

[HU] Publication of a Concept Paper on a New Media Act

IRIS 2003-10:1/14

*Márk Lengyel
Körmendy-Ékes & Lengyel Consulting, Budapest*

The Miniszterelnöki Hivatal (Prime Minister's Office PMO) has published a concept paper proposing fundamental principles for a new media act. The planned act is intended to replace Act No I of 1996 on Radio and Television Services (Broadcasting Act), which currently regulates broadcasting activities in Hungary.

The concept paper was elaborated by three experts invited by the PMO. The authors of the document stated that they regard the paper, which is approximately 50 pages long, as a basis for future professional discussions.

The document consists of six chapters dealing with questions relating to:

- the institutional structure of public service broadcasting and media supervision;
- the regulation of commercial and non-profit broadcasting;
- advertising and sponsorship;
- cable networks as a means of programme distribution;
- matters of cross-ownership and media concentration;
- digital broadcasting.

The concept paper inter alia proposes the introduction of a unique, new system of regulatory bodies. According to this proposal the Országos Rádió és Televízió Testület (National Radio and Television Commission ORTT), the independent regulatory authority for the media established by the Broadcasting Act, would be liquidated, and its functions would be transferred to four separate institutions. One of these is the already existing Hírközlési Fofelügyelet (Telecommunications Authority), the three other organs are to be set up new.

The paper also suggests the introduction of a complete ban on advertising in public service broadcasting. In return for the possibility to fill the gap left in the advertising market as a result of the withdrawal of public service broadcasters, the commercial broadcasters are expected to pay financial compensation. Beside this the paper does not suggest any other fundamental change to the present method of financing public service broadcasting, which is de facto a system of financing from the central state budget.

The document also proposes the abolition of public service obligations imposed on commercial broadcasters by the Hungarian legal regime currently in force.

As regards cross-ownership and media concentration the paper lists a set of provisions from the Broadcasting Act that it suggests should be abolished. The paper also proposes a more liberal manner of regulation to be imposed on cable operators, since according to the authors these enterprises do not produce content themselves therefore they cannot constitute a "monopoly of opinion" which would endanger media pluralism.

The recent publication of the document has stirred a public debate. Critics of the paper took note that the authors were still focusing on traditional ways of broadcasting instead of applying a technologically-neutral approach. Opponents of the proposal also noted, that among other debated suggestions the proposed transfer of licensing broadcasters from the independent ORTT to the government-supervised Telecommunications Authority could increase the danger of political influence on the media. It is also mentioned as a weakness of the document that it does not attempt to define the public service remit and the proposed system of financing these broadcasters would not reflect the actual tasks of these institutions.

