

[DK] New Agreement on Media Policy

IRIS 2002-7:1/18

*Elisabeth Thuesen
Law Department, Copenhagen Business School*

On 3 June 2002, the Danish Government and the Dansk Folkeparti (Danish Popular Party) concluded a Mediepolitisk aftale for 2002-2006 (agreement on Media Policy for 2002-2006). The agreement will be politically binding from 3 July 2002 until 31 December 2006. It will have to be implemented by law in order to have legal force.

The Agreement is based on a booklet entitled "Kvalitet, klarhed og konkurrence. Danskernes radio og tv i fremtiden. Regeringens udspil til ny mediepolitik - maj 2002" ("Quality, Clarity and Competition. Radio and TV for the Danes in the Future. The Government Draft for a New Media Agreement - May 2002"). The booklet was issued on 13 May 2002 by the Minister of Culture, Brian Mikkelsen. The main points of the Agreement are as follows:

- In light of increased globalisation and competition on the international media market, the Government has stated its intention to liberalise the radio and television regulatory framework. Quality requirements have to be laid down in simple and precise public service contracts with the existing public service broadcasters, Danmarks Radio (DR) and TV2. The broadcasters have to compete, and free competition in the advertising and publicity market has to be introduced. The public service based on Danish language and culture has to be supported and a solid private commercial media sector has to enjoy the best possible conditions for its activities as well. The regulation of regional and local broadcasting activities has to be liberalised.

- Concerning DR, the public-service contract between it and the government shall include provisions on film and music production. It will be required that 21% of programme production be provided by independent producers, in particular in relation to contributions to Danish film production and to orchestra and choir programmes. DR shall be managed by a board of directors. Six members of the Board will be appointed by the Folketinget (Parliament); three by the Minister and one by the permanent DR-staff.

- TV2 shall be established as a State company with limited liability and will have to be converted into a private limited company as soon as possible. TV2 will still have to comply with public service obligations, but such requirements shall be limited to programmes dealing with news and current affairs. However, special

obligations shall be imposed in relation to programmes for children, as well as drama, film and similar programmes. The Agreement includes a repurchase clause, in case the future owner of TV2 intends to resell the company. TV2 receives the full income from advertising relating to broadcasting activities on the national as well as on the regional level. The regional TV2 broadcasters shall operate as economically independent institutions financed by the payment of licence fees and placed as "windows" in the TV2 broadcast area.

- The local commercial broadcasters shall only be obliged to transmit local news for half-an-hour daily, instead of the actual requirement of a daily hour of news. "Grass roots" programmes broadcast in the "grass-roots windows" shall be moved from the attractive evening slots to daytime broadcasting before 15.00h, corresponding to the local television broadcasting possibilities which are available at DR.

- In order to break the monopoly of DR, a fifth radio channel with public service obligations will be established, as well as a sixth radio channel. Licences for both channels shall be offered to commercial broadcasters.

- The rules on advertising and sponsorship shall be liberalised and shall correspond to the minimum requirements of the EU "Television without Frontiers" Directive. Television advertising for beer and for medicine that is available without a prescription shall be permitted. However, certain restrictions on advertising will remain. It will still be prohibited to interrupt programmes with advertising blocs. Special regard will be given to the protection of children against misleading advertising. Advertisements for alcohol, medicine and vitamins and other food supplements, etc., may not be placed around children's and youth programmes.

- In order to make television and digital television services available to the whole Danish population, a commercial digital broadcasting network shall be built up, managed and distributed to broadcasters by a commercial "multiplex"-operator, a so-called "gatekeeper".

- The licence payment shall be regulated according to price and wage increases. The payment will decrease when TV2 is converted into a private company.

The intention of the Government to increase competition within the radio and television sector is supported by the Konkurrenceredegørelse 2002 (Competition Report 2002), issued by the Konkurrencestyrelsen (Danish Competition Authority) on 22 May 2002. The Report states in Chapter 5 on TV that actual competition in the Danish television market is weak.

"Agreement on Media Policy for 2002-2006", 3 June 2002

http://www.kum.dk/kum.asp?lang=1&color=2&file=./dk/2_STD_2815.asp

"Konkurrenceredegørelse 2002"

<http://www.ks.dk/publikationer/2002/kr2002/forside.htm>

