region*; and while the CAC of Catalunya deems itself as enshrined in the Constitution of Spain, the CAA of Andalucia did not deem itself similarly even though both authorities are enshrined in their respective *Statute of Autonomy*.

Is your authority/council set up in terms of the Constitution of the country?		
YES		NO
BAM, Malta; CAC, Spain; CAN, Lebanon;		AEM, Croatia; AEM, Montenegro; AGCOM, Italy;
CSA, France; ERC, Portugal; HACA, Morocco;		AVC, Jordan; BCRM, Macedonia; CAA, Spain;
IMC, Kosovo; NCRTV, Greece; RTUK, Turkey.		CRA, BiH; CRTA, Cyprus; NCRT, Albania; RBA, Serbia.

With the exception of one authority [CAN, Lebanon with 10 members], all authorities/councils have an odd number of board members with the largest authority being that of BCRM, Macedonia with 15 members and the lowest being that of AVC, Jordan with one member. The nomination and appointment of the President/Chairperson of each authority/council varies; including also the appointment of the Members of each authority.

10.2b Nominations

A major difference is the “authorized nominations” of BCRM, Macedonia and AEM, Montenegro. In both instances, nominations for the members of the authority/council are made from major stakeholders of the industry. However, while BCRM, Macedonia³ also has members selected from/through political circles, the members of AEM, Montenegro⁴ are all selected from civil society organisations.

In all the other cases, nominations for members generally depends on constitutional provisions [or not] of the authority involved. In the case of a constitutional requirement for the organisations of a regulatory authority [BAM, Malta; CAC, Spain; CAN, Lebanon; CSA, France; ERC, Portugal; HACA, Morocco; IMC, Kosovo; NCRTV, Greece; and RTUK, Turkey] the state representative has the highest right of nomination/appointment not only of the President/Chairperson of the authority but also of the other members of the authority; thus maintaining decision rights and/or majority voting powers. In one case [HACA, Morocco] the Head of State appoints the simple majority of members of the authority/council [5 by the King, 2 by the Head of Government and 2 by Presidents of both Houses of Parliament]. And similar to AEM, Montenegro, although the members of IMC, Kosovo are appointed by the Assembly of the Republic the selected members of the IMC Commission are nominated by civil society and have to be distinguished personalities from culture, art, justice, cinematography, journalism, business, management, public relations, international relations, media and information technology⁵.

In cases where there is no constitutional requirement for the setting up of a regulatory authority [i.e. through an Act of Parliament] the nomination and appointment of the members of the authority/council is of two main streams: either by the Cabinet/Council of Ministers [AVC, Jordan; CRTA, Cyprus], or by parliament involving both government and the opposition [AEM, Croatia; CAA, Spain; NCRT, Albania; and RBA, Serbia].

For the Council of RBA, Serbia the appointment of members is from a list of authorized nominations as specified in the Broadcasting Law of 2002⁶.

Two slightly different methods for the nomination and appointment of the authority/council is followed for CRA, Bosnia-Herzégovina and AGCOM, Italy. In the case of CRA, BiH a list of candidates is submitted by the regulatory authority/council to the Council of Ministers for nomination and appointment by Parliament of BiH. In the case of AGCOM, the chairperson/president of the authority is proposed by the Prime Minister in conjunction with the Ministry of Economic Development, with the approval of the competent Commissions of Parliament based on qualified majority, and appointed by the President of the Republic. The other four Commissioners of AGCOM are elected by Parliament and appointed by the President of the Republic.

10.2c Term of Office

The term of office of members of regulatory authorities/councils is characterized by the number of years that members are appointed for and by the possibility of successive renewal of members. Of all the respondent authorities, six entities do not have the possibility of successive renewal.

Entity	Country	Term of Office
ERC	Portugal	5 years
CAC	Spain	6 years
CSA	France	6 years
NCRTV	Greece	6 years
BCRM	Macedonia	6 years
AGCOM	Italy	7 years

On the other hand, the appointment of the one member of AVC, Jordan is not limited by any time-period and has successive renewal possibilities.

All the other 12 entities have singular or multiple successive renewal of members, thus guaranteeing continuity of operations. The most significant character is that of the members of IMC, Kosovo, where, besides having the possibility of successive terms, two members

Entity	Country	Term of Office	Other Conditions
IMC	Kosovo	2x2, 3x3, and 2x4	
BAM	Malta	3 years	
CAN	Lebanon	3 years	
CRA	BiH	4 years	
AEM	Croatia	5 years	
AEM	Montenegro	5 years	2 successive terms only
CAA	Spain	5 years	1 successive term only
HACA	Morocco	5 years	
NCRT	Albania	5 years	
CRTA	Cyprus	6 years	Exec. Chair: 2 successive terms only
RBA	Serbia	6 years	
RTUK	Turkey	6 years	

have a mandate of 2 years; three members have a 3-year mandate; while two members are appointed for a 4-year term.



10.2d Broadcasting Legislation amendment and fragmentation

Twelve of the broadcasting regimes have a singular broadcasting act regulating each particular broadcasting administration while seven broadcasting regulators have a number of legislative acts to regulate broadcasts. The highest number of legislative acts was reported for NCRTV, Greece [5+]; CRA, BiH and ERC, Portugal [5 respectively]; AEM, Montenegro [4]; and NCRT, Albania, AEM, Croatia, and CAC, Spain have 2 main legislative systems.

The latest entities that have amended broadcasting regulations were NCRTV, Greece, CAA, Spain, and CAC, Spain this year [2012] while CAN, Lebanon [set up in 1994] and AVC, Jordan [set up in 2003] have reported that to date their broadcast regulatory regime has never been amended.

10.3 Media Licensing, Extent and Limitations

Out of all the regulatory regimes only two authorities/councils do not issue broadcasting licences to individual stations: AGCOM, Italy and CAA, Spain. While most authorities/councils have similar time-lapse licences for both radio and television, in some instances the licence issued to radio broadcasters is of a shorter duration than that issued for TV stations [BAM, Malta; CRTA, Cyprus; CSA, France; IMC, Kosovo; NCRT, Albania]. The BAM, Malta reported that while nationwide radio and television stations are both licences for 8 years, digital radio broadcasts are licences for 4 years while satellite broadcasts have an even shorter time span.

		TV	Radio
CAN	Lebanon	16 years	16 years
CAC	Spain [1]	15 years	15 years
CAA	Spain [2]	15 years	15 years
AEM	Montenegro	15 years	15 years
ERC	Portugal	15 years	15 years
AGCOM	Italy	12 years	12 years
AEM	Croatia	12 years	12 years
CRA	BiH	10 years	10 years
RTUK	Turkey	10 years	10 years
BCRM	Macedonia	9 years	9 years
RBA	Serbia	8 years	8 years
HACA	Morocco	5 years	5 years
AVC	Jordan	2 months	2 months
CRTA	Cyprus	10 years	7 years
IMC	Kosovo	10 years	7 years
CSA	France	10 years	5 years
BAM	Malta	8 years	Variable
NCRT	Albania	5 years	3 years

With the exception of NCRTV, Greece which did not report on the time-frame of radio and TV licences, all the other authorities/councils maintain equal time-lapse for the renewal of broadcasting licences. The longest served are those stations licensed by CAN, Lebanon for 16 years while the shortest licensed are those by AVC, Jordan for 2 months.

10.3a Media Ownership

While in three states [AVC, Jordan; CRA, BiH; and IMC, Kosovo] no limitations are imposed on the number of broadcasting stations that can be owned by the same person or entity (including shareholding), there are limitations imposed by regulatory entities in all the other sixteen states⁷.

Although no restrictions on ownership are contemplated by broadcasting legislation in Kosovo, the IMC has adopted the principle that broadcasting licences are issued to persons/entities holding a maximum of one radio and one television broadcasting station; provided that in the case where the

		Station Ownership
AEM	Croatia	YES
AEM	Montenegro	YES
AGCOM	Italy	YES
AVC	Jordan	NO
BAM	Malta	YES
BCRM	Macedonia	YES
CAA	Spain [2]	YES
CAC	Spain [1]	YES
CAN	Lebanon	YES
CRA	BiH	NO
CRTA	Cyprus	YES
CSA	France	YES
ERC	Portugal	YES
HACA	Morocco	YES
IMC	Kosovo	NO
NCRT	Albania	YES
NCRTV	Greece	YES
RBA	Serbia	YES
RTUK	Turkey	YES



licence holder also operates a print newspaper the holder will not be granted a licence for either one of the other platforms. The IMC, Kosovo expects to adopt a media concentration and ownership bylaw by 2012.

The level of media ownership restraints and antitrust provisions in force by member authorities varies on the extent of:

- ownership of media spectrum [singular/multiple ownership of audio; audiovisual; cable; Internet; satellite; and print media];
- location and proximity of similar holdings [national; regional; and municipality];
- informative level of media broadcast [news agency; general interest objectives]
- population/consumer thresholds;
- identity of holder [legal entity or person];
- level of operational influence [shareholding level; managerial/operational];
- nationality of operators⁸; familial relationships regarding/regardless of the degree of kinship⁹; and political/social involvement¹⁰.

Limitations on vertical, diagonal, and horizontal concentrations are in place to a varying degree to maintain plurality of operators and regulate access of new entrants. Only AVC, Jordan and IMC, Kosovo do not limit the number of stations that can be singularly owned and simultaneously allow the transfer of broadcasting licences to third parties; the CRA, BiH while not limiting the number of stations owned does not allow licence transfer. Of the other sixteen authorities which limit the number of stations that can be singularly owned while ten entities allow the transfer of licences¹¹, six entities do not allow the transfer of licences to third parties¹².

10.3b Political Party and Religious Organisations Media Ownership

Four authorities/councils do not allow political parties and religious organisations to own any radio and television station – NCRT, Albania; HACA, Morocco; IMC, Kosovo; and RTUK, Turkey.

Nine authorities/councils allow ownership of radio and TV stations by religious organisations but exclude the ownership of such media by political parties – AEM, Croatia; AEM, Montenegro; BCRM, Macedonia; CAA, Spain; CRA, BiH; CRTA, Cyprus; CSA, France; ERC, Portugal; and RBA, Serbia.

Six regulatory entities allow media ownership by political parties as well as by religious organisations

		Political Party Ownership		Religious Org. Ownership	
		Radio	TV	Radio	TV
AEM	Croatia	NO	NO	YES	YES
AEM	Montenegro	NO	NO	YES	YES
AGCOM	Italy	YES	YES	YES	YES
AVC	Jordan	YES	YES	YES	YES
BAM	Malta	YES	YES	YES	YES
BCRM	Macedonia	NO	NO	YES	YES
CAA	Spain, And	NO	NO	YES	YES
CAC	Spain, Cat.	YES	YES	YES	YES
CAN	Lebanon	YES	YES	YES	YES
CRA	BiH	NO	NO	YES	YES
CRTA	Cyprus	NO	NO	YES	YES
CSA	France	NO	NO	YES	YES
ERC	Portugal	NO	NO	YES	YES
HACA	Morocco	NO	NO	NO	NO
IMC	Kosovo	NO	NO	NO	NO
NCRT	Albania	NO	NO	NO	NO
NCRTV	Greece	YES	YES	YES	YES
RBA	Serbia	NO	NO	YES	YES
RTUK	Turkey	NO	NO	NO	NO



for both radio and television stations – AGCOM, Italy; AVC, Jordan; BAM, Malta; CAC, Spain; CAN, Lebanon; and NCRTV, Greece.

Although the responses to these two queries were analysed simultaneously, no concrete conclusions should be made with regard to such issues as culturization/secularization and polarization with their varying impacts across, between and within regulatory regimes.

10.4 Regulatory Powers and Compliance

Compliance with broadcasting legislation is the operational focus of regulatory authorities/councils requiring either *ad hoc* monitoring of broadcasts and/or that of being complaint driven. To a degree, this depends on the resources available to the regulatory authorities/councils. Just-in-time audit monitoring of broadcasts is utopian.

Regulatory authorities/councils adopt either one or both monitoring methods, gearing their operations accordingly. The effectiveness of any one system depends not only on the aspirations of media consumers from their service providers but also from the required effectiveness of regulatory authorities/councils.

Two authorities/councils [AVC, Jordan and NCRTV, Greece] base their operations only on complaints received from media consumers; while the HACA, Morocco bases its operations on *ad hoc* monitoring only.

All the other sixteen respondents adopt both systems to ensure compliance with the respective broadcasting regimes by their licensed operators.

10.4a Power to Regulate

The competence to legislate and enact broadcasting regulatory measures has to be backed by the facility to implement corrective measures by authorities/councils. A range of options are available and their implementation depends on each authority/council's desired legislative targets; quite often requiring strategic decisions for proper implementation of regulatory regimes.

With one exception, [CAC, Spain], all authorities/councils have the option of issuing a written warning to broadcasters. Prior to this option, the CRA, BiH has also the option of "making an oral warning, inspection of the licensed facilities and make concrete demands for action or cessation thereof to be complied with by the broadcaster within a specific time

		Written Warning	Financial Penalty	Licence Suspension	Licence Revocation	Other
AEM	Croatia	YES	YES	YES	YES	NO
AEM	Montenegro	YES	NO	YES	YES	NO
AGCOM	Italy	YES	YES	YES	YES	NO
AVC	Jordan	YES	YES	YES	YES	NO
BAM	Malta	YES	YES	YES	YES	NO
BCRM	Macedonia	YES	NO	N/Y	YES	YES
CAA	Spain [2]	YES	YES	NO	NO	NO
CAC	Spain [1]	NO	YES	YES	YES	YES
CAN	Lebanon	YES	YES	NO	NO	NO
CRA	BiH	YES	YES	YES	YES	YES
CRTA	Cyprus	YES	YES	YES	YES	NO
CSA	France	YES	YES	YES	YES	YES
ERC	Portugal	YES	YES	NO	NO	NO
HACA	Morocco	YES	YES	YES	YES	NO
IMC	Kosovo	YES	YES	YES	YES	NO
NCRT	Albania	YES	YES	YES	YES	NO
NCRTV	Greece	YES	YES	YES	YES	NO
RBA	Serbia	YES	NO	YES	YES	YES
RTUK	Turkey	YES	YES	YES	YES	NO



limit”.

With the exception of three authorities/councils [AEM, Montenegro; BCRM, Macedonia; and RBA, Serbia], all the other regulatory regimes have the option of imposing a financial penalty on their licensed broadcasters. Although BCRM, Macedonia does not have the option of a financial penalty, this authority can impose an advertising ban that adversely affects the income of that respective station.

The suspension of the licence for a temporary period is the next option in the power to regulate by authorities/councils. Of all the entities, three of the participants [CAA, Spain; CAN, Lebanon; and ERC, Portugal] have stated that they do not have the power to suspend a broadcaster from performing his rights for a short period; while BCRM, Macedonia makes a difference between the suspension of a licence [NO] and the suspension of the broadcasting service [YES]. The other fifteen entities can avail themselves of this action.

Similarly, the revocation of a broadcaster’s licence is available to sixteen authorities/councils.

One option not considered was that of oral communications with broadcasting station operators prior to a written warning and/or the start of regulatory procedures, properly identified by CRA, BiH as another action that is taken by this authority. On this point it was assumed that communication relationships exist between licence holders and regulatory entities and that regulatory regimes would verify complaints prior to taking any steps contemplated in their legal framework. CAC, Spain has only three options contemplated [financial penalty; licence suspension; and licence revocation]; however, according to its legal framework, in some cases the CAC can issue directives to broadcasters prior to availing itself of any of its three legal options to regulate.

