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Country report – Iceland

„New“ members of The Media Commission

The four year term of the first Media Commission in Iceland came to an end in September this year and the Minister of Education, Science and Culture appointed five persons to the Media Commission for terms of another four years. The „new“ Media Commission consist of the same five members as before with the only change that Hulda Árnadóttir now holds the position of deputy chairman instead of Vilhjálmur H. Vilhjálmsson. The chairman of the Commission is still Supreme Court Attorney Karl Axelsson. He is on the other hand being considered for the position of a judge at The Supreme Court of Iceland, which means that if he will get appointed, the Media Commission will be getting a new chairman before the end of this year.

Review of the role and structure of Icelandic Regulatory Authorities

Two working groups, appointed and assigned by two different ministries, have been reviewing the role and structure of Icelandic Regulatory Authorities, including the Media Commission.

1. The Working Group on Regulatory Authorities

In July 2014 the Prime Minister appointed a working group whose task is to review the laws, regulations and administration of important regulatory authorities and evaluate how principles of good regulation and practice are met with the object of simplification, consistency and efficiency.

The group is e.g. expected to formulate a criteria for the operation and structure of the regulatory authorities, as well as to evaluate how the law and administration of the authorities fulfil such criteria. In its final report to the Prime Minister the group is expected to suggest ways of improving good regulation and practice and to ensure that regulatory tools and institutions are effective in contributing to good regulation and economic performance, as well as to assess their cost-effectiveness.

The working group was expected to complete its work on March 1st 2015 but only the first chapter of its final report has yet been introduced. On September 18th the Prime Minister's Office introduced the appointment of yet an another committee which is supposed to put forward a proposal regarding the merger of regulatory authorities and regulatory projects among other things. The six members of the committee are lawyers and experts from three ministries; the Prime Minister's Office, the Ministry of Finance and Economic Affairs and the Ministry of Industries and Innovation, as well as two representatives from the Associations of the Industry.



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2. Potential merger of four Regulatory Authorities in Iceland

In September 2014 the Minister of Education, Science and Culture assigned Capacent, a leading research and consultant company in Iceland, to conduct a feasibility study to determine the feasibility of the merger of four regulatory authorities: The Icelandic Media Commission, the Post and Telecom Administration in Iceland, The Icelandic Competition Authority and the monitoring part of the National Energy Authority in Iceland. The model of such a major merger of regulatory authorities is to be found in Spain.

Capacent was expected to provide an overview of the operations of the four regulatory authorities and identify „make or break“ issues regarding the potential merger, including possible financial advantages. The Media Commission's first meeting with Capacent's consultants took place in December 2014 and a second meeting took place in March 2015. The final report was supposed to be published in June, but has not been published yet.

Budget cuts for the Icelandic National Broadcasting Service (RÚV)

The Icelandic National Broadcasting Service, Ríkisútvarpið (RÚV), experienced substantial budget cuts in 2014, since the Icelandic Government decided to cut the annual television license fee of the public broadcaster, paid by households in Iceland, from January 1st 2015. Another cut of the television license had been announced for the budget year of 2016. However, the Minister of Education, Science and Culture recently made a public announcement that he would like to cancel the 2016 budget cuts. That change of plans has however not been confirmed by the Ministry.

The Chairman of the Board of RÚV has said that due to the proposed budget cuts RÚV will have to modify its programming plans, cut back on programme budgets and possibly make large numbers of staff redundant. It will also be necessary to lower debts, e.g. by selling properties, including the headquarters of the public broadcaster in Reykjavík. Furthermore the Board has stressed that the new Act on the Icelandic Broadcasting Service which was passed in 2013, limits RÚV's sources of advertising and sponsorship. These limits have reduced RÚV's income dramatically and thus limited its capacity to fulfil its public service obligations.

Annual evaluation of the Public Service Broadcaster's fulfilment of its public service obligations

The Media Commission carries out the supervision according to the Act on the Icelandic National Broadcasting Service, a public-service medium No. 23/2013 and is required by law to carry out annually an independent assessment of whether RÚV has fulfilled its public service remits. Since budget cuts have restricted RÚV's ability to maintain its public service it will be



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difficult for the Media Commission to make a realistic and reasonable assessment of the public service broadcaster's performance in that respect. Another problem regarding the annual assessment is due to the fact that the staff at the Media Commission consists of only two employees.

Guidelines on the protection of minors

Following several cases from 2011 involving unsuitable pre-watershed broadcasts, the Media Commission introduced guidelines on the protection of minors for the use of audiovisual media service providers in June this year. This is in line with the Commission's statutory duty to protect minors under the age of 18 from content that might seriously impair the physical, mental or moral development of minors and from content that is likely to impair the physical, mental or moral development of minors.

The guidelines include the Media Commission's interpretation of Article 28 (the Watershed Article) in the Media Act No. 38/2011. The watershed in Iceland is from 9 pm to 5 am on weekdays and from 10 pm to 5 am on Fridays and Saturdays. The guidelines are meant to clarify that content that is broadcast after the watershed is primarily considered to be content that is not suited for children under the age of 12. The guidelines also make clear the genres and types of content broadcast before and after the watershed that require particular care in order to comply with the law.

The Media Commission consulted the stake holders before publishing the guidelines and gave them the opportunity to provide comments. The Commission received comments from a few stakeholders.

Guidelines on the prohibition of surreptitious commercial communication / Guidelines on sponsorship and product placement in audiovisual media content.

