

[CZ] Advertising on Public-service Television Restricted

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The Czech Republic's Parliament has approved a new Act on television and radio licence fees, which will result in their being increased. In return, Czech public-service television will have to give up almost all its revenue from advertising.

The monthly television licence fee is currently CZK 75 (EUR 2.50). It is to rise initially to CZK 100, then from 1 January 2007 to CZK 120, and from 1 January 2008 to CZK 135. A radio licence currently costs CZK 37 per month and this will increase to CZK 45. Advertising on Czech radio is already subject to restrictions.

Advertising on public-service television may not currently occupy more than a fixed percentage of daily transmission time. Advertising including teleshopping can currently account for up to 10%. Between 7 pm and 10 pm (ie in prime time) advertising is restricted to six minutes per hour. From 1 January 2007, advertising excluding teleshopping will be allowed to occupy only 0.5% of daily transmission time; the permitted proportion including teleshopping will be 5%. From 1 January 2008 advertising on public-service television will be permitted only in connection with major cultural or sports events (before the start, after the event and during breaks), where acquisition of the right to broadcast the event depends on a commitment to carry the advertising.

A tougher approach is to be taken on the collection of licence fees. All individuals or legal entities with a connection to the electricity mains will be liable to pay, although it will be possible to seek exemption by declaring that there is no television or radio on the premises. A heavy surcharge will be imposed on those who conceal a television or radio, or who default on all or part of the licence fee. The revenue currently derived by public-service broadcasters from television advertising shall in future be spent on the development of digital television.