Other options made available through broadcasting law and regulations include:

- **CRA, BiH:** inspection of licensed facilities and demanding concrete actions or cessation thereof to be complied with within a specific time limit;
- **IMC, Kosovo:** the IMC may issue a written warning or impose one or more of the following sanctions to the licensees for a breach of licence conditions, code of conduct, and other legal acts [Article 30.1; Sanctions]:
 - 1.1 order the licensed entity to publicly broadcast details of the nature and extent of the breach of conditions of licence, code of conduct and other legal acts in accordance with the present Law;
 - 1.2 require the licensee to broadcast a correction or apology through broadcasting;
 - 1.3 impose a fine of not less than one thousand euro (€1000) and not more than one hundred thousand euro (€100,000);
 - 1.4 require suspension of a part or all of the licensee’s programming schedules for a specified period of time;
 - 1.5 change broadcaster's licence condition;



- 1.6 terminate or refuse the continuation of broadcasting licence.
- **CSA, France:** In the case of a breach of a statutory or contractual obligation, the CSA sends a notice to the publisher to fulfill these obligations (Article 42 of Law No. 6-1067). Following this, in the case of a renewal of the same breach the CSA may decide to impose a penalty, after a legally supervised procedure, in respect of the person subject to the notice. This penalty can take the form of:
 - the suspension of the publication, dissemination or distribution of services or a type of programme, a part of the programme, or one or more sequences advertising for a month;
 - the reduction of the duration of the authorization or agreement within one year;
 - a penalty of suspension, possibly accompanied with the publishing or distribution of the service or part of the programme;
 - the withdrawal of authorization or unilateral termination of the agreement (Article 42-1 of Law 86-1067); and
 - the release of a statement to the antenna (Article 42-4 of Law 86-1067).

10.4b Most Common Breaches

Legislation covering the “Protection of Minors” was the most commonly breached by broadcasting stations during 2011 [14 entities], closely followed by “Advertising regulations” [13 entities]. Regulations regarding “Good Taste and Decency” were only reportedly breached by AEM, Montenegro while those concerning “Invasion of Privacy” were reported breached by CRTA, Cyprus and RTUK, Turkey.

The Audio-Visual Media Services Directive was reported to have been breached by four entities: AEM, Croatia; AVC, Jordan; BAM, Malta; and CAN, Lebanon. Of these, while Malta is a Member State of the EU only Croatia is at this stage an acceding country.

Other breaches identified were:

- CAA, Spain: political pluralism on local public TV channels;
- CAN, Lebanon: incitement to religious hatred;
- CSA, France: With regard to television, three enforcement notices were pronounced against national terrestrial channels; two enforcement notices were served for non-compliance with the rules relating to advertising while a notice was served against a national terrestrial channel for non-appropriate programmes category; i.e. contrary to the protection of minors. With regard to radio,

		Advertising	AVMS Directive	Invasion of Privacy	Good taster and decency	Protection of Minors	Others
AEM	Croatia	NO	YES	NO	NO	YES	NO
AEM	Montenegro	NO	NO	NO	YES	YES	NO
AGCOM	Italy	YES	NO	NO	NO	YES	NO
AVC	Jordan	NO	YES	NO	NO	NO	NO
BAM	Malta	YES	YES	NO	NO	NO	NO
BCRM	Macedonia	YES	NO	NO	NO	YES	NO
CAA	Spain [2]	NO	NO	NO	NO	YES	YES
CAC	Spain [1]	YES	NO	NO	NO	YES	NO
CAN	Lebanon	NO	YES	NO	NO	YES	NO
CRA	BiH	YES	NO	NO	NO	YES	NO
CRTA	Cyprus	YES	NO	YES	NO	YES	NO
CSA	France	YES	NO	NO	NO	YES	YES
ERC	Portugal	NO	NO	NO	NO	NO	YES
HACA	Morocco	YES	NO	NO	NO	NO	NO
IMC	Kosovo	YES	NO	NO	NO	YES	NO
NCRT	Albania	YES	NO	NO	NO	YES	NO
NCRTV	Greece	YES	NO	NO	NO	YES	NO
RBA	Serbia	YES	NO	NO	NO	NO	NO
RTUK	Turkey	YES	NO	YES	NO	YES	NO

the CSA issued a notice against a national radio for non-compliance with the rules relating to advertising.

- IMC, Kosovo: copyright; the Code of Conduct for Electronic Media; and breaches of the licence terms and Conditions.

10.4c Case decision, appeals and challenges

With the exception of two authorities/councils, all cases of breach of broadcasting law and regulations are decided by the regulatory entities against their respective broadcasting stations.

In the case of CAN, Lebanon, the Executive of CAN which is made up of five members appointed by the Council of Ministers and who form part of the CAN with five other members appointed by the Chamber of Parliamentary Deputies decides cases. The decision taken by the Executive is final, with no possibility of appeal and was never challenged in court.

In the case of AVC, Jordan, cases are decided by the Court of Law and, although broadcasting stations can appeal, this authority was never challenged in court over the validity of its decisions against a station. Only one other authority/council was never challenged in court following its

charges and their appeal – AEM, Montenegro. All the other regulatory entities have been challenged in court.

Contravening stations in AEM, Croatia; CRTA, Cyprus; NCRT, Albania; and RBA, Serbia cannot appeal following a decision by the regulatory authority but all these regulatory entities have been challenged in court. All contravening stations in the other fourteen regulatory entities can appeal a decision by their respective authority/council.

10.5 Legislative Regulation and Extension

Of all the regulatory authorities/councils five entities do not differentiate between public and commercial service broadcasters, thus implementing their regulatory regimes without imposing differentiated regulation – AVC, Jordan; CAN, Lebanon; CSA, France; HACA, Morocco; and IMC, Kosovo. The other fourteen entities differentiate broadcasting regulation between public and commercial broadcasting services.

Various different rules and regulations are applied to public service broadcasters by the various regulatory entities¹³.

		The Authority/Council	Independent Tribunal	Court of Law	Appeal	Court Challenge
AEM	Croatia	YES	NO	NO	NO	YES
AEM	Montenegro	YES	NO	NO	YES	NO
AGCOM	Italy	YES	NO	NO	YES	YES
AVC	Jordan	NO	NO	YES	YES	NO
BAM	Malta	YES	NO	NO	YES	YES
BCRM	Macedonia	YES	NO	NO	YES	YES
CAA	Spain [2]	YES	NO	NO	YES	YES
CAC	Spain [1]	YES	NO	NO	YES	YES
CAN	Lebanon	NO	NO	NO	NO	NO
CRA	BiH	YES	NO	NO	YES	YES
CRTA	Cyprus	YES	NO	NO	NO	YES
CSA	France	YES	NO	NO	YES	YES
ERC	Portugal	YES	NO	NO	YES	YES
HACA	Morocco	YES	NO	NO	YES	YES
IMC	Kosovo	YES	NO	NO	YES	YES
NCRT	Albania	YES	NO	YES	NO	YES
NCRTV	Greece	YES	NO	NO	YES	YES
RBA	Serbia	YES	NO	YES	NO	YES
RTUK	Turkey	YES	NO	NO	YES	YES



10.5a Restrictive Advertising, Protection of Minors, and Language

Protection of minors from the effects of media is prevailing amongst all the regulatory entities, while the broadcasting in any other language apart from the official language/s is slightly less – AEM, Montenegro¹⁴ and ERC, Portugal¹⁵ do not allow broadcasts in any other language apart from their official language.

Three areas of restrictive [permissible] advertising were identified: alcohol, gambling, and medicinal products. Such advertising is not allowed by AEM, Croatia; AVC, Jordan; HACA, Morocco; and RBA, Serbia where these are regulated by advertising law. IMC, Kosovo does not allow alcohol advertising; CRTA, Cyprus does not allow the advertising of medicinal products; while NCRTV, Greece and TRUK, Turkey allow gambling advertising only. Although the other eleven regulatory entities allow the advertising of such items, restrictive terms are applied.

		Alcohol	Gambling	Medical Products	Protection of Minors	Language
AEM	Croatia	NO	NO	NO	YES	YES
AEM	Montenegro	YES	YES	YES	YES	NO
AGCOM	Italy	YES	YES	YES	YES	YES
AVC	Jordan	NO	NO	NO	YES	YES
BAM	Malta	YES	YES	YES	YES	YES
BCRM	Macedonia	YES	YES	YES	YES	YES
CAA	Spain [2]	YES	YES	YES	YES	YES
CAC	Spain [1]	YES	YES	YES	YES	YES
CAN	Lebanon	YES	YES	YES	YES	YES
CRA	BiH	YES	YES	YES	YES	YES
CRTA	Cyprus	YES	YES	NO	YES	YES
CSA	France	YES	YES	YES	YES	YES
ERC	Portugal	YES	YES	YES	YES	NO
HACA	Morocco	NO	NO	NO	YES	YES
IMC	Kosovo	NO	YES	YES	YES	YES
NCRT	Albania	YES	YES	YES	YES	YES
NCRTV	Greece	NO	YES	NO	YES	YES
RBA	Serbia	NO	NO	NO	YES	YES
RTUK	Turkey	NO	YES	NO	YES	YES
YES		12	15	12	19	17

CSA, France bans all alcohol advertising on television; it is authorized only on radio on Wednesdays between 7:00 and midnight and between 17:00 and midnight on other days of the week (Article L.3323-3 of the Code of Public Health). Gambling operators are conditionally allowed to advertise games of gambling and chance (Article 7 of Law No. 2010-476 of 12th May 2010) while the deliberation of the CSA (No. 2011-09 of 27th April 2011) prohibits the advertising of gambling services in radio and television programmes aimed at minors; the CSA closely monitors such advertising on radio and television services. The advertising of medicinal products is allowed provided that the product does not require a medical prescription (CSA, France under Article L. 5122-6, Code of Public Health; and AEM, Montenegro; IMC, Kosovo; BCRM, Macedonia; CAC, Spain).

BSRM, Macedonia restricts the advertising of alcohol by allowing only those for beer and wine.

ERC, Portugal allows the advertising of alcohol between 22:30 and 7:00 and the advertising of gambling is exclusively allowed for the *Lotaria Nacional Santa Casa de Misericordia da Lisboa*.

Products with 20% or more alcoholic content are not permitted to be advertised by CAC, Spain while products with less than 20% are allowed between 20:30 and 06:00 provided that they do not target minors and they cannot promote the unlimited consumption or associate alcohol to the increasing of physical achievement, social success, or health. The broadcasting of gambling and esoteric programmes is limited to 01:00 to 05:00 only, the exception being that of national lotteries, lotto, etc.



10.5b Political Advertising and Programming

Six regulatory authorities/councils also have the obligation to regulate radio and TV stations owned/controlled by political parties. Of these six, the BAM, Malta; CAC, Spain; and CAN, Lebanon do not allow political adverts to be broadcast. On the other hand, six other entities allow political adverts to be broadcast on national/regional stations [AEM, Croatia; AEM, Montenegro; BCRM, Macedonia; CAA, Spain; CRTA, Cyprus; and RTUK, Turkey].

Not all regulatory authorities that regulate political party ownership of radio and TV stations and/or allow political adverts also organise their own political broadcasts [AVC, Jordan; and CAC, Spain]; while for RBA, Serbia, political advertising is allowed only during the election campaign.

The level of involvement of each authority/council varies from the monitoring of broadcast programmes to ensure political pluralism to the actual design and production of broadcasts.¹⁶

10.5c Regulation of Internet Radio and Television

New media is a broad term that is used to define all that is related to the internet and the interplay between different technological platforms, images and sounds. The interactive form of new media makes it possible for anyone to create, modify, and share content.

New media is continuously evolving and refers to on-demand access to content any time, anywhere, and on any digital device which is interactive and involves consumers' feedback, creative participation and community formation around the media content.

Due to its ever-changing nature, authorities/councils were asked whether they regulate internet radio and television and no reference was made to the level and nature of regulatory regimes.

Seven regulatory regimes replied that they regulate internet radio and television broadcasts.

		Political Party Ownership		Allow Political Adverts	Organise Political Broadcasts
		Radio	TV		
		AEM	Croatia		
AEM	Montenegro	NO	NO	YES	NO
AGCOM	Italy	YES	YES	YES	YES
AVC	Jordan	YES	YES	YES	NO
BAM	Malta	YES	YES	NO	YES
BCRM	Macedonia	NO	NO	YES	NO
CAA	Spain, And	NO	NO	YES	NO
CAC	Spain, Cat	YES	YES	NO	NO
CAN	Lebanon	YES	YES	NO	YES
CRA	BiH	NO	NO	NO	NO
CRTA	Cyprus	NO	NO	YES	NO
CSA	France	NO	NO	NO	YES
ERC	Portugal	NO	NO	NO	NO
HACA	Morocco	NO	NO	NO	YES
IMC	Kosovo	NO	NO	NO	NO
NCRT	Albania	NO	NO	NO	NO
NCRTV	Greece	YES	YES	YES	YES
RBA	Serbia	NO	NO	N/Y	NO
RTUK	Turkey	NO	NO	YES	YES

		Internet
AEM	Croatia	YES
AEM	Montenegro	YES
AGCOM	Italy	YES
AVC	Jordan	NO
BAM	Malta	NO
BCRM	Macedonia	NO
CAA	Spain [2]	NO
CAC	Spain [1]	YES
CAN	Lebanon	NO
CRA	BiH	NO
CRTA	Cyprus	NO
CSA	France	YES
ERC	Portugal	YES
HACA	Morocco	NO
IMC	Kosovo	NO
NCRT	Albania	NO
NCRTV	Greece	NO
RBA	Serbia	NO
RTUK	Turkey	YES

10.5 END NOTES:

¹ Members of the M.N.R.A. include:

Authority		Country
1 NCRT	National Council for Radio and Television	Albania
2 CRA	Communications Regulatory Agency	Bosnia Herzegovina [BiH]
3 AEM	Agency for Electronic Media	Croatia
4 CRTA	Cyprus Radio Television Authority	Cyprus
5 CSA	Conseil Supérieur de l'Audiovisuel	France
6 NCRTV	National Council for Radio and Television	Greece
7 CCTSB	Council for Cable TV and Satellite Broadcasting	Israel
8 SATR	The Second Authority for Television and Radio	Israel
9 AGCOM	Autorità per le Garanzie nelle Comunicazioni	Italy
10 AVC	Audiovisual Commission	Jordan
11 CNA	Conseil National de l'Audiovisuel	Lebanon
12 BCRM	Broadcasting Council of the Republic of Macedonia	Macedonia
13 BAM	Broadcasting Authority	Malta
14 HAPA	Haute Autorité de la Presse et de l'Audiovisuel	Mauritania
15 AEM	Agency of Electronic Media	Montenegro
16 HACA	Haute Autorité de la Communication Audiovisuelle	Morocco
17 ERC	Entidade Reguladora para a Comunicacao Social	Portugal
18 RBA	Republic Broadcasting Agency	Serbia
19 IMC	Independent Media Commission	Serbia, Kosovo
20 CMT	Comisión del Mercado de las Telecomunicaciones	Spain
21 CAA	Consejo Audiovisual de Andalucía	Spain, Andalusia
22 CAC	Consell de l'Audiovisual de Catalunya	Spain, Catalonia
23 RTUK	Radio and Television Supreme Council	Turkey

² No responses were received from CCTSB (Council for Cable TV and Satellite Broadcasting, Israel); SATR (The Second Authority for Television and Radio, Israel)]; HAPA (Haute Autorité de la Presse et de l'Audiovisuel, Mauritania); and CMT (Comisión del Mercado de las Telecomunicaciones, Spain) .