The Media Commission has also introduced guidelines on the prohibition of surreptitious commercial communication and on sponsorship and product placement in audiovisual media content. This is in line with the Commission's statutory duty to monitor the content and presentation of audiovisual commercial communication and to a certain extent of commercial communications in printed media and web media (electronic text media).

The guidelines include the Media Commission's interpretation of how the media service providers should make commercial communication distinguishable from editorial content. Furthermore, the guidelines also include explanation about the ban on alcohol advertisements and other things. The Media Commission consulted the stake holder before publishing the guidelines. The Commission is still gathering comments from the stake holders.



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Efforts against the illegal advertising of alcoholic beverages

The Media Commission made several efforts aiming at preventing and putting an end to the direct and indirect advertising of alcoholic beverages. Such efforts can be seen in the Media Commission's decision No. 4/2015 regarding the illegal commercial communication of alcohol beverages in newspaper DV's extra paper named „Beer“. Also in the decision No. 5/2015, regarding the illegal commercial communication of alcohol beverages and surreptitious advertising in the newspaper Fréttablaðið's extra paper „Beer culture in Iceland“. Similar cases against several Icelandic media services are still ongoing.

Media literacy

Media literacy is still a relatively new field in Iceland and sufficient educational material in Icelandic has not yet been developed. The Media Commission issued a handbook for parents in April this year, called *Börn og miðlanotkun* (Children and the Media), in cooperation with the Parents Association in Iceland with financial support from the Ministry of Education, Science and Culture. The publication was based on a handbook produced by the National Audiovisual Institute (KAVI) in Finland, Aikakausmedia, Lastenlinkit.fi, The Association of Finnish Lions Clubs, the Mannerheim League for Child Welfare and the Finnish Communications Regulatory Authority. It was translated and localized by the Media Commission's staff.

Events and forums

The Media Commission has organized several forums in the last 12 months, where the topics included editorial independence, freedom of expression and the role of the media during electoral process.

IMMI, The International Modern Media Institute

IMMI was founded in 2011 with the aim of bringing together the best functioning laws in relation to freedom of information and expression reflecting the reality of borderless world and the challenges that it imposes locally and globally in the 21st century. IMMI is fully independent from the state and the corporate sector and is largely based on volunteer-work. The institute is founded first and foremost on the back of its namesake parliamentary resolution (Icelandic Modern Media Initiative) which was unanimously adopted in the Icelandic Parliament on the 16th of June 2010, with the aim of making Iceland a journalistic safe haven, protecting both freedom of expression as well as freedom of information. This is to be done by i.e. introducing Source Protection, Whistle Blower Protection, Communications Protection, Process Protection and Libel Tourism Protection.



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IMMI's activities have been limited since 2013, e.g. due to the fact that IMMI did not receive any funding. That has changed and the Minister of Education, Science and Culture has recently assigned a new steering committee that will continue working on the Iceland Modern Media Initiative. Several experts from different Ministries and political advisors to Ministers have been appointed to the steering committee, as well as the director of the Media Commission.

Bankruptcy of SMÁÍS and enforcement of the Act on the Monitoring of Children's access to Films and Computer Games No. 62/2006

SMÁÍS, the organization of the responsible parties, according to the Act on the Monitoring of Children's access to Films and Computer Games No. 62/2006, went bankrupt in August 2014 and its Director was charged with embezzlement. The parties responsible for enforcing the law are those who produce films or video games, for viewing or sale in Iceland, or who offer film or video games for viewing, rent, sale or other type of distribution, for commercial purposes in Iceland. The Media Commission carries out the supervision according to the law.

The responsible parties are obliged by Article 3 of the Act No. 62/2006 to set themselves rules of procedure with respect to the rating of films, based on internationally-recognised rating systems for films and video games and make the rules publicly available.

In 2014 the Media Commission's director found out by coincidence that SMÁÍS had never signed a contract with NICAM, Netherlands Institute for the Classification of Audio-visual Media, although SMÁÍS' Director had claimed otherwise.

A new organization, FRÍSK, was formed on behalf of the responsible parties in October 2014. Its website, www.kvikmyndaskodun.is, with information on age ratings, was down for a few weeks but is now available online again.

At first FRÍSK and the Media Commission disagreed on the interpretation of Article 2 in the Act no. 62/2006. FRÍSK wanted to use the NICAM system without using the same age recommendations. The Media Commission's interpretation of the law is that the responsible parties should use the actual age recommendations of the internationally-recognised rating system and add an age recommendation of 18 years, since 18 is the age of majority in Iceland.

A contract with NICAM was finally signed in February 2015. FRÍSK recently informed the Media Commission that the responsible parties have decided to use the same age ratings as NICAM: All ages, 6 years, 9 years, 12 years and 16 years and also add an age recommendation of 18 years due to the age of majority according to Icelandic law.

Digital switch-over



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Iceland completed the digital switch-over of terrestrial television on February 2nd 2015 when the public service broadcaster, RÚV, closed down its analogue terrestrial television broadcast network.

Proposed amendments to the Media Act on the obligation to provide Icelandic subtitles to all television programmes for persons with impaired hearing conditions

Several MP's have proposed changes to the Media Act with the purpose of making media services more accessible by persons with impaired hearing. The proposed changes would oblige media service providers to provide Icelandic subtitles to all television-programmes, both Icelandic programs and programs of foreign origin, including live broadcasts.