

## [AT] Amendment to Broadcasting Act Adopted

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On 27 June 2001, the Austrian National Assembly's Constitution Committee adopted a far-reaching amendment to the Rundfunkgesetz (Broadcasting Act), which regulates the Österreichische Rundfunk (Austrian Broadcasting Corporation - ORF). The Act, which will in future be known officially by its abbreviation "ORF-Gesetz", was passed by the plenary National Assembly on 5 July 2001.

The amendment will impose a new legal status on the ORF, which will become a public law foundation by 1 January 2002. Its official role will be to provide a universal broadcasting service for the benefit of the general public. In order to preserve the ORF's independence, the foundation will not be privately owned.

Under the new Bill, the ORF will be run by a Foundation Board, a Director General, a Public Council and a Monitoring Committee. The composition of the future Foundation Board, which will be elected for a four-year term, is based on that of the current ORF Committee. However, the new Board will have much greater powers than the current Committee. In return, its members will have the same duty of care and responsibility as the board members of a joint-stock company. The Director General, who will replace the current General Manager, will have general authority to issue directives. He will be appointed for a five-year term by means of a simple majority vote by the Foundation Board, although as before, a two-thirds majority will be required to remove him from office. The ORF's management bodies may no longer include MPs, regional administrative officials, employees of political parties, parliamentary associations of MEPs and educational institutions, or ministry staff. The Bill stipulates that the ORF will be under the legal responsibility of the Bundeskommunikationssenat (Federal Communications Authority).

The universal service is defined in two parts: technical aspects and programme content.

On the technical side, the ORF will continue to broadcast three nationwide and nine regional radio stations as well as two national TV channels. It can also provide a foreign service with a public Internet service. The universal service also includes teletext and online services linked to radio and TV stations. As well as traditional public service broadcasting activities, the ORF is allowed to carry out commercial, profit-oriented projects (eg broadcasting specialist channels).

However, the organisation of and accounts relating to these activities must remain separate from those of the ORF's public service activities, as the EU requires. Income from commercial channels must not be used to support the universal service. The ORF may set up subsidiaries to carry out its commercial activities, which incidentally must be approved by the Foundation Board.

The ORF's obligations regarding programme content have been overhauled and that content has been extended. It must, for example, promote understanding of European integration. The ORF is also required to provide programmes of consistent quality on all channels and, in particular, to offer a choice of high-quality programmes during peak viewing hours (8 to 10 pm).

Provisions relating to advertising and programme sponsorship will be stricter than before in many areas. Particular restrictions will apply to product placement and commercial breaks. The ORF will not be permitted to advertise its radio stations on its own TV channels and vice versa, apart from references to individual programmes. The explanatory memorandum to the Bill explains that these restrictions are necessary in order to give private TV broadcasters adequate funding opportunities.

***Bundesgesetz, mit dem das Bundesgesetz über die Aufgaben und die Einrichtung des Österreichischen Rundfunks (Rundfunkgesetz - RFG), BGBl. Nr. 379/1984, in der Fassung des Bundesgesetzes BGBl. I Nr. 32/2001 und das Arbeitsverfassungsgesetz 1974, BGBl. Nr. 22/1974, in der Fassung des Bundesgesetzes BGBl. I Nr. 14/2000 geändert werden***

*Federal Act amending the Federal Act on the role and organisation of the Austrian Broadcasting Corporation (Broadcasting Act RFG), Federal Gazette No. 379/1984, in the version contained in Federal Gazette No. 32/2001, and amending the 1974 Labour Constitution Act, Federal Gazette No. 22/1974, in the version contained in Federal Gazette No. 14/2000*