³ For **BCRM, Macedonia** authorized nominations can be received from:

- Macedonian Academy of Arts and Sciences- MANU (for one seat);
- Inter-University Conference (three seats);
- The Majority Journalists' Association of Macedonia (two seats);
- The Committee of Elections and Appointments of the Assembly of the Republic of Macedonia – Sobranie (three seats);
- The President of the Republic of Macedonia (two seats);
- The Association of Units of Local self-Government of the Republic of Macedonia (two seats);
- The Commission for protection of competition (one seat);
- The State Commission for Prevention of Corruption (one seat).

See: <http://www.epra.org/organisations/srd-mk>

⁴ For **AEM, Montenegro** authorized nominations can be received from:

- Academia (one member);
- Non-governmental organisations dealing with human rights and freedoms (one member);
- Non-governmental organisations dealing with the media (one member);
- Montenegrin PEN Centre (one member);
- Commercial broadcaster associations (one member).

See: Article 19; Electronic Media Law (Official Gazette of Montenegro 46/10, 40/11, 53/11)

⁵ Law No. 04/L-044, On the Independent Media Commission; Official Gazette of the Republic of Kosova No. 5/ 05 April 2012, Pristina

See: <http://www.kpm-ks.org/material/dokument/1335250709.2603.pdf>



Article 10

Composition of the IMC

1. The IMC shall be composed of seven (7) members.
2. Members of the IMC shall be distinguished personality from various fields, such as culture, art, justice, cinematography, journalism, business and management, public relations, international relations and media and information technology.
3. Members of the IMC shall be individuals with high human, professional and moral credibility and authority. Members of the IMC shall be fully committed, objective and impartial in exercising their functions.
4. Members of the IMC shall be appointed and act in their professional capacity and shall not represent any other interest outside the IMC. They shall not seek or accept any instruction in relation to the IMC activities from any person or entity outside the IMC.
5. The composition of members of the IMC shall reflect the multiethnic and diverse gender character of Kosovo. At least two (2) members of the IMC shall be appointed from among the non-Albanian communities and at least two (2) members shall be of female sex. At least two (2) members of the IMC shall have professional qualifications in the field of financing, business management and justice.
6. Members of the IMC shall be prohibited to abuse their position for their own personal benefit or for the benefit of their close family, any party or other entity.

Article 11

Selection of Members of the IMC

1. Members of the IMC shall be appointed by the Assembly of Kosovo through an open and transparent procedure.
2. Candidates for members of the IMC shall be selected according to the following procedures:
 - 2.1. within sixty (60) days prior to expiry of the term of office of the member of IMC or after the announcement of the vacancy for other reasons, the IMC shall make a public announcement within a period not shorter than the deadline set forth by Law;
 - 2.2. an ad-hoc Committee of the Assembly of Kosovo shall consider the received applications;
 - 2.3. within a timeframe of twenty-one (21) days after the closing date for applications, the Ad-Hoc Committee shall, following the interviews, recommend two (2) candidates for each position of member of the IMC, who are considered to be more suitable based on their competencies, professional background, integrity and commitment to the IMC scope;
 - 2.4. pursuant to the Rules of Procedure of the Assembly of Kosovo, the Assembly shall appoint one of the recommended candidates with majority of votes of the Assembly deputies being present and voting.

⁶ **RBA, Serbia** – Broadcasting Law of 2002 (Official Gazette of the RS No. 42/2002, 97/2004, 76/2005, 79/2005 – other, 62/2006, 85/2006, and 41/2009); consolidated text prepared by the Technical Service of the Republican Broadcasting Agency:

“Council Appointment, Article 23:

The Council members are appointed by the National Assembly of the Republic of Serbia (hereinafter: Assembly) at the proposal of authorized nominations.

The authorized nominators shall be:

1. The competent committee of the Assembly;
2. The Assembly of the Autonomous Province of Vojvodina;
3. The University conference;
4. Associations of public media outlets in Serbia, associations of journalists in the Republic of Serbia, professional associations of film and drama artists in the Republic of Serbia and professional associations of composers in the Republic of Serbia by common agreement;
5. Domestic non-governmental organisations and civic organizations primarily focusing on the protection of the freedom of speech, the protection of the rights of national and ethnic minorities and the protection of the rights of the child by common agreement;
6. Traditional churches and religious communities;

The nominee for the ninth member of the Council shall be nominated by the previously appointed Council members whereby they must nominate a candidate residing and employed in the territory of



the Autonomous Province of Kosovo and Metohia and fulfilling the criteria for membership in the Council set forth by this law.

The nominee for the ninth Council member shall be proposed if at least five Council members have voted for him/her.”

⁷ **Media Ownership: limitations imposed by regulatory entities:**

• **AEM, Croatia:**

The following shall be considered as an impermissible concentration in the area of media:

- the television and/or radio broadcaster who has concession at the state level and a share exceeding 25% of the capital of another broadcaster who has the same kind of concession or a concession on the regional, county, city or municipality level, and vice versa;
- the television and/or radio broadcaster who has concession at the state level and share exceeding 10% of the capital of publisher who publishes daily newspapers printed in more than 3,000 copies, and vice versa;
- the television and/or radio broadcaster who has concession at the state level and a share exceeding 10% of the capital of a legal person who performs the activity of a newspaper agency, and vice versa;
- the television and/or radio broadcaster who has concession at the state level and simultaneously publishes daily newspapers printed in more than 3,000 copies;
- the television and/or radio broadcaster with a concession at the local or regional level of coverage and shares exceeding 30% of the capital of another such broadcaster with the concession at the local or regional level of coverage in the same area;
- the television and/or radio broadcaster who has a concession at the regional or local level of coverage and simultaneously publishes daily newspapers of local importance in the same or in the neighboring area;
- the media service provider set out in Article 79 of this Act who has a share exceeding 10% of the capital of a publisher who publishes daily newspapers printed in more than 3,000 copies, and vice versa.

• **AEM, Montenegro: Articles 132, 133 and 134 - Electronic Media Law**

Article 132: Unlawful media concentration

Unlawful media concentration shall exist when a broadcaster:

- 1) holding a licence for national coverage broadcasting:
 - holds a stake in the founding capital of another broadcaster with such licence with more than 25% share of capital or voting rights,
 - holds more than a 10% stake in the founding capital of a legal entity publishing daily print media with the circulation exceeding 3,000 copies, or vice versa,
 - holds more than a 10% stake in the founding capital of a legal entity performing the activity of a news agency and vice versa,
 - concurrently publishes the daily print media with the circulation exceeding 3,000 copies;
- 2) except the national public broadcaster, broadcasts over the same area more than one television and one radio programme with the same or similar programme base;
- 3) radio or television programme licensed for broadcasting with local or regional coverage:
 - holds more than 30% stake in the founding capital of another broadcaster with regional or local coverage over the same area
 - concurrently, over the same or in neighbouring areas, publishes local daily print media.

Article 133: Special cases of unlawful media concentration

It shall be deemed that unlawful media concentration exists even when in cases from Article 132 of this Law a natural person who is a founder of a broadcaster or a person who are his relatives in direct line up to the second degree or his spouse holds a stake in the founding capital of another broadcaster, founder of a daily print media or news agency.

Article 134: Granting licences and unlawful media concentration

- (1) AEM shall not grant a broadcasting licence if it is established that its granting would lead to unlawful media concentration within the meaning of this Law.

-
- (2) An applicant for broadcasting licence is obliged, together with the application to the public competition for granting broadcasting rights or the request for granting a broadcasting licence, to submit a certified statement that no unlawful media concentration would occur with possible granting of the licence.
 - (3) Should AEM establish that, following granting of a broadcasting licence, unlawful media concentration occurred, it would order the broadcaster, not later than within three months from establishing such a fact, to rectify the irregularities regarding unlawful media concentration.
 - (4) Should a broadcaster, though no justifiable reason, fail to act in accordance with paragraph 3 above, AEM shall revoke his licence.

- **AGCOM, Italy:**

Each service provider can own 20% of the overall planned channels, as provided by the national frequency plan.

Furthermore, antitrust provisions are in force, referred to the whole communication system.

- **BAM, Malta:**

- "Quasi" total liberalization was introduced in 2011;
- FM analogue radio - maximum of one channel on the traditional dial;
- There are no limits on commercial radio and TV stations;
- Not more than 2 general interest objective television stations.

- **BCRM, Macedonia:**

Anti-concentration provisions:

- vertical and diagonal concentrations are not allowed;
- the horizontal concentrations are limited:
- one owner of a nationwide broadcaster can own up to 50% of another nationwide broadcaster, one regional and two local broadcasters on non-neighbouring areas,
- one owner of a regional broadcaster can simultaneously own one more regional broadcaster on non-neighboring area, and two local broadcasters on non-neighbouring areas.
- one person can be owner of three local broadcasters on non-neighbouring areas.
- Political parties, state bodies, bodies of the state administration, public enterprises, local self-government units, public office holders and members of their families, may not pursue broadcasting activity or appear as founders or co-founders of broadcasters, or acquire ownership of broadcasters.

- **CAA, Spain:**

A person or company may not, under any circumstances, directly or indirectly control more than 50% of the administrative licensing terrestrial sound broadcasting service that substantially match their coverage. In any case, the same natural person or legal entity may not control more than five licenses in the same coverage area.

In Andalusia any person or company may control more than 40% of the existing licenses in areas with only a single license covering. No person or company may directly or indirectly control more than a third of all the licenses of terrestrial sound broadcasting service with full or partial coverage in the entire territory of the State.

- **CAC, Spain:**

Art. 36 of the Act 7/2010 (re. television pluralism) establishes natural and legal persons may simultaneously be holders of share or voting rights in different TV services. Notwithstanding, any natural or legal person can't acquire a significant participation in more than one Spanish state coverage broadcaster, when the average share of all the Spanish TV coverage channels is more than the 27% of the 12 consecutive months total share prior to the acquisition.

Any natural or legal person can't acquire any significant participation or voting rights in more than one TV broadcaster: a) when the Spanish coverage broadcasters accumulate more rights of radioelectric spectrum use than the technical capacity of 2 multiplexes. B) When the regional (autonomic) coverage broadcasts accumulate more rights of radioelectric spectrum use than the technical capacity of 1 multiplex.



Art. 37 of the Act 7/2010 (re. radio pluralism) establishes that one natural or legal person can't directly or indirectly control more than the 50% of the FM licenses in the same coverage area. In any case, 1 single natural or legal person can't control more than the 40% of the existing licenses in areas where only there's the coverage for one license. Any natural or legal person can't directly or indirectly control more than 1 third of the total of the licenses of the radio services with total or partial coverage in the Spanish territory.

The above is a translated extract of some provisions of the arts. 26 and 37 of the Spanish Act 7/2010. Please, for official version click the following link (in Spanish)
See: <http://www.boe.es/boe/dias/2010/04/01/pdfs/BOE-A-2010-5292.pdf>

Besides these limits, the Catalan regulation (art. 43) establishes that broadcasters broadcasting within the Catalan territory that control one or more television or radio services, these can't represent the 25% of the available broadcasting service in the area where these services may be accessed by the public.

- **CRTA, Cyprus:**

No more than 1 radio licence per legal entity or person * and no more than 1 TV licence per legal entity. As far as the shareholding is concerned there are a lot of limitations as regards to the percentage that each person (natural or legal entity) may own, the percentage that relatives between them depending on the degree of relationship may own, the percentage that shareholders may own to other radio/TV organizations and print press as well as the percentage that shareholders own in companies that are shareholders of the licensee.

* the only case in which a person gets granted a radio licence is the case of a small local radio organization. In the rest cases, it has to be a legal entity.

- **CSA, France:**

National digital terrestrial television: 7 channels.

Analogue terrestrial radio: Threshold of 150 million.

- **ERC, Portugal:**

Notwithstanding the applicable competitions law rules, the same person or company may not own more than:

- 34 nationwide radio broadcasting licenses, limited to 50% of the radio stations broadcasting within the same local region ("concelhos") (the Portuguese territory is divided into 308 "concelhos");
- 50% of the nationwide TV broadcasting licenses.

- **HACA, Morocco:**

A person or entity may own, directly or indirectly, more than 51% of the capital or voting rights of a company holding a license for a service of audiovisual communication.

Audiovisual communication operator already holds a license, or a person or body in part, may hold, directly or indirectly, a shareholding and / or voting rights of another operator holds a license with the same purpose.

However, this participation may not exceed 30% of the capital or voting rights, must not be such as to give it control of the company in which he holds such participation, and can in no case be permitted to the extent where it does not infringe the principle of plurality of operators and it does not induce a dominant position.

Audiovisual communication operator already holds a license, or a person or body in part, acting alone or in concert with other shareholders, can not hold control of another licensed operator with the same purpose.



- **IMC, Kosovo:**

The law does not specify the restriction on the ownership. However, until now it has been a principle that one entity can own a radio and a TV station if it does not print a newspaper. If someone has a newspaper it can have only a radio or only a Television license. The IMC shall adopt in 2013 a bylaw on the media concentration and ownership.

- **NCRT, Albania:**

Article 20, of Law 8410/1998: "No natural or legal person, either native or international, shall be entitled to hold more than 40 % of the total company capital ...

A natural or legal person, shareholder in a national television or radio company, is not allowed to hold directly or indirectly shares in a second national television or radio company. In addition, they shall not be allowed to be granted local television or radio broadcasting license ...

The same subject holding a local television broadcasting license is entitled to being issued a second local radio broadcasting license only ...

The same subject holding a local radio broadcasting license is entitled to being issued a second local television broadcasting license only ..."

- **NCRTV, Greece:**

Rules on ownership of electronic media are based on the informative character of a radio and television station. Ownership of an informative electronic media undertaking is permitted up to 100% but concentration [the control enjoyed by a natural or legal person over more than one electronic media of the same type, that is, the exercise of substantive influence over media management and operation]

These rules are more relaxed as far as non informative stations are concerned. For example in Attica region one can own up to five non informative radio stations.

- **RBA, Serbia:**

Broadcasting Law is referring to this issue under the articles 98-100 - prohibited concentration of Media Ownership.

Prohibited concentration of media ownership, i.e. prevalent influence on the public opinion, exist when a broadcaster violated principled of the pluralism of opinion in the mass media in one of the following ways:

1. By participating in the founding capital of another broadcaster,
2. By participating in founding capital of newspaper-publishing company,
3. By participation in the founding capital of the company performing the activities of a news agency,
4. By simultaneously broadcasting both radio and television programmes in the same area as the only broadcaster, or
5. In any other way determined by the provisions of the Law.

Prohibited concentration of media ownership, in terms of this Law, shall also exist when a founder of a newspaper-publishing company or of a company performing the activities of a news agency violates the principles of pluralism of opinions in mass media by taking part in the founding capital of a broadcaster.

