

[ES] Law on the Funding of RTVE Corporation Adopted

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The draft law reforming the funding of the national public service broadcaster, the RTVE Corporation, presented to the Parliament in May 2009, was passed in August, after amendments were debated and considered during the summer (see IRIS 2009-8: 11). Law 8/2009 on the funding of the Spanish Radio and Television Corporation eliminates advertising as a source of income, instead proposing a new financial equilibrium to be achieved mainly through State subsidy and three different types of taxes. It also imposes additional public service obligations on RTVE.

The corporation will continue to derive revenue from an existing tax on the use of spectrum frequencies (up to a maximum of EUR 330 million per year), however in addition two new taxes are also to be imposed on national telecommunications operators offering audiovisual services, as well as national commercial television companies operating pay or free-to-air services via cable, satellite or terrestrial networks.

The tax to be paid annually by national commercial broadcasters is to amount to 3% of their gross operating income, corresponding to their yearly turnover, and that to be faced by pay-TV operators and telecommunications companies is to be 1.5% and 0.9%, respectively. Nevertheless, it has been specified that the latter will not contribute more than 25% of the Corporation's total income and that, in turn, free-to-air and pay-TV operators will not add more than 15% and 20% of the same.

Direct support from the State is guaranteed so as to enable financial equilibrium in case other resources are reduced, as long as the national public service broadcaster's expenditure is in line with a pre-approved budget. Nevertheless, RTVE's total budget will be limited to EUR 1,200 million for the period from 2010 to 2011 and will not be allowed to grow more than 1% annually during the period from 2012 to 2014. Additionally, the Corporation will have to create a reserve fund from the income that is surplus to the cost of providing its public service activities.

As regards additional public service broadcasting obligations, the following can be outlined. RTVE will be required to:

- Dedicate at least twelve hours per week, through any of the Corporation's radio and television stations, to the support of programmes and interactive services where political parties, unions and social groups are represented.
- Increase programmes designed to educate and entertain the youngest section of the audience. From Monday to Friday between 5pm and 9pm 30% of the offerings on the children's channel should be directed at children from 4 to 12 years of age. During weekends and holidays, such programming should be offered from 9am to 8pm. Once the switch-off of analogue television has taken place, content will have to be broadcast in Spanish, co-official languages and/or English, making use of the multilingual system.
- Commit to making programming as accessible as possible to all audiences, including those with any kind of disability. Before 1 January 2013, TVE will have to deliver subtitles in at least 90% of its offerings - aiming to reach 100% where practicable - and offer at least 10 hours a week of programmes that include audio description and 10 hours a week of programmes that include sign language.
- Broadcast European audiovisual works in at least 60% of its main channels' prime time slots, increase by 20% the legal obligation to fund European audiovisual productions, and diversify the independent suppliers of commissioned productions.
- Have the possibility of buying sports rights limited to 10% of its total annual budget from a general interest sporting events list designed by the *Consejo Estatal de Medios Audiovisuales* (Audiovisual Media Council) yet to be created.
- Provide information regularly about debates in Parliament and broadcast live those sessions of special interest to citizens.

Ley 8/2009, de 28 de agosto, de financiación de la Corporación de Radio y Televisión Española

http://www.congreso.es/constitucion/ficheros/leyes_espa/l_008_2009.pdf

