

[NO] Ministry Proposes Relaxing Commercial Restrictions on Public Service Broadcaster NRK

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In a discussion paper circulated to concerned parties on 2 December 1998, the Norwegian Ministry of Culture proposes that the public service broadcaster Norsk rikskringkasting (NRK) should be allowed greater freedom to enter into commercial activities, on condition that the public service programme profile "will not be commercialised" and that business activities are not cross-subsidised from license fee income. Revenues from such activities must be recirculated into strengthening programme production.

Current legislation prohibits advertising in NRK transmissions, i.e., in the two nation-wide television channels NRK1 and NRK-TO, as well as in radio channels P1, P2, and P3. If incorporated into the Broadcasting Act of 1992, the new proposals will allow the NRK to finance other activities from commercial sources: Advertising may be allowed on NRK teletext service, as these signals are not defined as broadcasting, even if transmitted along with the public service programmes. In the future the NRK may also be allowed to establish new commercially financed channels, provided that Parliament has given its consent.

Of more immediate importance is the proposal to allow the NRK, through its wholly-owned business arm NRK Activum AS, to participate in international ventures. The broadcaster will not be allowed to own, operate or hold shares in advertising-financed channels which are inside Norway or are beamed directly towards Norway, but may operate or own shares in such channels if they are located abroad, or if they are of a general character, like Eurosport. It could also establish, or co-operate with international or national partners in establishing, pay-TV channels.

The Ministry's proposals are launched with clear reference to the NRK's need to be able to compete on an equal footing in the new media landscape, if it is to be able to fulfil its public service remit.