Prohibited concentration of media ownership, i.e. prevalent influence on the public opinion, is considered to exist always when:

1. A broadcaster, licensed to broadcast programme at the national level of coverage, has a share exceeding 5% in the founding capital of another broadcaster with the same type of licence;
2. A broadcaster is broadcasting more than one television and more than one radio programme in the same area;



3. A broadcaster, licensed to broadcast programme at the national level of coverage, has a share exceeding 5% in the founding capital of a company publishing a daily newspaper with a circulation of more than 30,000, and vice versa;
4. A broadcaster, licensed to broadcast programme at the national level of coverage, has a share exceeding 5% in the founding capital of a company performing the activity of a news agency, and vice versa;
5. A broadcaster, licensed to broadcast programme at the national level of coverage, simultaneously publishes a daily newspaper with a circulation exceeding 30,000;
6. A broadcaster, with the status of a local or regional radio or television station, has a share exceeding 30% in the founding capital of another local or regional broadcaster in the same area;

A broadcaster, which has the status of a local or regional radio or television station, is simultaneously publishing a local daily newspaper in the same or neighbouring area.

Prohibited concentration of media ownership, i.e. prevalent influence on the public opinion, shall also be deemed existent when, in the event set forth, a natural person, who is the founder of a broadcaster or a company publishing a daily newspaper or performing the activities of a news agency, or his/her direct relatives regardless of the degree of kinship or his/her spouse, takes part in the founding capital of another broadcaster, of a company publishing a daily newspaper or performing the activities of a news agency, up to the set level of the founding capital.

- **RTUK, Turkey**

A real or legal person can be direct or indirect partner to a media service provider holding maximum four terrestrial broadcast licences. However, in case of partnership to more than one media service provider, annual total commercial communication revenue of those media service providers in which a real or legal person has direct or indirect shares, should not exceed thirty percent of the total commercial communication revenue of the sector. The real or legal persons whose total commercial communication revenue exceeds this rate, shall transfer their share in media service providers in a way that it will be reduced down to the aforesaid rate within a time limit of ninety days of the Supreme Council.

⁸ **RBA, Serbia:** Broadcasting Law, Article 41: "A foreign legal or natural person may have a share of a maximum 49% in the overall founding capital of the broadcasting licence holder unless otherwise envisaged by international agreements ratified by the Federal Republic of Yugoslavia.

⁹ **AEM, Montenegro:** Media concentration is deemed to exist in cases where a natural person who is a founder of a broadcaster or a person who are his relatives in direct line up **to the second degree** or his spouse holds a stake in the founding capital or another broadcaster, founder or a daily print media or news agency [Electronics Media Law; Article 133]

RBA, Serbia: Prohibited concentration of media ownership, i.e. prevalent influence on the public opinion, shall also be deemed existent when, in the events set forth, a natural person, who is the founder of a broadcaster or a company publishing a daily newspaper or performing the activities of a news agency, or his/her direct relatives **regardless of the degree of kinship** or his/her spouse, takes part in the founding capital of another broadcaster, or a company publishing a daily newspaper or performing the activities of a news agency, up to the set level of the founding capital. [Broadcasting Law, Article 97].

¹⁰ **BCRM, Macedonia:** Political parties, state bodies, bodies of the state administration, public enterprises, local self-government units, public office holders and members of their families, may not pursue broadcasting activity or appear as founders or co-founders of broadcasters, or acquire ownership of broadcasters.

¹¹ AEM, Montenegro; AGCOM, Italy; BAM, Malta; CAA, Spain-Catalunya; CAA, Spain-Andalucia; CAN, Lebanon; HACA, Morocco; NCRT, Albania; NCRTV, Greece; and RTUK, Turkey.

¹² AEM, Croatia; CRTA, Cyprus; CSA, France; BCRM, Macedonia; ERC, Portugal; and RBA, Serbia

¹³ Various different rules and regulations are applied to public service broadcasters by the various regulatory entities

- **AEM, Croatia:** A specific regulatory regime was enacted for the Public Service Broadcaster.
- **AEM, Montenegro:** The Electronic Media Law lays down specific articles with regard to the Public Service Broadcaster namely:
 - Article 73: *Public broadcaster*
 - (1) A public broadcaster may be:
 - 1) a national public broadcaster, founded by the state;
 - 2) a regional public broadcaster, founded by several local self-government units;
 - 3) a local public broadcaster, founded by a local self-government unit.
 - (2) National public broadcasters are obliged to ensure good quality reception of radio and television programmes for at least 85% of Montenegro's population (national coverage by a public broadcaster).
 - (3) Regional public broadcasters are obliged to ensure good quality reception of radio and television programmes for at least 80% of population of each local self-government unit within whose territory the programme is broadcast (regional coverage by a public broadcaster).
 - (4) Local public broadcasters are obliged to ensure good quality reception of radio or television programmes for at least 85% of population of the local self-government unit within whose territory the programme is broadcast (local coverage by a public broadcaster).
 - Article 74: *Exercise of public interest*
 - (1) Public broadcasters are obliged to produce and transmit radio and/or television broadcasts with information, cultural, art, educational, scientific, children's, entertainment, sport and other programmes ensuring the exercise of rights and interests of citizens and other entities in the information sector.
 - (2) With a view of exercising public interest in the information sector, public broadcasters are obliged to:
 - 1) autonomously and independently produce, edit and transmit programmes not in the service of political, economic or other levers of power;
 - 2) inform the public in an objective and timely fashion of political, economic, cultural, educational, scientific, sport and other major events and occurrences in the country and abroad;
 - 3) produce and transmit programmes intended for different groups in society, free of discrimination, particularly taking into account specific societal groups such as children and the young, members of minority nations and other minority communities, persons with disabilities, socially and health disadvantaged groups, etc;
 - 4) cherish public communication culture and linguistic standards;
 - 5) produce and transmit programmes expressing Montenegrin national and cultural identity, and cultural and ethnic identity of minority nations and other minority communities;
 - 6) produce and transmit programmes in languages of minority nations and other minority communities within the areas where they reside;
 - 7) during election campaigns, based on special rules, ensure equal representation of political parties, coalitions and candidates whose candidacy and candidate lists have been approved;
 - 8) mutually cooperate and exchange programmes of interest for the citizens of Montenegro.



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- *Article 75: Establishment of a public broadcaster*
 - (1) Public broadcasters shall be established:
 - 1) by law, for the territory of Montenegro (a national public broadcaster);
 - 2) by the decision of two or more local councils for their territory (a regional public broadcaster);
 - 3) by the decision of the local council for its territory (local public broadcaster).
 - (2) A local parliament may set up only one local public radio and/or television broadcaster.
 - (3) Two or more local parliaments may set up only one regional public radio and/or television broadcaster.
 - (4) The broadcasters from paragraph 3 above may broadcast only one radio and/or television programme.
 - (5) If a local parliament is a co-founder of a regional public radio and/or television broadcaster, it may not at the same time be a founder of a local public broadcaster.
 - (6) A foreign legal or a natural person may not have a share in the fixed assets of legal entities enjoying the status of public broadcasters.

 - *Article 76: Public broadcasters funding*
 - (1) Public broadcasters shall acquire revenues as a share of general revenues of the Budget of Montenegro, or a share of general revenues of local self-government units, and from other sources in accordance with the law and the Memorandum of Association.
 - (2) A share of Budget of Montenegro, or the budget of a local self-government unit, shall be made available for the exercise of rights to information, free of discrimination, as enshrined by the Constitution and laws, based on programmes significant for:
 - 1) exercise of the right to public information and notification of Montenegro's citizens, the exercise of the rights of members of minority nations in Montenegro and members of other minority communities and Montenegrin communities abroad,
 - 2) exercise of human and political rights of citizens and fostering of rule of law and social state, and civil society;
 - 3) development of culture, science, education and art;
 - 4) preservation of Montenegrin national and cultural identity, and cultural and ethnic identity of minority nations and other minority communities;
 - 5) encouraging cultural creation;
 - 6) information made available to persons with hearing and visual disabilities.
 - (3) With a view of exercising the rights from paragraph 2 above, a share of funds shall be made available in the Budget of Montenegro, or the local self-government unit budget, for programmes in Albanian and Romani languages.
 - (4) The state administration body responsible for media, on behalf of the Government, or the competent local authority, and the public broadcaster shall regulate mutual rights and obligations related to the use of funds from paragraphs 2 and 3 above by an agreement.
 - (5) The manner and conditions for provision of funds from paragraphs 2 and 3 above must not affect the editorial independence and autonomy of a public broadcaster.
 - (6) The agreement from paragraph 4 above shall be published in the manner stipulated by the public broadcaster's Memorandum of Association and made available to AEM.
 - (7) Budget of Montenegro, or the budget of a local self-government unit, shall make available the funds to cover the transmission and broadcasting costs of public broadcasters using terrestrial broadcasting systems.

 - *Article 79: Public broadcaster's broadcasting licence*
 - (1) A public broadcaster shall acquire the right to radio and/or television broadcasting based on the application for a broadcasting licence.
 - (2) Public broadcasters are exempted from payment of broadcasting licence fees.

 - *Article 92: Duration of advertising and teleshopping in programmes of public broadcasters*
 - (1) The proportion of advertising spots in programmes of public broadcasters within a given clock hour shall not exceed 10% (six minutes).
 - (2) The proportion of advertising spots and teleshopping spots in programmes of public broadcasters within a given clock hour during the day shall not exceed 15% (nine minutes).

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- **AGCOM, Italy:** Advertising limits are stricter for the public service broadcaster (RAI):
 - RAI has to comply with a Service Contract stipulated with the Ministry of Economic Development, which imposes specific qualitative obligations in broadcasting (as minors protection, quality of information, non-discrimination);
 - RAI is subject to specific coverage obligations in transition to DTT technology;
 - RAI is subject to specific obligations on pluralism and equal access (Law 28/2000).
 - **BAM, Malta:** More stringent rules on public service broadcasts as outlined in Article 13(2) [programmes of current affairs and news bulletins]
 - **CAA, Spain:** The public service broadcasters are subject to greater demands and comply with the principles of neutrality and pluralism.
 - **CAC, Spain:** The content obligations are the same. In some cases, the rules are more restrictive for the public service broadcasters; e.g. the percentage of the investment in Audiovisual European Works, the accessibility percentages and times for disabled persons, Catalan language quotas, etc. Besides, the above, the public service broadcasters have to fulfill a list of public service missions.
 - **CRTA, Cyprus:** The PSB in Cyprus (CyBC) is governed by its own legislative framework (CAP.300A). Nonetheless, the CRTA can monitor and regulate the public service broadcaster on
 - matters of protection of minors;
 - advertising and teleshopping, sponsorships, advertising of unhealthy food and beverages;
 - European quotas, and transmission of cinematographic works;
 - right of reply;
 - protection against incitement to hatred based on race, sex, religion or nationality,;
 - events of major importance, exclusive rights and short news reports;
 - accessibility and media literacy;
 - product placement;
 - VoD;
 - as well as the CyBC's yearly quotas on news, cultural and entertainment programmes.
 - **ERC, Portugal:** The public broadcaster is the provider of tv and radio public service and therefore is under a set of stricter legal and contractual obligations concerning:
 - the diversity and plurality of contents,
 - larger periods of promoting and broadcasting Portuguese and European audiovisual productions,
 - broadcasting Portuguese contents to Portuguese emigrants,
 - supporting and promoting media literacy,
 - ensuring the broadcasting of the President of the Republic's, Prime Minister's and President of the Parliament's official messages,
 - broadcasting Public Administration's messages concerning namely public health and public safety,
 - broadcasting election campaigns.

With regards to funding, besides the advertisement revenues funding also arises from the audiovisual contributions (fees) and the State compensatory indemnity.
 - **NCRT, Albania:** Article 21, of law nr. 8410/1998: "... The public Albanian Radio and Television does not need a licence".
 - **NCRTV, Greece:** Special obligations concerning presentation of local authorities, professional organizations and other social entities' activities exist for public radio and television.
 - **RBA, Serbia:** 'Programme standards are almost the same for both kinds of broadcasters, but PSB has more obligations toward public interest compared to commercial services. Basic programme standards equally binding for public and commercial service broadcasters include
 - production and broadcasting of quality programme by applying international and national standards,
 - ensuring free, comprehensive and timely informing of citizens, broadcasting important urgent announcements,



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- o contribution to raising overall culture awareness of the citizens,
 - o not broadcasting content which may impair the physical, mental or moral development of children and youth; and if they are broadcasting them, do so only between 2400 and 0600 hours;
 - o not broadcasting programmes containing pornography or the content of which gives undue prominence to violence or is likely to incite violence;
 - o prohibition of advertising political organisations outside election campaigns; and
 - o provide equal representation without discrimination to registered political parties, coalitions and candidates during an election campaign;
 - o broadcasting foreign programmes intended for pre-school children synchronized in Serbian or the languages of national and ethnic minorities.

Public service broadcasters have special obligations in achieving public interest:

- 1) Ensure that programmes which are produced and broadcast, and particularly programmes with news content, are protected from any influence of the authorities, political organisations or centers of economic power;
- 2) Produce and broadcast programmes intended for all segments of society, without discrimination, particularly taking into consideration specific societal groups such as children and youth, minority and ethnic groups, handicapped, socially and medically vulnerable groups and the deaf-mute (with the obligation to simultaneously broadcast written text describing the audio segments of the action and dialogue) et al;
- 3) Adhere to linguistic and speech standards not only of the majority population but also, proportionately, of national minorities and ethnic groups in the area where the programme is being broadcast;
- 4) Ensure the satisfaction of the needs of citizens for programme content expressing cultural identity not only of the nation, but also of national minorities and ethnic groups, by enabling them to follow certain programmes or blocks of programmes in the areas where they live and work, in their native languages, both spoken and written;
- 5) Provide adequate time slots for broadcasting content related to activities of civic associations and non-governmental organizations, as well as of religious communities in the area where the programme is being broadcast;
- 6) Provide during election campaigns free-of-charge and balanced broadcasts of promotions of political parties, coalitions and candidates for parliamentary elections, republican, provincial or local elections, whose candidacies have been accepted, whereas these broadcasters may not broadcast a paid election promotion and, pursuant to their general by-laws, may refuse to broadcast programmes and advertisements if these do not serve the election campaign;
- 7) Envisage in their annual plans the broadcasting of independently produced programmes, the selection of which is based on a public tender and upon the conclusion of a contract in written form with the independent producer at customary market conditions;
- 8) Enable the use of self-produced teletext or teletext independently produced by a third party at the recommendation of the Agency;
- 9) Ensure the use and development of modern technical and technological standards in programme production and broadcasting, draft and duly fulfill plans of transferring to new digital technologies;
- 10) Respect the traditional spiritual, historical, cultural, humanitarian and educational importance and role of churches and religious communities in society.
- 11) Mutually cooperate and exchange programme contents of interest to the citizens of Serbia

- **RTUK, Turkey:** Both public and commercial service broadcasters are subject to the same provisions in terms of principles and commercial communication in media services. However, different sanctions are imposed to public broadcaster in case of the infringement of these provisions.

- *Liability of Turkish Radio-Television Corporation; Article 45:*

- (1) The principles of media services laid down in Article 8 and the provisions in this Law regulating the commercial communication in media services shall be applicable also for the Turkish Radio-Television Corporation.
 - (2) In case the above-said liability is not fulfilled, the Turkish Radio-Television Corporation shall be warned by the Supreme Council by explicitly stating the nature of the infringement and fulfillment of the liability shall be notified to the relevant Ministry.

¹⁴ Article 55: Programme-related obligations of broadcasters; *Electronic Media Law (Official Gazette of Montenegro 46/10, 40/11, 53/11)*:

“(7) Broadcasters are obliged to transmit radio or television programmes in Montenegrin language in Latin or Cyrillic script or in other language in official use, in accordance with the law.”

