



НАЦІОНАЛЬНА РАДА УКРАЇНИ
З ПИТАНЬ ТЕЛЕБАЧЕННЯ І
РАДІОМОВЛЕННЯ



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Public broadcasting in Ukraine: remit and financing

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Legislative background

July 1997 Law of Ukraine “On the System of Public Television and Radio Broadcasting of Ukraine” (No. 485). *This Law became inoperative under the Law No. 1227 of 17 April 2014*

April 2001 Order of the President of Ukraine “On the Working Group on Organization of Public Television and Radio Broadcasting of Ukraine” (No. 98)

February 2008 Decree of the President of Ukraine “On the Measures for Establishing the System of Public Television and Radio Broadcasting of Ukraine” (No. 148)

May 2008 Order of the Cabinet of Ministers of Ukraine “On Establishment of the Working Group on Studying and Support of Solution the Issues Concerning Establishing the System of Public Television and Radio Broadcasting of Ukraine” (No. 694)

September 2009 Decision of the National Security and Defence Council of Ukraine “On the Concept of establishing the System of Public Television and Radio Broadcasting of Ukraine and the Progress of Digital Broadcasting Introduction”

November 2014 the Cabinet of Ministers of Ukraine adopted the Decree on establishment of the Public Joint Stock Company “National Public Broadcasting Company of Ukraine” (Decree No. 693)

March 2015 Law of Ukraine “On Amending Certain Laws of Ukraine Concerning Public Television and Radio Broadcasting of Ukraine” (No. 271)



National Public Broadcasting Company of Ukraine (NPBCU)

100% of the NPBCU are state-owned

Commitments concerning broadcasting:

- at least on two nationwide broadcasting channels of the multichannel on-air television network - social, political, cultural and educational;
- on regional broadcasting channels of the multichannel on-air television network;
- at least on three general nationwide on-air radio channels – social, political, cultural, educational, youth.

The NPBCU is a public company established on the basis of the National Television Company of Ukraine, the National Radio Company of Ukraine, the State TV&Radio Company “Culture”, regional state TV&Radio companies, the State TV&Radio Company “Crimea”, state owned entities of the Kyiv State Regional TV&Radio Company, the Sevastopol Regional State TV&Radio Company, the **Novgorod-Seversky** Regional State TV&Radio Company “Siverska”, the Kryvyi Rih Regional State TV&Radio Company “Kryvorizhzhia”, the Ukrainian Studio of Television Films “Ukrtelevision”.

NPBC is the entity of the national importance. Alienation, transfer (other than short-term lease), privatization of real estate, unfinished constructions, land property on which they are located, as well as shares owned by the state in the authorized capital of the NPBCU are prohibited.



Administrating bodies of the National Public Broadcasting Company of Ukraine

Steering Committee

The Steering Committee defines the main areas of the NPBCU activity, approves the editorial statute and monitors its implementation, elects the Members and the Chairman of the Board and the Audit Commission.

The Steering Committee of the NPBCU is composed of representatives from the parliamentary factions and groups of the Verkhovna Rada of Ukraine of the current convocation and nine members from NGOs and broadcasting associations that perform in the following areas:

- 1) in the education and science area;
- 2) in the area of ethnic minorities rights enforcement;
- 3) in the area of physical education and sport;
- 4) in the area of journalism;
- 5) in the area of human rights protection;
- 6) in the area of children and youth interests protection;
- 7) in the artistic sector;
- 8) in the local government area;
- 9) in the area of disabled people rights protection .

The National Council is responsible of the formation of the Steering Committee from the NGOs and associations through holding the related conferences.



The Board of the National Public Broadcasting Company of Ukraine

The Executive body of the NPBCU is the Board, which is accountable to the Steering Committee of the NPBCU and:

- manages the daily operations of the NPBCU;
- develops proposals to the draft financial plan of the NPBCU;
- organizes execution of decisions of the Steering Committee of the NPBCU etc.

The NPBCU Board is headed by the Chairman that organizes the work of the Board, chairs its meetings; commits transactions on behalf of the NPBCU; provides NPBCU staffing, forms succession pool for the relevant positions, organizes training, retraining and professional development of the NPBCU staff; acts with full authority on behalf of the NPBCU within the limits set by the NPBCU Statute etc.

The NPBCU Chairman is elected on a competitive basis for the four years. The Board Members are elected on the NPBCU Chairman proposals. The Board Members should conclude relevant contracts.



