

# 41<sup>st</sup> EPRA meeting Berne, 14-15 May 2015

### **Working Group 2:**

# Public Service Content in a Multiplatform Environment: Focus on Remit & Financing

# Summary of the discussion Maja Cappello, European Audiovisual Observatory

**Moderator:** Celene Craig, EPRA Vice-Chairperson

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**Content** 

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# **Background**

Since the Plenary session at the 37<sup>th</sup> EPRA meeting in Krakow in 2013<sup>1</sup> the "Broadcasting communication" of 2009<sup>2</sup> which revisited the previous Communication of 2001 on the application of State aid rules to public service broadcasting, in consideration of the development of new digital technologies and of Internet-based services, has entered a very lively phase.

About half of the Member States have implemented the renewed indications from the EU Commission in their national systems. Since the regulatory tool chosen by the EU Commission is not a binding instrument, the selection of the responsible institutions and the required procedures clearly reflect the lack of harmonisation.

The aim of the working group, which will develop over two EPRA meetings – the first in Berne on "remit and financing", the second in Bucharest on "prominence and findability" – is to get an overview of the situation and explore in which ways regulators are or could be involved in the process.

#### Questions addressed:

- Are there any best practices as to how to carry out the public value test?
- Convergence leads to fast development of new services. How has the experience been so far with the definition of "new significant services"?

<sup>&</sup>lt;sup>1</sup> See Background document prepared by Susanne Nikoltchev, Different Shades using New Opportunities, available at http://epra3-production.s3.amazonaws.com/attachments/files/2154/original/PSM\_Nikoltchev\_final\_2405.pdf?1369379131

<sup>&</sup>lt;sup>2</sup> Communication from the Commission on the application of State aid rules to public service broadcasting, 2009/C 257/01, available at <a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2009:257:0001:0014:EN:PDF">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2009:257:0001:0014:EN:PDF</a>.

- What role do regulators play when involved and is it desirable to strengthen their position in case their role is not foreseen?
- Would regulators consider that there would be a value in having guidance or standard models at the EU level for the conduct of Market Impact Assessments (MIA) and Public Value Tests (PVT)?

### Key findings from the discussion

The discussion was introduced by three overview presentations which sat the scene on the regulatory framework and case-law at European level, the main principles concerning remit and financing and the state of the art across Europe when it comes to figures and statistics, and by two case studies which allowed comparing the two very different realities of Ukraine and Italy.

During the presentations the following aspects were highlighted:

- the absence of binding rules is clearly reflected in the great variety of national solutions when it comes to their implementation. Considering the specific relevance of the exercise of assessing public service financing in the light of state aid rules, particular attention was paid to the practice of the European Commission and to the tests already carried out;
- the importance of having a stable and adequate level of funding, which is perceived as both fair and justifiable and responds to criteria of transparency, accountability and independence from the Government, was highlighted;
- the comparison between the performances of public and commercial broadcasters was also addressed, with a particular attention to the evolution and the exchange of data among countries both with regard to the fees and to the services being financed.

The variety of procedures and involved institutions was discussed as well, and interventions from the floor focused on the following points:

- the definition of the public service remit may vary quite significantly among countries: the
  Dutch regulator reported, for example, that it had been suggested and publicly debated to
  remove entertainment from the scope of public service remit in the Netherlands; however so
  far no legal amendments have been adopted for this purpose;
- the institutions responsible for the public value test are often of different nature in the various countries it might be regulators, ministries, special bodies as well as the duration and the cost of the procedures, which appeared evident from experiences reported about by the Norwegian and the British regulators;
- the issue of standard-setting was discussed in depth, but it appeared that national experiences and resources vary so much that harmonisation did not seem desirable, whereas the freedom to adapt the public value test to the national circumstances was perceived as more valuable;
- even though there was a certain consensus on the fact that one single model might not work, also because of the breadth of research needed, an exchange of best practices, also to facilitate a common understanding of the main concepts, was seen as a potentially fruitful exercise.