¹⁵ **ERC, Portugal:** There are specific legal provisions addressing the protection of the Portuguese language stating that as a general principle broadcasts shall be spoken or subtitled in Portuguese despite foreign languages may be used within specific programmes such as those which fulfill occasional informative requirements as well as programmes intended for the learning of foreign languages or specially aimed at immigrant communities. The TV channels with national coverage must dedicate at least 50% of their transmission time (excluding the time appointed to advertising, teleshopping and teletext services) to programmes originally produced in the Portuguese language. This obligation does not apply to TV channels whose nature and thematic content would not allow such an approach. Additionally, TV broadcasters must also dedicate at least 20% of their transmission time to the broadcasting of creative programmes originally produced in the Portuguese language. The afore-mentioned percentages may be fulfilled up to 25% with programmes originating from other Portuguese speaking countries. The compliance with the aforementioned percentages should not occur during low audience time hours. Obviously, these rules are only applicable to broadcasts by TV channels that are subjected to Portuguese jurisdiction.

¹⁶ Organisation of political broadcasts and other related programmes aired on public stations in relation to election campaigns:

- **AEM, Croatia:**

Controlling that the non-discriminatory principle in political broadcasts during election campaigns is respected.

- **AGCOM, Italy:**

According to Law 28/2000 AGCOM regulates access conditions of political subjects to broadcast. Furthermore, it monitors equal access and imposes sanction if the case.

- **BAM, Malta:**

The Broadcasting Authority organizes debates, news conferences and allows the broadcast of political advertising under these schemes. The political parties themselves produce political spots/adverts.

- **CSA, France:**

The CSA establishes rules concerning the conditions of production, programming and broadcasts on campaigns that public TV and radio are required to produce and program. The services provided in this title are subject to the provisions included in the specifications (first paragraph of Article 16 of the Law of 30 September 1986).

The CSA plays a central role in the organization and monitoring of broadcasts in the official campaigns on public offices.



The content of the official campaign modules is governed by a principle of freedom of the message delivered. The Council recalls, however, in its decisions on the basis of Article 16 of Law no. 86-1067 of 30 September 1986, the stakeholders are obliged to respect a number of principles derived from the law (prohibition endanger public order or the safety of persons and property, prohibition of holding about advertising nature, to conduct fundraising ...).

- **HACA, Morocco:**
HACA is limited to regulation, in addition to the Electoral Code and its implementing texts, political pluralism election or referendum period.
- **IMC, Kosovo:**
Broadcasters are obliged to provide the IMC diaries containing data related to political broadcasts, programs, debates, interviews and advertisements.
 - If broadcasters chose to broadcast free political broadcasts they are obliged to give the same amount to all political entities that compete in the elections;
 - If broadcasters chose to broadcast paid political broadcasts, they are obliged to give also a certain amount of free programs to all political entities that compete in the elections.
- **NCRTV, Greece:**
NCRT has to give its opinion **after** the Political Parties Committee has expressed its proposition to the competent minister.
- **RTUK, Turkey:**
“Article 30: Broadcasts during the election period:
 - (1) During election periods, the procedures and principles relating to the broadcasts about elections shall be regulated by the High Election Board.
 - (2) The Supreme Council shall monitor, supervise and evaluates broadcasts of the media service providers during the election periods in accordance with the decisions of the High Election Board.
 - (3) The provisions stipulated under the Article 149/A of the Law No. 298 dated 26/4/1961 on the Basic Principles of the Elections and the Electoral Roll, shall be put into force by the Supreme Council following the decisions of the High Election Board.”

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11. REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2012

The Broadcasting Authority report and financial statements for the year ended 31st December 2012 are found in Appendix V of this Annual Report.



APPENDICES





APPENDIX I:

SUBSIDIARY LEGISLATION 350-29 DIGITAL RADIO BROADCASTING REGULATIONS

LEGAL NOTICE 470 OF 2012

- Citation.* 1. The title of these regulations is the Digital Radio Broadcasting Regulations.
- Interpretation.* 2. (1) In these regulations, unless the context otherwise requires -
"the Act" means the Broadcasting Act; Cap. 350.
"the Authority" means the Broadcasting Authority;
"the licensee" means any person who is licensed by the Broadcasting Authority to provide a digital radio broadcasting service.
- (2) Words and expressions used in these regulations which are also used in the Act shall have the same meaning as is assigned to them in the Act.
- Licence for a digital radio service.* 3. (1) No person may provide a digital radio broadcasting service without a licence issued by the Authority.
- Application form for a digital radio broadcasting licence.* (2) The application form for a digital radio broadcasting licence is set out in Schedule I.
- Conditions under which a digital radio broadcasting licence may be issued.* 4. The provisions of the Act which set out the conditions under which a nationwide radio broadcasting service is licensed shall *mutatis mutandis* apply to a digital radio broadcasting service:
- Provided that the Authority may from time to time supplement such conditions or adapt such conditions to the specific exigencies of digital radio broadcasting.
- Tariffs of prices, etc.* 5. (1) The Authority shall levy those tariffs from a licensee as set out in Schedule II.
- (2) When the same nationwide radio broadcasting service is simultaneously transmitted on an analogue and digital frequency without any editing being made to the digital retransmission so that both the analogue transmission and the digital retransmission are totally identical in so far as programme content is concerned, the Authority shall not charge the licensee any fee for the retransmitted station which is already licensed in terms of the Act.
- (3) In the case contemplated in sub-regulation (2), the nationwide radio broadcasting service which would already be licensed as such under the Act will not need to fill in an application form to simulcast its transmissions but such broadcaster shall request beforehand approval in writing from the Authority to simulcast its transmissions.
- Maximum duration of licence period and renewal thereof.* 6. Unless otherwise lawfully terminated or abridged in accordance with the Act or the licence, the period for which a digital radio broadcasting licence shall remain operative shall be up to a maximum of four years and such a digital radio broadcasting licence shall be renewable every four years.
- Submission of programme schedules.* 7. licensee shall provide the Authority with programme schedules in such format, at such intervals and containing such information as the Authority may establish.
- Licensing of digital radio programme content.* 8. The Authority may license a digital radio broadcasting service to offer such number of digital radio stations which originate locally allowed by law and foreign retransmitted digital radio stations.
- Channel line-up.* 9. (1) Whenever a licensee during the validity of a broadcasting licence proposes to



change the digital radio services channel line up as approved by the Authority in the licensee's licence, the licensee shall write to the Authority requesting a change in the channel line-up. The licensee shall provide detailed reasons and information as to the proposed channel line-up for such a change.

(2) The Authority may either approve or reject the request.

(3) When the Authority approves the request, it may impose such reasonable conditions as it may deem fit.

(4) When the Authority refuses to approve such request, the Authority shall give reasons for its decision.

Provision of free installation and service.

10.Where a digital radio broadcasting service is not provided in unencoded form, the licensee shall provide such number of free services to the Authority as it may establish in order to enable it to carry out its monitoring functions. Such free service shall mean the installation and provision of a licensee's programming services.

Digital Radio Station Sponsorship.

11.(1) Station sponsorship of a digital radio station shall be prohibited.

(2) For the purpose of this regulation "station sponsorship" means the naming of channels after sponsors.

Simulcasting of community radio stations.

12.(1) It shall be permissible to simulcast a community radio service on a digital radio platform or network for a period not exceeding two years.

(2) Any community radio station which has availed itself of the provisions of sub-regulation (1) shall not pay any additional licence fees other than those applicable for community radio stations.

(3) No community radio station shall interrupt the period of simulcasting.

(4) On the termination of the two year simulcast period, and provided that the community radio station chooses to migrate to the digital platform, it will cease to operate as a community radio station on the analogue platform.

(5) During the period of simulcasting, the terms and conditions of the licence issued by the Authority to a community radio station shall remain in force.

*Saving.
L.N. 518 of 2010.*

13.All licences issued under Digital Radio Broadcasting Regulations* which are still in force on the date of the revocation of the said regulations shall continue to remain valid and shall be regulated by these regulations from that date onwards.



SCHEDULE I

[REGULATION 3(2)] APPLICATION FORM FOR A DIGITAL RADIO BROADCASTING SERVICE

GENERAL INSTRUCTIONS

- (a) Applications should be typed. Ten copies of this completed form are required. Only add separate sheets where it is indicated you may do so; otherwise responses must be kept within the space allocated. Appendices giving additional information, or any other material (e.g. cassettes, publicity documents), should not be enclosed unless specifically requested. Failure to comply with these requirements will render the application liable to disqualification. Following the presentation of this application form to the Broadcasting Authority any contact between the applicant and the Authority should only be at the instigation of the Authority.
- (b) This form, when completed, should be addressed to the Chairman of the Broadcasting Authority.

PART I – GENERAL INFORMATION

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SCHEDULE II

[REGULATION 5]

1. Fees to be paid on submission of an application for a digital radio service for one locally originating digital radio service:	€1,160
2. Licence fees applicable on an annual basis as from 1 st January 2013:	
(a) for one locally originating digital radio service	€3,000
(b) for a subsequent second and third locally originating digital radio station	€400 per station
(c) for a subsequent fourth, fifth and sixth locally originating digital radio station	€500 per station
3. Licence fees applicable on an annual basis as from 1 st January 2014:	
(a) for one locally originating digital radio service	€4,500
(b) for a subsequent second and third locally originating digital radio station	€600 per station
(c) for a subsequent fourth, fifth and sixth locally originating digital radio station	€750 per station
4. Licence fees applicable on an annual basis as from 1 st January 2015:	
(a) for one locally originating digital radio service	€7,000
(b) for a subsequent second and third locally originating digital radio station	€700 per station
(c) for a subsequent fourth, fifth and sixth locally originating digital radio station	€1,000 per station

Provided that the licence fee for any subsequent station applies if the same company owns, controls or is editorially responsible for the stations.

5. Fees to be paid on the renewal of an application for a digital radio service.	€3,000
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APPENDIX II:

L.N. 468 OF 2012

**BROADCASTING ACT
(CAP. 350)**

BROADCAST DISTRIBUTION SERVICES REGULATIONS, 2012

IN exercise of the powers conferred by sub-article (2) of article 16B of the Broadcasting Act, the Prime Minister, following agreement with the Broadcasting Authority, has made the following regulations:-

Citation and commencement. 1. (1) The title of these regulations is the Broadcast Distribution Services Regulations, 2012.

(2) These regulations shall come into force on the 1st January, 2013.

Interpretation. 2. In these regulations, unless the context otherwise requires:

Cap. 350 "the Act" means the Broadcasting Act;

"the Authority" means the Broadcasting Authority;

"broadcast distribution network" means an electronic communications network used for the distribution of broadcast content;

"broadcast distribution service" means any transmission service provided over a broadcast distribution network;

"channel" means a signal path of specified bandwidth for conveying information over a broadcast distribution system;

"licensee" means an operator or any person licensed by the Authority to operate a radio station or a television station or a shopping television station or such number of stations on a broadcast distribution network as provided in article 10(6) of the Act;

"operator" means any person who operates a broadcast distribution network or provides a broadcast distribution service or who operates a broadcast distribution network and provides a broadcast distribution service;

"own-broadcast" means those programmes, including channels, which are originated by an operator rather than retransmitted from satellite or free-to-air broadcast radio or television stations or both radio and television stations;

"network" shall have the same meaning as is assigned to it by article 16B(3) of the Act;

"programming services" means the full range of entertainment and information programming offered by a broadcast distribution service.

(2) Words and expressions used in these regulations which are also used in the Act shall have the same meaning as is assigned to them in the Act.

Licence for a broadcast distribution service. 3. (1) No person shall provide a broadcast distribution service without a licence issued by the Authority.

(2) The application form for a broadcast distribution service licence is set out in Schedule I.

(3) Subject to the provisions of article 10 of the Act, the Authority may grant a



broadcasting licence to an operator to allow him to broadcast such programme genres on his own-broadcast channel or channels over his broadcast distribution network as the Authority may from time to time approve. Without prejudice to the generality of the foregoing, such programme genres may include the following:

- (a) programme and other information with respect to the broadcast distribution network and its programming;
- (b) previews of programmes that will be shown on the broadcast distribution network;
- (c) cinematographic films;
- (d) sports and similar programming;
- (e) weather data and general information. Such general information shall not, without the previous approval of the Authority, include news or news related programmes;
- (f) general entertainment;
- (g) sound only signals.

Conditions under which a broadcast distribution service may be issued.

4. The provisions of the Act which set out the conditions under which a broadcasting service is licensed, including those contained in the First Schedule to the Act, shall mutatis mutandis apply to a broadcast distribution service:

Provided that the Authority may from time to time supplement such conditions or adapt such conditions to the specific exigencies of a broadcast distribution service.

Licence fees.

5. The Authority shall levy those licence fees from a licensee as set out in Schedule III.

Submission of programme schedules.

6. A licensee shall provide the Authority with programme schedules in such format, at such intervals and containing such information as the Authority may establish.

Typology of broadcast distribution service licences.

7. Subject to article 10 of the Act, the Authority may license a broadcast distribution service to offer such own-broadcast radio services or own-broadcast television services or both such own-broadcast radio services or own-broadcast television services over a broadcast distribution network and such retransmitted radio or television services or both such retransmitted radio and television services as it may approve.

Channel line up.

8. (1) An operator shall, not later than 1st February, 2013, submit a request to the Authority to approve his broadcast distribution service's channel line up. The operator shall forward an application form as set out in Schedule II with the information of the channel lineup.

(2) The Authority may either approve or reject the request.

(3) When the Authority approves the request, it may impose such reasonable conditions as it may deem fit.

(4) When the Authority refuses to approve such request, the Authority shall give reasons for its decision.

(5) Whenever an operator proposes to change the channel lineup as approved by the Authority, the operator shall comply with the provisions set out in sub-regulation (1) and the Authority shall comply with the provisions of sub-regulations (2) to (4).



Provision of free installation and service.

9. An operator shall provide such number of free services to the Authority as it may establish in order to enable it to carry out its monitoring functions. Such free service shall mean the

Station sponsorship.

10.(1) Station sponsorship shall be prohibited.(2) For the purpose of this regulation "station sponsorship" means the naming of channels after sponsors.

Programming services.

11.(1) The Authority shall be responsible for the supervision over the programming standards.

(2) The operator shall with regard to any programmes own-broadcast by it and not retransmitted comply with the provisions of the Act regarding programming standards in the same manner as that law applies to broadcasting stations providing similar services.

(3) The Authority may, for reasons of protection of public morals, direct the operator to cease retransmitting any programme or channel.

Advertising, teleshopping and sponsorship.

12.(1) Subject to article 10(6) of the Act, the operator's own-broadcast channels may carry advertisements, teleshopping and sponsorship in terms of the Act and any subsidiary legislation made thereunder.

(2) Channels which are being retransmitted by the operator over the broadcast distribution network shall be carried together with the original advertising, sponsorship and teleshopping. Advertisements and teleshopping may not be blocked without the permission of the originating station and may only be replaced by the operator if agreement is reached with the originating station and with the previous consent in writing of the Authority.

Exclusion of digital radio. S.L. 350.29.

13. The provisions of these regulations shall not apply to digital radio which shall continue to be regulated by the Digital Radio Broadcasting Regulations.