The Board of the National Public Broadcasting Company of Ukraine (continuation)

The Audit Commission of the NPBCU

The Audit Commission is the body of the NPBCU that controls financial and economic activities of the NPBCU Board.

The Audit Commission is elected by the Steering Committee of the NPBCU for four years. The procedure of the Audit Commission forming as well as requirements for the Members and the Chairman of the Audit Commission are set in the Provisions on the Audit Commission of the NPBCU that are approved by the Steering Committee of the NPBCU



Principles of activity, guarantees of independence of the National Public Broadcasting Company of Ukraine

The NPBC activity is carried out based on the following principles:

- 1) comprehensive, impartial and balanced information about socially significant events in Ukraine and abroad;
- 2) compliance with public morals, traditions and culture of the Ukrainian People, spread of family values and strengthening the role of the traditional family in the development of the Ukrainian society;
- 3) the priority of public interests over commercial and political ones;
- 4) clear separation of facts from comments and assessments;
- 5) free expression of opinions and beliefs;
- 6) independence of management and current activities from the state governmental authorities, local governments, their officials and officers, political parties, businesses, institutions, organizations and individuals;
- 7) public participation in governance, programme policy formation;
- 8) the absence of discrimination on any ground;
- 9) transparency and openness of the activity.

It is prohibited to interfere the NPBCU activities for the state governmental authorities and local governments, their officials and officers, as well as NGOs with the aim to establish censorship, prior control and illegal influence on the content that spreads by the Public Television and Radio of Ukraine.



Licensing

Legal requirements for the NPBCU broadcasting licensing

— the NPBCU receives broadcasting licenses through licenses reissuance, licensing terms and conditions meet terms and conditions of licenses (including the list of broadcasting channels), owned by the state broadcasters, included in the NPBCU.

- Reissuance of licenses is carried out on non-competitive basis based on the application submitted by the NPBCU to the National Council.
- Previous licenses of the relevant state broadcasters shall be cancelled.
- The validity of the broadcasting license is seven years.
- Extension of the license for the NPBCU is to be made according to the standard procedure provided by the legislation in the area of television and radio broadcasting.
- Reissuance of broadcasting licenses is free of charge.

Suggestions for the NPBCU development according to the Draft Plan of the National Television and Radio Space Development

- Increasing the number of programs in the MX-1, MX-2, MX-3 multiplexes upon the approval of the state DVB-T2 standards and the Methods of measuring digital signal coverage areas.
- Introduction of the additional MX-4 and MX-7 multiplexes.
- Providing of three channels in multiplex for Ukrainian radio programs.
- Calculation of FM frequencies for radio broadcasting.



Advertising

During the first four years since the NPBCU established

- broadcasting of advertisements, teleshopping, messages about sponsors on broadcasting channels of the NPBCU during each clock hour and nautical day of actual broadcasting may not exceed the scope set by the law.

During the fifth year of broadcasting

- the amount of advertising, teleshopping, messages about sponsors may not exceed 10%, and during the election process - 15% of the actual amount of broadcasting during nautical day. The amount of advertising during each clock hour of actual broadcasting may not exceed 15%, and during the election process - 20%.

Onwards the sixth year of broadcasting

- the amount of advertising, teleshopping, messages about sponsors may not exceed 5%, and during the election process - 10% of the actual amount of broadcasting during nautical day. The amount of advertising during each clock hour of actual broadcasting may not exceed 10%, and during the election process - 15%.

The social advertising in the NPBCU programs is allowed subject to the absence of pointing it to a specific subject (brand), the official, product. The time limits do not apply for such advertising.

Broadcasting of advertisements, messages about sponsor that is the alcoholic beverages manufacturer is prohibited, except of broadcasting of advertisements and messages about sponsors that are acquired with the right of the international sports competitions broadcasting.



Financing

The NPBCU can be financed through:

- sales of own television and radio productions, payments for the use of copyright and related rights;
- state and local budgets;
- subscription fees paid for the NPBCU services according to the procedures set by the Cabinet of Ministers of Ukraine;
- other incomes that are not prohibited by the law.

The NPBCU is financed from the State Budget of Ukraine for the first four years since the date of the relevant law entry into force. The amount of the budget financing of the NPBCU is determined by the Law on the State Budget for the relevant year.

State funding of the NPBCU is not less than 0.2% of expenditure of the general fund of the State Budget of Ukraine for the previous year.

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