

## [BG] Allocation of Digital and Analogue TV Frequencies

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By Decision No. 615 dated 9 June 2009 the Communications Regulation Commission issued to Towercom Bulgaria EAD a permit for the use of two national multiplexes. A month later, on 9 July 2009, the Communications Regulation Commission issued a permit for the use of three national multiplexes to Hanu Pro Bulgaria EAD (Decision No. 674). Furthermore, on 14 July 2009, the Communications Regulation Commission announced that Hanu Pro Bulgaria EAD was the winner in the latest tender for a national multiplex, which would broadcast the programmes of the public service media (Decision No 749). Currently, DVBT and Mobiltel (see IRIS 2010-8/16) are appealing the allocation of national multiplexes to Hanu Pro. In its claim DVBT states that the commission's members were put under enormous pressure and that they were threatened by the chairman of the Communications Regulation Commission to select "the right offer", irrespective of the fact that some of the competitive offers were better (Case N 10496/2010 of the Supreme Administrative Court).

There have been media publications in the last two years stating that digital TV is connected with the New Bulgarian Media Group, which has acquired newspapers, a TV channel and distribution companies for print media. The financial support to the New Balkan Media Group is provided by the Corporate Commercial Bank. In the meantime, there have been certain media concentrations, which have not been sanctioned by the State. The Bulgarian Telecommunications Company sold 50 percent of NURTS (holding the network for national TV broadcasting) to a Cypriot company Mancelord Limited for the amount of EUR 57 million. It was later understood that Mancelord Limited was represented in Bulgaria by the owner of the Corporate Commercial Bank. The transaction was approved by the Competition Protection Commission on 23 June 2010. Later, a newly-formed company NURTS Bulgaria acquired Towercom, i.e., the owner of the first two multiplexes in Bulgaria.

In the summer of 2010, the European Commission commenced an inspection at the request of Television Evropa concerning the allocation of multiplex and analogue frequencies. The claims of Television Evropa are that the multiplex tenders have been carried out on a discriminatory basis laid down in the Radio and Television Act and thus the winner was easy to select. Further, Television Evropa claims that two formal conditions have made the procedure biased - first, the tenderers should not have their own TV programmes, and second, they should not have a broadcasting network. In fact, those two conditions were passed by the

Parliament when it became clear that a strategic investor - the Austrian ORS, was interested in participating in the tender process. The European Commission sent to the Bulgarian Government nine questions to clarify the issues involved. The purpose of the questionnaire is to ascertain whether Bulgaria has infringed EU rules. The European Commission will decide whether there is an infringement of the EU rules after the Communications Regulation Commission issues its report.

**Решение № 749 от 14.07.2010 г. на Комисията за регулиране на съобщенията**

<http://www.crc.bg/decisions.php?id=23&lang=bg>

*Communications Regulation Commission, Decision № 749 of 14 July 2010*