SCHEDULE I

[REGULATION 3(2)]

APPLICATION FORM FOR AN 'OWN BROADCAST' BROADCASTING SERVICE

GENERAL INSTRUCTIONS

- (a) Applications should be typed. Seven copies of this completed form are required. Only add separate sheets where it is indicated you may do so; otherwise responses must be kept within the space allocated. Appendices giving additional information, or any other material (e.g. cassettes, publicity documents), should not be enclosed unless specifically requested. Failure to comply with these requirements will render the application liable to disqualification. Following the presentation of this application form to the Broadcasting Authority any contact between the applicant and the Authority should only be at the instigation of the Authority.
- (b) This form, when completed, should be addressed to the Chairman of the Broadcasting Authority.

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SCHEDULE II

[REGULATION 8(1)]

Application Form for an Electronic Service Provider for Re-Transmission of Broadcasting Services

(a) List the name of the television channels which will be included in the channel line-up of the electronic service provider.

(b) List the name of foreign retransmitted radio channels which will be included in the channel line-up of the electronic service provider.

(c) The list has to be addressed to the Chief Executive. The electronic service provider is requested to send any additional changes to the channel line which may occur from time to time.

Channel Line-Up

List the re-transmitted foreign television broadcasting stations together with the channel line up on the service provided by the electronic service provider.

Name of Channel	Competent Licensing	Authority Channel Number
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List the re-transmitted foreign radio broadcasting stations together with the channel line up on the service provided by the electronic service provider.

Name of Channel	Competent Licensing	Authority Channel Number
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SCHEDULE III

[REGULATION 5]

Licence Fees

1. Fee to be paid on submission of an application for a broadcast distribution service €5,800
2. Licence fees to be paid on an annual basis by an electronic distribution network shall be as follows:
 - (a) for the first locally originating television broadcasting service €14,000
 - (b) any one other additional station carrying news and/or current affairs €8,000
 - (c) any one other additional station not carrying news/current affairs €400

Provided that only one application fee is applicable whenever an electronic distribution network operator applies for more than one station simultaneously.

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APPENDIX III:

L.N. 469 OF 2012

**BROADCASTING ACT
(CAP. 350)**

NOTIFICATION OF ON-DEMAND AUDIOVISUAL MEDIA SERVICES ORDER, 2013

IN exercise of the powers conferred by article 16O(2) of the Broadcasting Act, the Broadcasting Authority has made the following Order regulating the notification of on-demand audiovisual media services:-

Citation. 1. The title of this Order is the Notification of On-Demand Audiovisual Media Services Order, 2012.

Notification of on-demand audiovisual media services. 2. (1) A notification by any person who intends to provide an on-demand audiovisual media service shall be made in writing in the form of a letter.

(2) Such notification shall be addressed to the Chairman of the Broadcasting Authority.

(3) Such notification shall contain the following information:

(a) in the case of a physical person:

(i) name, surname and address;

(ii) identity card number, passport number or details of any other identification document as may be acceptable to the Broadcasting Authority;

(b) in the case of a moral person, the company name and address of the registered office.

(4) Such person, whether physical or moral, shall provide the Broadcasting Authority with:

Cap. 248. (a) the name and surname of the registered editor in terms of the Press Act;

(b) his mobile phone;

(c) his fixed line phone number;

(d) his e-mail address

Compliance with provisions of Broadcasting Act. Cap. 350. 3. A provider of on-demand audiovisual media services shall comply with the provisions of the Broadcasting Act and any subsidiary legislation made thereunder which apply thereto and in particular shall ensure that adequate measures are in place so that minors will not have access to content which might seriously impair their physical, mental or moral development.

Promotion of European works. 4. A provider of on-demand audiovisual media services shall encourage the promotion of European works and culturally diverse programming. A minimum of 10% of European works shall be available in the first two years of operation rising to 15% in the third year.

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APPENDIX IV:

BROADCASTING AUTHORITY DIRECTIVE ON PROGRAMMES AND ADVERTISEMENTS BROADCAST DURING THE PERIOD 13TH FEBRUARY TO 10TH MARCH 2012

IN exercise of the powers conferred by articles 15 and 23 of the Broadcasting Act, the Broadcasting Authority is issuing the following directive for the period 13th February to 10th March 2012.

Citation and entry into force.

1. (1) The title of this Directive is the Broadcasting Authority Directive on Programmes and Advertisements broadcast during the period 13th February to 10th March 2012.

(2) This Directive shall come into force on Monday, 13th February 2012.

Interpretation.

2. (1) For the purposes of this Directive:

“the Act” means the Broadcasting Act;

“Authority” means the Broadcasting Authority established by article 118 of the Constitution;

“Directive” means the Broadcasting Authority Directive on Programmes and Advertisements broadcast during the period 13th February to 10th March 2012;

“elections” means the local council elections to be held on Saturday, 10th March, 2012;

“candidate” means a candidate for the elections of 10th March 2012;

“programme” includes spots whether informative or otherwise;

“advertisement” means an advertisement of an informative nature or an advertisement which contains political content.

(2) Words and phrases used in this Directive shall have the same meaning as is assigned to them in the Act.

Provision of Programme Schedules to the Authority.

3. (1) Not later than noon of Monday, 13th February 2012, each broadcasting station shall provide the Authority with a detailed schedule of programmes and advertisements for the Authority’s approval.

DIRETTIVA TAL-AWTORITÀ TAX-XANDIR DWAR PROGRAMMI U REKLAMI MXANDRA MATUL IL-PERIJODU 13 TA’ FRAR SAT-10 TA’ MARZU 2012

BIS-saħħa tas-setgħat mogħtija lilha bl-artikli 15 u 23 tal-Att dwar ix-Xandir, l-Awtorità tax-Xandir qed toħroġ din id-direttiva għall-perijodu 13 ta’ Frar sal-10 ta’ Marzu 2012.

Isem u dhul fis-seħħ.

1. (1) Din id-Direttiva tissejjaħ id-Direttiva tal-Awtorità tax-Xandir dwar Programmi u Reklami mxandra matul il-perijodu 13 ta’ Frar sal-10 ta’ Marzu, 2012.

(2) Din id-Direttiva tibda sseħħ minn nhar it-Tnejn, 13 ta’ Frar, 2012.

Tifsir.

2. (1) Għall-għanijiet ta’ din id-Direttiva:

“l-Att” ifisser l-Att dwar ix-Xandir;

“l-Awtorità” tfisser l-Awtorità tax-Xandir imwaqqfa bl-artiklu 118 tal-Kostituzzjoni;

“Direttiva” tfisser id-Direttiva tal-Awtorità tax-Xandir dwar Programmi u Reklami mxandra matul il-perijodu 13 ta’ Frar sal-10 ta’ Marzu, 2012;

“elezzjonijiet” tfisser l-elezzjonijiet għall-kunsilli lokali li se jinżammu nhar is-Sibt, 10 ta’ Marzu, 2012;

“kandidat” tfisser kandidat għall-elezzjonijiet tal-10 ta’ Marzu, 2012;

“programm” jinkludi *spots* sew jekk ikunu informattivi sew jekk ikunu xort’oħra;

“reklam” tfisser reklam informattiv jew reklam li jkollu kontenut ta’ natura politika.

(2) Il-kliem u l-frażijiet użati f’din id-Direttiva jfissru l-istess bħal dak li ngħatalhom fl-Att.

Għoti ta’ Skedi ta’ Programmi lill-Awtorità.

3. (1) Mhux aktar tard minn nofsinhar ta’ nhar it-Tnejn, 13 ta’ Frar, 2012, kull stazzjon tax-xandir irid jagħti lill-Awtorità skeda dettaljata tal-programmi u reklami biex tiġi approvata mill-Awtorità. Din l-





This schedule shall cover the period 13th February to 10th March 2012. Where the broadcasting station intends to produce current affairs programmes, discussion programmes, investigative journalism programmes, other programmes which include guests who air opinions on current affairs and programmes of a similar nature during the aforesaid period, it shall forward the subject of that programme and details of the presenter, participants and producer to the Authority for its approval. The said information shall be submitted for other programme genres in which candidates participate.

(2) Following the Authority's approval of this programme schedule, no changes may be made by a broadcasting station to the said schedule. Exceptionally, with the prior approval of the Authority and following a written detailed request by a broadcasting station to that effect, a broadcasting station may request the Authority's approval to change its programme schedule. Such request must reach the Authority by not later than four working days prior to the date of the proposed change and shall be drawn up in terms of the attached form. The Authority will not approve changes for the period 5th to 8th March 2012.

(3) Without prejudice to subarticle (7) of this article, until such approval as mentioned in paragraphs (1) and (2) of this article is obtained, no programme or advertisement with a political content may be broadcast by a broadcasting station unless it is within a scheme approved by the Authority. A broadcasting station shall not air any promotional material concerning programmes which the broadcasting station in question intends to air unless the Authority approves the requested change in the programme schedule. Nor may any such programme or advertisement encourage people to vote in a particular way. Care should be taken to ensure that all programmes and all advertisements are free of material which could be interpreted as favouring or giving undue exposure to any political party or candidate or which might be reasonably considered as being directed towards a political end.

(4) All programmes which concern any aspect of a political or an industrial controversy or which refer to current public policy which are broadcast with effect from 11th February to 8th March 2008 have to be balanced. This requires that in such programmes all diverse opinions on the subject under consideration have to be included and, therefore, representatives of the Nationalist Party, the Malta Labour Party, and Alternattiva Demokratika shall participate in these programmes.

iskeda trid tkopri l-perijodu 13 ta' Frar sal-10 ta' Marzu, 2012. Fejn l-istazzjon ikun bi ħsiebu li jxandar programmi ta' grajjiet kurrenti, programmi ta' diskussjoni, programmi ta' ġurnalizmu investigattiv, programmi oħra li jinkludu mistiedna sabiex jagħtu opinjonijiet dwar grajjiet kurrenti u programmi ta' natura simili għal dawn waqt il-perijodu hawn fuq imsemmi, irid jibgħat lill-Awtorità s-sugġett ta' dak il-programm u dettalji dwar il-prezentatur, parteċipanti u l-produttur biex l-Awtorità tkun tista' tagħti l-approvazzjoni tagħha. L-istess informazzjoni trid tintbagħat għall-programmi ta' generi oħra li fihom jipparteċipaw kandidati.

(2) Wara li l-Awtorità tapprova din l-iskeda ta' programmi, l-istazzjon tax-xandir ma jkunx jista' jagħmel bidliet fl-iskeda msemmija ħlief eċċezzjonalment, wara li jitlob għal dan bil-kitba u jagħti d-dettalji kollha meħtieġa u bl-approvazzjoni tal-Awtorità. Din it-talba għal tibdil fl-iskeda ta' programmi trid tasal għand l-Awtorità mhux anqas minn erbat ijiem utli qabel id-data tal-bidla proposta u trid issir skont il-formola annessa. L-Awtorità mhux fi ħsiebha tapprova tibdil għall-perijodu 5 ta' Marzu sat-8 ta' Marzu, 2012.

(3) Bla preġudizzju għas-subartikolu (7) ta' dan l-artikolu, l-ebda programm jew reklam b'xejra politika ma jista' jixxandar minn stazzjon tax-xandir qabel ma tingħata l-approvazzjoni msemmija fil-paragrafi (1) u (2) ta' dan l-artikolu sakemm dan ma jkunx parti minn skema approvata mill-Awtorità. Sakemm tiġi approvata l-bidla mitluba fl-iskeda ta' programmi mill-Awtorità, l-istazzjon tax-xandir m'għandux ixandar materjal promozzjonali dwar il-programmi li qed jiġu proposti li jixxandru mill-istazzjon in kwistjoni. L-ebda programm jew reklam ma jista' jinkoraġġixxi lill-poplu li jivvota b'mod partikolari. Għandha tingħata attenzjoni biex jiġi żgurat illi l-programmi kollha u r-reklamar kollu ma jkunx fihom materjal li jista' jiġi interpretat li qed jiffavorixxi jew li qed jagħti *exposure* mhux f'waqtu lil xi partit politiku jew kandidat jew li jista' raġonevolment jitqies li huwa mmirat lejn għan politiku.

(4) Kull programm li jkollu x'jaqsam ma' xi materja ta' kontroversja politika jew industrijali jew li jirreferi għall-*policy* pubblika kurrenti li jixxandar matul il-perijodu 13 ta' Frar sal-10 ta' Marzu 2012 jrid ikun bilanċjat. Fi programmi hekk jeħtieġ li jiddaħħlu l-opinjonijiet kollha differenti dwar is-sugġett li jkun qed jiġi diskuss u għalhekk għandhom jipparteċipaw f'dawn il-programmi rappreżentanti tal-Partit Nazzjonalista, tal-Partit Laburista, u tal-Alternattiva Demokratika.

(5) In the case of sub-article (4) above, the Authority may approve programme schedules proposed by broadcasting stations after it is satisfied that the provisions of article 119 of the Constitution will be complied with. The Authority shall, in particular, ensure compliance with the said provision in so far as choice of subjects and participants are concerned.

(6) For the purposes of this directive “political nature” or “political content” mean a controversial opinion pertaining to modern society in general which lies at the heart of a political debate and includes campaigning for the local councils elections.

(7) Whilst the Authority, in accordance with the law, insists on safeguarding balance and impartiality, it also recognises that it would be practical and at the same time in conformity with the law that the programme content in terms of the schedules submitted to it by the political stations is considered in the light of the optional provision which may be exercised by the Authority in terms of article 13(2) of the Broadcasting Act. The above shall not be interpreted that political stations are not bound to observe the provisions of the law. For the purposes of this sub-article, the political stations are Super 1 Radio, Radio 101, One and NET Television.

Application of the Code for the Investigation and Determination of Complaints.

4. The following modifications shall apply with effect from 13th February to 10th March 2012 to the Code for the Investigation and Determination of Complaints:

- (i) complaints shall be addressed directly to the Authority and not to broadcasting stations;
- (ii) in so far as the Authority may deem necessary, the Authority may require an explanation from the broadcasting station mentioned in the said complaint;
- (iii) any information or explanation required by the Authority as aforesaid shall be provided to the Authority by the broadcasting station not later than noon of the following day or earlier as the Authority may direct.

Regulations to be observed by broadcasting stations during the day preceding the elections and on the actual day of polling.

5. (1) During the day preceding the elections and on the actual day of polling during the elections (hereinafter referred to as “the campaign silence period”), all forms of broadcasting which might influence voters shall be prohibited.

(5) Fil-każ tas-subartikolu (4) t’hawn fuq, l-Awtorità tista’ tapprova skedi ta’ programmi proposti minn stazzjonijiet tax-xandir wara li tkun sodisfatta li dan jaqbel ma’ dak li hemm provdut f’artiklu 119 tal-Kostituzzjoni. L-Awtorità għandha tara, b’mod partikolari li, fejn għandu x’jaqsam mal-għażla tas-sugġetti u ta’ dawk li jkunu ser jjeħdu sehem, l-istazzjonijiet jimxu ma’ dak li hemm maħsub fis-sub-artiklu msemmi.

(6) Għall-fini ta’ din id-direttiva “natura politika” jew “xejra politika” jfissru opinjoni kontroversjali marbuta fil-qofol tagħha mas-soċjetà moderna li tkun fil-qalba ta’ dibattitu politiku u jinkludi wkoll il-kampanja għall-elezzjonijiet għall-kunsilli lokali.

