

## [GB] Regulator Rejects Appeal Against Decision that Programme Funding by the European Commission Breaches Sponsorship Code

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The Independent Television Commission has rejected an appeal against an earlier decision by its staff that European Commission funding for a programme on the Euro breached its Sponsorship Code (see IRIS 2000-10: 7). The programme was in CNBC's "Euro Change" series, which had been partially funded by the European Commission. According to the Independent Television Commission's staff, it was a current affairs programme, and under the Code of Programme Sponsorship current affairs programmes may not be sponsored. This prohibition is to ensure that news and current affairs programmes are both free from external influence and clearly seen to be free from such influence.

CNBC Europe maintained that the programme was not current affairs, and that the ban on sponsorship was not relevant to the European Commission as the latter is a "public administration" and not a "public undertaking" in the context of the "Television Without Frontiers" Directive underpinning the Code. Moreover, the European Commission was not promoting itself or the Euro and so was not sponsoring the programme.

The Independent Television Commission distinguished between current affairs programmes and instructional programmes to consumers which may be sponsored, or public information advertisements and programmes which may be funded by the UK Government, the European Commission or other public bodies so long as they are purely informational, impartial and properly labelled. It concluded that in a UK context the programme was a current affairs programme, defined in the Code as including the explanation and analysis of current events and issues, or material dealing with political controversy or current public policy. The Code also defines a sponsor as "any organisation or person, other than the broadcaster..., who is sponsoring the programme in question with a view to promoting their goods or services." This was consistent with the Directive, especially as the purposes of the European Commission's funding programme were described as including "increasing confidence" in the Euro. Therefore the European Commission was seeking to promote its activities through sponsorship.

The Independent Television Commission stressed that it was of paramount importance that news and current affairs programmes are editorially independent and not subject to sponsorship by governments or any other body. However,

public bodies such as the European Commission could fund instructional programmes to consumers, non-political advertisements (such as those on road safety and fire prevention) and public information films, so long as the latter are informational and impartial rather than controversial and are properly labelled.

***"ITC Reminds Broadcaster: No Sponsorship of Current Affairs Programmes", Independent Television Commission News Release 21/03, 31 March 2003***

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