

# [CY] New Law Regulates State Aid to Public Broadcaster

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In July 2003, the House of Representatives approved CyBC Amendment Law (No. 2) of 2003 regulating state aid received annually by the national public broadcaster

the Cyprus Broadcasting Corporation (CyBC).

The new law fully harmonises national legislation with the relevant European *acquis* and more specifically with the provisions of Articles 86 and 87 of the European Community Treaty, the Amsterdam Protocol, the relevant Communication issued by the Commission (OJ No. C 320 of 15. November 2001) and Directives 80/723/EEC (OJ. No. L 195 of 29. July 1980) and 2000/52/EC (OJ No. L 193 of 29 July 2000).

The main provisions of this Law include:

- A precise definition of the term "public radio/television service";
- The assignment to the CyBC by the Republic of Cyprus of the provision of the above-mentioned service;
- A clarification that the CyBC may engage also in commercial activities provided they do not endanger the fulfillment by the Corporation of the general economic interest service mission;
- A condition that the CyBC may not use state aid in ways which compromise the competitiveness of other broadcasters in the national audiovisual sector;
- A condition that the CyBC keeps separate accounts for its commercial and general economic interest activities, which should be available to the public;
- The CyBC will no longer be exempt from the payment of income tax;
- The monitoring of the implementation of the provisions of this law and regulations issued under it have been assigned to an independent authority;
- The auditing control of the Auditor General is extended in order to cover the use by CyBC of state aid in accordance with the provisions of this Law.

Regulations issued under this law shall define more precisely the content of the "public radio/television service" to be provided by CyBC.

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*Law No 116 (I) of 2003 on Amendment (No 2) of the Cyprus Broadcasting Corporation Law (State Aid); Official Government Gazette Annex E.E. I (1) No. 3743, 25. July 2003*