(7) Waqt li l-Awtorità, b’konformità mal-liġi, tinsisti fuq iż-żamma ta’ bilanċ u l-imparzjalità, l-Awtorità tifhem ukoll li jkun prattiku u fl-istess ħin konformi mal-liġi li l-kontenut tal-programmi skont l-iskedi sottomessi lilha fuq l-istazzjonijiet politiċi jitqies fid-dawl tad-dispożizzjoni fakoltattiva mogħtija lill-Awtorità skont l-artikolu 13(2) tal-Att dwar ix-Xandir. Dan t’hawn fuq m’għandux jiġi interpretat bħala li l-istazzjonijiet tal-partiti politiċi mhumiex marbuta li josservaw il-liġi. Għall-fini ta’ dan is-sub-artikolu, l-istazzjonijiet tal-partiti politiċi huma: *One Radio, Radio 101, One* u *NET Television*.

Applikazzjoni tal-Kodiċi għall-Investigazzjoni u d-Determinazzjoni tal-Ilmenti.

4. Dawn it-tibdiliet għandhom japplikaw matul il-perjodu 13 ta’ Frar sal-10 ta’ Marzu 2012 għall-Kodiċi għall-Investigazzjoni u d-Determinazzjoni tal-Ilmenti:

- (i) l-ilmenti jkunu indirizzati lill-Awtorità u mhux lill-istazzjonijiet tax-xandir;
- (ii) l-Awtorità tista’ titlob spjega mill-istazzjon tax-xandir dwar l-ilment imsemmi skont kemm t’hoss hi li din tkun meħtieġa għall-każ;
- (iii) kull spjega jew tagħrif bħal dan irid jingħata lill-Awtorità mill-istazzjon tax-xandir mhux aktar tard minn nofsinhar tal-għada jew qabel, skont kif tordna l-Awtorità.

Regolamenti li l-istazzjonijiet tax-xandir iridu jobdu matul il-ġurnata qabel l-elezzjonijiet u dakinhar tal-votazzjoni.

5. (1) Matul il-jum qabel l-elezzjonijiet u dakinhar tal-votazzjoni (minn issa ‘l quddiem magħruf bħala “il-kampanja ta’ żmien is-skiet”), ma jista’ jsir ebda xorta ta’ xandir li b’xi mod jista’ jinfluenza l-votanti.



(2) Without prejudice to sub-article (1) of this article, during the campaign silence period the following rules shall apply:

(i) broadcasting stations shall avoid a situation where during the silence period they broadcast programmes which could be reasonably interpreted that they are broadcasting with a view to influence voters;

(ii) all forms of presentation on the broadcasting media of political parties, candidates and other movements and organizations involved in the elections shall cease;

(iii) broadcasting stations shall not broadcast information, statements, press and media releases issued by the Government, the Opposition, candidates, politicians, political parties and other movements and organisations involved in the elections, and other forms of broadcasting which are, openly or in a covert manner, of a political nature, have political content or which may influence the decisions of the voters. Nor may informative advertisements commissioned by public entities, including public service announcements be broadcast unless these are of public interest and of an urgent nature;

(iv) the following shall be prohibited:

- agitation,
- information related to an electoral campaign, and
- announcements designed for presentation of programmes, logos, mottos and symbols of a political party and a candidate;

(v) all forms of media presentations concerning the electoral campaign (such as free presentations, political propaganda, discussion programmes, interviews, etc.) shall be prohibited;

(vi) it shall be allowed in the reporting on the voting and the other electoral activities for broadcasting stations to prudently report on facts of news value the possible violations of the voting procedures and on eventual incidents inside or out of the polling booths, and official statements on the voting process issued from time to time by the Electoral Commission provided that it shall not consist of a news item released by the political parties or by candidates or a news item provoked or brought about by political parties or candidates for political mileage.

(2) Bla ebda preġudizzju għas-sub-artiklu (1) ta' dan l-artiklu, matul il-kampanja ta' żmien is-skiet ser jidhlu fis-seħħ dawn ir-regolamenti:

(i) għandhom jiġu evitati sitwazzjonijiet minn stazzjonijiet tax-xandir li matul il-perijodu ta' żmien is-skiet ikunu trasmessi programmi li jistgħu raġonevolment jiġu interpretati li qed jixxandru bil-ħsieb li jinfluwenzaw il-votanti;

(ii) trid tiegħaf kull xorta ta' preżentazzjoni mix-xandir tal-partiti politiċi, kandidati u ta' movimenti u organizzazzjonijiet oħra li għandha x'taqsam mal-elezzjonijiet;

(iii) l-istazzjonijiet tax-xandir ma jxandru tagħrif, dikjarazzjonijiet, stqarrijiet tal-Gvern lill-istampa u lix-xandir, kif ukoll dawg tal-Oppożizzjoni, tal-kandidati, tal-politiċi, tal-partiti politiċi u ta' organizzazzjonijiet u movimenti li għandhom x'jaqsmu mal-elezzjonijiet, u kull xorta ta' xandir ieħor li bil-miftuħ jew bil-moħbi għandu natura politika, għandu kontenut politiku jew li jista' b'xi mod jinfluwenza d-deċiżjoni tal-votanti. Lanqas ma jistgħu jixxandru reklami informattivi mtellgħa minn entitajiet pubbliċi, inkluż *Public Service Announcements*, sakemm dawn ma jkunux ta' interess ġenerali u ta' natura urġenti;

(iv) dan li ġej ma jistax isir:

- propaganda,
- tagħrif li għandu x'jaqsam mal-kampanja elettorali, u
- avviżi maħsuba għall-preżentazzjoni ta' programmi, *logos*, *mottos* u simboli ta' partit politiku u ta' kandidat;

(v) ma tistax issir kull xorta ta' preżentazzjoni fix-xandir li b'xi mod hi dwar il-kampanja elettorali (b'halma huma preżentazzjonijiet, propaganda politika, programmi ta' diskussjoni, intervisti, eċċ);

(vi) fir-rapporti dwar il-votazzjoni u attivitajiet oħra dwar l-elezzjonijiet, l-istazzjonijiet jithallew ixandru bil-prudenza kollha tagħrif dwar fatti li jkollhom valur ta' aħbar evidenti b'hal ksur li seta' sar fil-proċeduri tal-votazzjoni kif ukoll dwar xi incidenti li jinqalgħu fil-post tal-votazzjoni jew barra u wkoll dikjarazzjonijiet uffċjali dwar kif inhi sejra l-votazzjoni hekk kif dawn joħorġu minn ħin għall-ieħor mill-Kummissjoni Elettorali, basta li ma tkunx aħbar maħruġa mill-partiti politiċi jew mill-kandidati nfušom jew aħbar ipprovokata jew ġenerata mill-partiti politiċi jew mill-kandidati għall-gwadann politiku.



(vii) Stations cannot broadcast any items featured on any electronic news portals that are in breach of the dispositions imposed for the days of silence, even if such portals are owned by political parties.

(3) Statements and releases on the eventual incidents mentioned in paragraph (vi) of sub-article (2) of this article which are issued during the campaign silence period may only be broadcast after all the polling booths have closed.

(4) For the purposes of this article:-

"agitation" for and against means all forms of media presentation related in any way to the electoral campaign. Agitation also includes all other on-air presentations of candidates, symbols, signs and other propaganda material of political parties and other organizations involved in the elections;

"information related to an electoral campaign" means news reports and other programmes which present:

- information on any form of campaign activities that took place before the deadline for the start of the campaign silence period;
- statements and releases of political parties, candidates and other organisations and movements involved in the elections;
- information on the activities of the holders of Government offices and officials related to the electoral campaign (inauguration of new buildings and infrastructure projects, promotion of projects, results and achievements, either in the form of reports in regular or special broadcasts, etc.);

"announcements designed for presentation of programmes, logos, mottos and symbols of a political party, candidate and other movements or organizations involved in the elections" means all forms of political propaganda (announcements, releases, political advertisements, recordings or segments of recordings of rallies and other public appearances of the participants in the electoral campaign).

(5) Without prejudice to the foregoing provisions of this article, no station may broadcast any material concerning the elections during the silent period.

(vii) Stazzjonijiet ma jistgħux ixandru stejjer li jkunu qed jidhru fuq siti elettronici li jmorru kontra r-regolamenti tal-jumejn tas-silenzju, anki jekk l-istess siti ikunu operati mill-partiti politiċi.

(3) Jistgħu jixxandru dikjarazzjonijiet u stqarrijiet dwar xi incidenti msemija f'paragrafu (vi) ta' sub-artiklu (2) ta' dan l-artiklu li joħroġu matul il-kampanja ta' żmien is-skiet meta jkunu għalqu l-postijiet kollha tal-votazzjoni.

(4) Għall-għan ta' dan l-artiklu:-

"propaganda" favur jew kontra tfisser kull xorta ta' preżentazzjoni ta' xandir li għandha x'taqsam b'xi mod mal-kampanja elettoral. Propaganda tinkludi wkoll kull preżentazzjoni fuq il-mezzi kollha tax-xandir ta' kandidati, simboli, sinjali jew għeljem oħra u materjal propagandistiku ta' partiti politiċi u movimenti u organizzazzjonijiet li għandhom x'jaqsmu mal-elezzjonijiet;

"tagħrif li għandu x'jaqsmu ma' kampanja elettoral" tfisser għabriet ta' aħbarijiet u programmi oħra li jagħtu:

- tagħrif dwar kull xorta ta' ħidma ta' propaganda li saret qabel ma waslet biex tibda l-kampanja ta' żmien is-skiet;
- dikjarazzjonijiet u stqarrijiet tal-partiti politiċi, kandidati u organizzazzjonijiet u movimenti li għandhom x'jaqsmu mal-elezzjonijiet;
- tagħrif dwar x'jagħmlu dawk li għandhom funzjoni fl-uffiċji tal-Gvern u l-uffiċjali li għandhom x'jaqsmu mal-kampanja tal-elezzjonijiet (ftuħ ta' bini ġdid u affarijiet tal-infrastruttura, varar ta' proġetti, riżultati u kisbiet, jew bħala rapporti f'xandiriet regolari jew speċjali, eċċ.);

"avviżi maħsuba biex jidhru fi programmi, logos, mottos u simboli/għeljem ta' partit politiku, kandidat, moviment u organizzazzjoni oħra li għandhom x'jaqsmu mal-elezzjonijiet" tfisser kull xorta ta' propaganda politika (avviżi, stqarrijiet, reklamar politiku, rekordings jew siltiet minn xi rekordings ta' ġemgħat ta' nies u dehriet oħra fil-pubbliku ta' dawk li qed jieħdu sehem fil-kampanja tal-elezzjonijiet).

(5) Mingħajr preġudizzju għal dak li jingħad fis-subartikoli preċedenti ta' dan l-artikolu, l-ebda stazzjon m'għandu jxandar materjal dwar l-



This applies to all television and radio programmes, including news bulletins.

(6) On polling day it is permissible to broadcast only the following:

- i) the process of voting, that is, information about the number of persons who have cast their vote and information as to what is happening in the polling booths;
- ii) whenever election candidates are mentioned, stations owned by the political parties (NET TV, Radio 101, One Radio and One) shall first mention the candidates of their respective party and then they shall mention the rest of the candidates as they feature on the ballot paper; and all the other stations which opt to refer to election candidates shall mention them in the order in which they appear on the ballot paper;
- iii) only the following party representatives may appear on broadcasting stations: PL – Leader and both Deputy Leaders; PN – Leader, Deputy Leader and Secretary General; and Alternattiva Demokratika – Chairperson and Deputy Chairperson. They should only be shown entering the polling booths and casting their vote. No comments of such persons may be broadcast on the broadcasting media up till the closure of the polling stations. This also includes any comment by party officials near the polling station as soon as they would have voted;
- iv) stations cannot air any message intended to influence voters. Moreover, they shall not encourage people to vote or not to vote.

Public Opinion Polls.

6. The Authority refers to the Requirements as to Standards and Practice Applicable to Various Types of Polls Broadcast on Radio and Television Services which contain provisions relating to elections. A copy of these Requirements is attached to this Directive. Opinion polls regarding the elections may not be broadcast as from Monday 5th March 2012 until closure of voting on Saturday 10th March 2012.

Provision of Programme Schedule during the Silence Period.

7. (1) Not later than noon of Monday, 27th February 2012, all broadcasting stations shall forward to the Authority a detailed schedule of programmes and advertisements to be broadcast during the silence

elezzjonijiet matul il-perijodu ta' żmien is-skiet. Dan japplika għal kull programm tat-televiżjoni u radju, inkluż l-añbarijiet.

(6) F'jum il-votazzjoni hu permess li jixxandar dan li ġej:

- i) l-andament tal-votazzjoni, jiġifieri informazzjoni dwar kemm ivvutaw nies u informazzjoni dwar x'ikun qed jiġri fil-postijiet tal-votazzjoni;
- ii) kull meta jissemmew il-kandidati tal-elezzjonijiet, l-istazzjonijiet tal-partiti politiċi (NET TV, Radio 101, One Radio, u One) għandhom isemmu l-ewwel il-kandidati tal-partit rispettiv tagħhom, imbagħad jissemmew il-kumplement tal-kandidati skont il-polza tal-vot; u l-istazzjonijiet l-oħra kollha li jagħżlu li jsemmu l-kandidati tal-elezzjonijiet għandhom isemmuhom fl-ordni li jidhru fih fil-polza tal-vot;
- iii) jistgħu jidhru biss fuq l-istazzjonijiet ir-rappreżentanti tal-partiti segwenti: PL - Mexxej u żewġ Deputati Mexxejja; PN - Kap, Vċi Kap u Segretarju Ġenerali; AD – Chairperson u Deputat Chairperson. Dawn iridu jidhru biss dieħlin jivvutaw u jixftu l-vot. Bl-ebda mod m'għandhom jixxandru kummenti tagħhom fuq il-mezzi tax-xandir sa l-għeluq tal-votazzjoni. Dan jinkludi wkoll kull kumment li l-uffiċjali tal-partiti jistgħu jagħmlu quddiem il-post tal-votazzjoni hekk kif ikunu għadhom kemm ivvutaw;
- iv) l-istazzjonijiet ma jistgħu jwasslu l-ebda messagg li jista' jwassal biex jinfluwenza l-votant. Barra minn hekk m'għandhom l-anqas iheggu lin-nies biex imorru jivvutaw jew biex ma jmorrux jivvutaw.

Stharriġ tal-Opinjoni Pubblika.

6. L-Awtorità tirreferi wkoll għal Ftigijiet dwar Standards u Prattika tal-2007 dwar id-Diversi Tipi ta' Stharriġ tal-Opinjoni Pubblika Mxandra fuq is-Servizzi ta' Radju u Televiżjoni li għandhom dispożizzjonijiet relatati mal-elezzjonijiet. Kopja ta' dawn il-Ftigijiet hija mehmuża ma' din id-Direttiva. Ma jista' jsir l-ebda xandir ta' opinjoni pubblika dwar l-elezzjonijiet mit-Tnejn 5 ta' Marzu 2012 sal-għeluq tal-votazzjoni tas-Sibt 10 ta' Marzu 2012.

Għoti ta' Skeda għall-Perijodu ta' Żmien is-Skiet.

7. (1) Mhux aktar tard minn nofsinhar ta' nhar it-Tnejn, 27 ta' Frar 2012, kull stazzjon tax-xandir irid jagħti lill-Awtorità skeda dettaljata tal-programmi u reklami għal matul il-perijodu ta' żmien is-skiet biex



period so that it may be approved by the Authority. Subject to the provisions of subarticle (6) of article 5 of this Directive, no current affairs programmes, discussion programmes, investigative journalism programmes or programmes of a similar nature may be broadcast except for those programmes which may be approved by the Authority to be aired during these two days.

