

## [NO] Developments in local broadcasting

**IRIS 1997-2:1/26**

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### Local TV

In January 1996 the Mass Media authority ( Statens Medieforvaltning ) handed out 30 seven-year licenses for local public service TV. There is one license holder for local TV in each of the 30 license areas Norway is divided into. The 30 license areas together cover all of Norway, including Spitzbergen. Newspapers and other media organisations are shareholders in most of the TV licences. According to Norwegian law, no single owner can control more than 1/3 of the total Norwegian market for local TV and local radio respectively.

When processing applications for local TV licences, substantial weight was put on the applicants economic situation, knowledge of TV production, and public service ambitions. Several of the applicants that were turned down complained. In September, the Ministry of Cultural Affairs finalized the processing of the complaints, sustaining all of the Mass Media Authority's earlier conclusions.

The license holders are now establishing their stations, a process which includes the building of their terrestrial transmission systems.

It is a requirement that the local TV stations broadcast local programs each day. In addition, they may broadcast, unchanged and direct, programmes received via satellite. When it comes to networking, a single programme distributor may not reach more than 75 percent of the households in Norway via a network of local TV stations. In early 1997, there was only one programme distributor interested in delivering programmes to the local TV stations. This program-distributor, TVNorge , is currently establishing an additional programme distribution company with the intention of serving the remaining 25 percent of the local TV stations. Because of the 75 percent rule referred to earlier, the Mass Media Authority requires the new programme distribution company to be independent and to deliver different types of programmes than TVNorge . This distributor will have been established by the end of March 1997.

Each local broadcaster holds a legal responsibility for the programmes it distributes, including for the programmes received via satellite.

Norwegian cable networks (in the USA referred to as `cable systems') are obliged to carry everything that is broadcast by local TV stations.

In addition to the 30 licenses mentioned above, four licenses were given for the broadcasting of educational programmes. These programmes are to be distributed via the transmission systems of the local public service TV stations.

In 1996, the national public service broadcaster, NRK, which is financed by means of a licence fee, started a second nation-wide TV station, NRK2. Non-commercial organisations were, because of that, given the opportunity to apply for special licenses for local TV to be distributed via NRK2s transmission system when NRK2 itself does not broadcast. Each licence is valid for one of the local areas covered by NRK2s transmission system. Advertising is not allowed during their broadcasts, and the licenses do not embrace the right to broadcast a teletext service. Sixteen local "NRK2 licenses" were granted in December 1996, and the broadcasts were expected to start in February/March 1997. Some of the applicants that were turned down, complained and their complaints are currently being processed by the Mass Media authority.

Another way of being able to broadcast local TV in Norway, is to apply for a license to broadcast through a local cable network ( i.e. cable system). Cable networks ( i.e. cable systems) are not obliged to carry such broadcasts, so those that want to apply for a cable network ( i.e. cable systems) license, need a promise in advance from the cable network ( i.e. cable systems) owner, stating that he will carry the TV station.

It is expected that during 1997, the local TV business in Norway will undergo a substantial transformation. The local public service broadcasters have in particular directed their efforts towards building up a sustainable business. It has for example been allocated substantial resources for the purpose of building up daily local news updates. As part of this process, TVNorge will undergo a major change from being a channel distributed by satellite only, to a terrestrial channel possibly able to reach as many as 75 percent of the Norwegian households.

#### Local radio

channel possibly able to reach as many as 75 percent of the Norwegian households. In November 1996, the Mass Media Authority granted 308 five-year licences for local radio broadcasting. The total number of applicants were 404. In the preceding license period, there were 355 licence holders distributed over a total of 198 licence areas. In the new license period, the number of licence areas were reduced to 161. Ten licence areas have more than one frequency available for local radio, Oslo having the most with six frequencies available. In areas with more than one frequency available, the Mass Media Authority decides what frequency the different licence holders should broadcast on. When deciding, the Mass Media Authority, however, attached great importance to the local wishes. When placed on a frequency, it is up to the licence holders of that particular frequency to divide the available broadcasting time amongst them. If no

agreement is reached, the case may be referred to the Mass Media Authority which then decides upon each licence holders airtime. When processing applications, the applicant's economic situation and radio broadcasting skills were among the criteria taken into consideration. It was also considered reasonable to give existing radio stations, that fulfilled the minimum criteria, preference to new applicants.

The Mass Media Authority received complaints on turned down licence applications, frequency assignment and the coverage of licence areas. In addition, there have been cases of disagreement on the division of airtime that have been brought before the Mass Media Authority. The Mass Media Authority is currently processing these complaints. According to regulations that are currently being finalized, local radio broadcasters may now co-broadcast with radio broadcasters in neighbouring license areas. To stimulate co-operation among local radios, financial support will be given to local radio broadcasters that have agreed on some sort of binding co-operation between them.