(2) After the Authority receives these schedules, the Authority may, should it so require, hold a meeting with political parties in order to ensure that the programme schedules of political stations which had been approved by the Authority are rigorously observed by political stations.

8th February 2012

tigi approvata mill-Awtorità. Sugġett għal dak li jingħad fis-subartikolu (6) tal-artikolu 5 ta' din id-Direttiva, f'dan il-perijodu m'għandhomx jixxandru programmi ta' ġrajjet kurrenti, programmi ta' diskussjoni, programmi ta' ġurnalizmu investigattiv, u programmi ta' natura simili għal dawn ħlief dawk li jiġu approvati mill-Awtorità għal xandir f'dawn il-jumejn.

(2) Wara li l-Awtorità tirċievi dawn l-iskedi hija tista', jekk tħoss il-ħtieġa, iżzomm laqgħa mal-partiti politiċi biex tiżgura li l-iskedi tal-istazzjonijiet politiċi li jkunu ġew approvati mill-Awtorità jiġu rigorożament osservati mill-istazzjonijiet politiċi.

8 ta' Frar 2012

APPENDIX V:

**BROADCASTING AUTHORITY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2012**

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Statement of the Authority's Responsibilities

The Broadcasting Act, 1991 requires the board members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Authority at the end of the financial period and of the income and expenditure for that period.

In preparing the financial statements, the board members are required to:-

- adopt the going concern basis, unless it is inappropriate to presume that the company will continue in business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relative to the accounting period on the accruals basis;
- value separately the components of assets and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The Authority is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Authority and to ensure that the financial statements have been properly prepared in accordance with the Broadcasting Act, 1991. The Authority is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors' Report

We have audited the accompanying financial statements of the Broadcasting Authority (the "Authority") set out on pages 88 to 97 which comprise the balance sheet as of 31 December 2012, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board Members' Responsibility for the Financial Statements

The Authority's Board Members are responsible for the preparation and fair presentation of these financial statements in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Authority as at 31 December 2012 and its financial performance and its cash flows for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations for qualifying entities as prescribed in those regulations, and comply with the requirements of the Maltese Broadcasting Act (Chap. 350).

John Abela (Partner) for and on behalf of

Horwath Malta
Member Crowe Horwath International

La Provvida,
Karm Zerafa Street,
Birkirkara BKR1713
Malta

2 April 2013



**INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2012**

	Note	2012 €	2011 €
Income	3	1,031,065	1,028,390
Expenditure		<u>(1,094,705)</u>	<u>(1,053,114)</u>
Deficit for the year	4	<u><u>(63,640)</u></u>	<u><u>(24,724)</u></u>



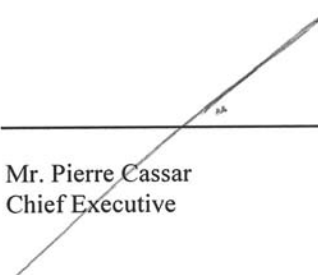
BALANCE SHEET
31 DECEMBER 2012

	Note	2012 €	2011 €
ASSETS			
Non-current Assets			
Property, Plant and equipment	5	<u>1,995,802</u>	<u>2,028,586</u>
Current Assets			
Trade and other receivables	6	269,613	270,644
Cash and bank balances		<u>517,403</u>	<u>551,312</u>
		<u>787,016</u>	<u>821,956</u>
Total Assets		<u>2,782,818</u>	<u>2,850,542</u>
CAPITAL AND LIABILITIES			
Capital and Reserves			
Capital fund	7	2,572,737	2,572,737
Reserve Fund	7	37,270	37,270
Revaluation reserve	8	293,699	293,699
Accumulated reserve	9	<u>(363,064)</u>	<u>(299,424)</u>
		2,540,642	2,604,282
Current Liabilities			
Trade and other payables	10	<u>242,176</u>	<u>246,260</u>
Total Capital and Liabilities		<u>2,782,818</u>	<u>2,850,542</u>

The financial statements on pages 88 to 97 were approved by the members on 2 April 2013 and were signed by:



Mr. Anthony J. Tabone
Chairman



Mr. Pierre Cassar
Chief Executive

**STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2012**

	Capital Fund €	Reserve Fund €	Revaluation Reserve €	Accumulated Reserve €	Total €
At 1 January 2011	2,572,737	37,270	293,699	(274,700)	2,629,006
Deficit for the year	-	-	-	-	-
At 31 December 2011	<u>2,572,737</u>	<u>37,270</u>	<u>293,699</u>	<u>(274,700)</u>	<u>2,629,006</u>
At 1 January 2012	2,572,737	37,270	293,699	(299,424)	2,604,282
Deficit for the year	-	-	-	(63,640)	(63,640)
At 31 December 2012	<u>2,572,737</u>	<u>37,270</u>	<u>293,699</u>	<u>(363,064)</u>	<u>2,540,642</u>



CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2012

	Note	2012 €	2011 €
Cash flows from Operating Activities			
Deficit for the year		(63,640)	(24,724)
<i>Adjustment for:</i>			
Depreciation charge		72,659	79,349
Bank interest receivable		(10,012)	(8,763)
		(993)	45,862
<i>Working capital changes:</i>			
Change in trade and other receivables		1,031	(74,000)
Change in trade and other payables		(4,084)	32,956
Cash (absorbed)/generated from operations		(4,046)	4,818
Bank interest received		10,012	8,362
Net Cash from Operating Activities		5,966	13,180
Investing Activities			
Payments to acquire property, plant and equipment		(39,875)	(10,319)
Net cash used in Investing Activities		(39,875)	(10,319)
Net movement in Cash and Cash Equivalents		(33,909)	2,861
Cash and cash equivalents at beginning of year		551,312	548,451
Cash and Cash Equivalents at End of Year	11	517,403	551,312

1. Basis of Preparation

Statement of compliance

The financial statements of Broadcasting Authority ("the Authority") have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSE").

Basis of measurement

The financial statements are prepared on the historical cost basis, except for freehold land and buildings which are stated at revalued amounts.

Functional and presentation currency

The financial statements are presented in euro, which is the Authority's functional currency.

2. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to all the periods presented, unless otherwise stated.

Income Recognition

- (a) Income from Government is recognized on an accrual basis.
- (b) Income from the provision of services is recognised in proportion to the stage of completion at the balance sheet date.
- (c) Interest income from investments is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses, or under the revaluation model, that is at their fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

After initial recognition land and buildings are carried under the revaluation model. Other property, plant and equipment are carried under the cost model.

Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a straight line basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Section 24 of GAPSE or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit or loss.



The depreciation rates charged are as follows:

	%
Buildings	1
Motor vehicles	20
Studio equipment	20
Fixtures, fittings and equipment	10 – 20
Technical equipment	25
Transmitting antenna	4 – 12

Land is not depreciated

Impairment

The carrying amounts of the Authority's property, plant and equipment and financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease in accordance with the applicable Section in GAPSE.

The carrying amounts of the Authority's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase in accordance with the applicable Section in GAPSE.

Financial assets and financial liabilities

Trade and other receivables

Trade and other receivables are carried at cost less any impairment losses (refer to accounting policy on impairment)

Trade and other payables

Trade and other payables are stated at their nominal value.

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes.

3. Income

Income represents amount receivable from the Government of Malta as subvention, licences from broadcasting organisations, investment and other income as follows:

	2012 €	2011 €
Government of Malta Subvention	583,500	587,500
Licences from broadcasting organisations	404,218	401,452
Investment income	10,012	8,763
Other income	33,335	30,675
	<u>1,031,065</u>	<u>1,028,390</u>

4. Deficit for the Year

This is stated after charging the following:

	2012 €	2011 €
Board members' and board secretary's compensation	95,447	94,651
Wages and salaries	643,625	626,465
Depreciation	72,659	79,349
Audit fees	1,600	1,600

Staff costs incurred during the year are analysed as follows:

	2012 €	2011 €
Board members honoraria	61,757	61,757
Board secretary's salary	33,670	32,999
Wages and salaries	595,243	580,830
	<u>690,670</u>	<u>675,586</u>
Social security contributions	48,382	45,530
	<u>739,052</u>	<u>721,116</u>

The average number of persons employed during the year, including board members, was made up as follows:

	2012 No.	2011 No.
Board members	5	5
Operations	25	29
	<u>30</u>	<u>34</u>



5. Property, Plant and Equipment

	Freehold Land €	Building & Improvements €	Transmitting Antenna €	Fixtures Fittings & Equipment €	Technical Equipment €	Studio Equipment €	Motor Vehicles €	Total €
At 01 January 2012								
Cost/revalued amount	160,270	1,862,680	691,654	435,018	177,365	192,128	57,881	3,576,996
Accumulated depreciation	-	(300,339)	(429,388)	(408,248)	(170,537)	(191,019)	(48,879)	(1,548,410)
Net book amount	160,270	1,562,341	262,266	26,770	6,828	1,109	9,002	2,028,586
Year ended 31 December 2012								
Opening net book amount	160,270	1,562,341	262,266	26,770	6,828	1,109	9,002	2,028,586
Additions	-	-	-	6,026	1,099	-	32,750	39,875
Disposals	-	-	-	-	-	-	(35,381)	(35,381)
Depreciation charge	-	(18,627)	(24,313)	(13,901)	(3,659)	(1,109)	(11,050)	(72,659)
Depreciation release on disposals	-	-	-	-	-	-	35,381	35,381
Closing net book amount	160,270	1,543,714	237,953	18,895	4,268	-	30,702	1,995,802
At 31 December 2012								
Cost/revalued amount	160,270	1,862,680	691,654	441,044	174,464	192,128	55,250	3,581,490
Accumulated depreciation	-	(318,977)	(453,701)	(422,149)	(174,196)	(192,128)	(24,548)	(1,585,688)
Net book amount	160,270	1,543,714	237,953	18,895	4,268	-	30,702	1,995,802

5. Property, Plant and Equipment (continued)

5.1 Land and buildings

Land and the transmitting antenna were revalued by an independent valuer on 25 March 1991 and 28 August 1991 respectively on an open market existing use basis.

The carrying amount of land and transmitting antenna that would have been included in the financial statements had these assets been carried at cost less accumulated depreciation and accumulated impairment losses is €1,525 (2011: €1,525).

5.2 Contractual commitments

The Authority is proposing to issue a tender in 2013 with respect to a 'Monitoring Multimedia Digital Capturing System'. The results of a request for information are being evaluated to enable the Authority to establish a close estimate of the expected cost of the system. Reports have been commissioned to MITA and the tender would require expertise technical knowhow to be properly adjudicated in line with the Authority's needs. The cost of this system which could vary substantially according to the specification's variant is estimated to be €200,000.

5.3 Fully depreciated fixed assets

Fully depreciated fixed assets still in use at the balance sheet date amounted to:

	2012 €	2011 €
Motor vehicles	-	35,381
Fixtures, fittings and equipment	393,893	343,610
Studio equipment	192,128	186,578
Technical equipment	167,885	128,730
Transmitting Antenna	146,025	145,206
	<u>899,931</u>	<u>839,505</u>

6. Trade and other Receivables

	2012 €	2011 €
Licences receivable	239,120	208,904
Other debtors	21,705	47,835
Prepayments and accrued income	8,788	13,905
	<u>269,613</u>	<u>270,644</u>

Debtors are stated net of a provision for bad debts amounting to €34,188 (2011: €2,328)



7. Capital Fund and Reserve Fund

These funds have been set up in accordance with Section 26 of the Broadcasting Act, 1991.

8. Revaluation Reserve

The revaluation reserve has arisen from a valuation carried out on land and transmitting antenna in 1991.

9. Accumulated Reserve

The accumulated reserve represents net accumulated deficit

10. Trade and Other Payables

	2012 €	2011 €
Accruals and deferred income	<u>242,176</u>	<u>246,260</u>

11. Cash and Cash Equivalents

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	2012 €	2011 €
Cash at bank and in hand	<u>517,403</u>	<u>551,312</u>

12. Commitments and Contingencies

Details of the Authority's commitments at the balance sheet date have been disclosed in note 5 to these financial statements.

**SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2012**

**SCHEDULE 1
Income and Expenditure Account
Year ended 31 December 2012**

	2012	2011
	€	€
	<hr/>	<hr/>
Income		
Government contributions	583,500	587,500
Application fees	4,761	13,557
Licences	287,275	279,036
Rental fees receivable	51,628	48,305
Master Antenna facilities fees	60,554	60,554
Investment income	10,012	8,763
Other income	33,335	30,675
	<hr/>	<hr/>
	1,031,065	1,028,390
	<hr/> <hr/>	<hr/> <hr/>
Expenditure		
50 th Anniversary expenses	-	16,248
Administrative (schedule 2)	627,483	562,095
Research and communications (schedule 2)	91,254	105,781
Production (schedule 3)	2,491	3,043
Monitoring (schedule 3)	372,478	364,067
Technical (schedule 3)	999	1,880
	<hr/>	<hr/>
	1,094,705	1,053,114
	<hr/> <hr/>	<hr/> <hr/>



SCHEDULE 2**Administrative, Research and Communications Expenses**
Year ended 31 December 2012

	2012	2011
	€	€
Administrative Expenses		
Members' honoraria	61,757	61,757
Legal advisors' honoraria	5,824	5,824
Wages & Salaries	277,434	265,673
Staff training	2,132	1,810
Telecommunications	12,935	12,021
Water and electricity	26,765	15,070
Insurance	7,308	7,210
Stationery	5,641	8,005
Subscriptions and publications	2,029	1,954
International organisations membership fees	2,008	2,008
Repairs and maintenance	11,036	15,175
IT maintenance and support	6,622	6,187
Duty visits abroad	15,124	4,119
Transport	10,204	9,894
Rentals of radio & TV sets	6,747	7,128
Staff health scheme	20,581	16,654
Sundry expenses	9,140	8,760
Auditors' remuneration	1,600	1,600
Legal and professional fees	4,955	1,508
Gharghur site running costs	41,192	41,330
Depreciation	67,889	66,080
Increase in provision for bad debtws	31,860	2,328
Gain on disposal of tangible fixed assets	(3,300)	-
	627,483	562,095
Research and Communications Expenses		
Wages and salaries	41,383	41,833
Audience and qualitative research study	40,138	36,291
Seminars and conferences	-	21,785
Public relations	3,560	3,414
Advertising	631	858
Broadcasters' training and support	250	1,600
BA reports and publications	5,292	-
	91,254	105,781

SCHEDULE 3
Departmental Expenses
Year ended 31 December 2012

	<u>2012</u>	<u>2011</u>
	€	€
Production Department		
Wages and salaries	150	-
TV political broadcasts	1,232	1,933
Depreciation	<u>1,109</u>	<u>1,110</u>
	<u><u>2,491</u></u>	<u><u>3,043</u></u>
Monitoring Department		
Wages and salaries	367,003	344,505
Purchase of audio tapes and DVD's	1,791	7,357
Repairs and maintenance	25	46
Depreciation	<u>3,659</u>	<u>12,159</u>
	<u><u>372,478</u></u>	<u><u>364,067</u></u>
Technical Department		
Repairs and maintenance	228	672
Technical assistance	<u>771</u>	<u>1,208</u>
	<u><u>999</u></u>	<u><u>1,880</u></u>

