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Technical Assistance to
Public Service Media
in the Western Balkans



Funded by the European Union

Inception Report 0.3.1

PSM FUNDING MODALITIES IN THE WESTERN BALKANS

Produced by Boris Bergant, Senior EBU Consultant

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Executive summary

Any assessment of Public Service Media (PSM) funding in the Western Balkans (WB) has to consider problems in their entirety, supplementing this with regular analysis to take into account the rapidly changing environment.

These topics are recommended for analysis and evaluation:

- Advantages and weaknesses of licence fee-based funding (experiences, practice, possible improvements, possible developments) including the analysis of the methodology used and comparing it with other practices
- Advantages and weaknesses of the "budget model" of financing (experiences, practice, improvements, perspectives), including analysis of the methodology used and comparing it with other practices
- PSM practices in regard to business/programme/content planning (methodology, criteria, standards, rules)
- Assessments of costs, working norms and standards, evaluation of costs per project/minute
- Strategic documents and long-term plans for developing PSM
- Possible operational synergies between the region's PSMs; possible establishment of networks for exchanging experience, sharing experts and searching jointly for solutions
- Regional approaches, cross-border activities
- Regular training of experts, transfer of knowledge and testing of practices (possibly including periodical publications/blogs)
- Public diplomacy and PSM, cross-border promotion of PSM with a regional touch

In 2013, the EBU adopted a unique ethical declaration on the core values of public service media. This document, "Empowering Society", was adopted unanimously by its members. All PSMs in the WB are active members of the EBU (RTK, in Kosovo, was founded by the EBU at the request of the UN, has contractual partner status).

These values are **universality, independence, excellence, diversity, accountability and innovation.**

On the basis of these values, editorial principles have been defined to serve as a model for EBU members: **impartiality & independence, fairness & respect, accuracy & relevance, connected & accountable.** Editorial, financial and institutional independence are intertwined and crucial for PSM to function.

Finally, four principles have been defined to serve as a guide for measuring funding models, namely that they should be **stable and adequate, independent from political interference, fair and justifiable, transparent and accountable.**

All of the above should serve as a benchmark in our efforts to develop better, more sustainable funding for PSM in the WB region.



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1. Regional Overview

The comparison between six WB PSMs and two other organizations in the area, although the latter are economically more advanced and already EU members, provides a useful framework for analysis.

	Combined income	Population	Cumulative GDP
Six PSM in the Western Balkans	€197.5 million	18 million inhabitants	€75 billion
HRT (Croatia) and RTV (Slovenia)	€311 million	6.3 million inhabitants	€73 billion

Comparison with other countries and members of the EBU¹ that are similar in size and population highlights an even more contrasting situation.

	Income	Population
SSR- SRG (Switzerland)²	€1,500 million	8.3 million inhabitants
DR (Denmark)³	€ 555 million	5.6 million inhabitants
YLE (Finland)	€ 473 million	5.5 million inhabitants
NRK (Norway)	€ 611 million	5.2 million inhabitants
ERR (Estonia)	€40 million	1.3 million inhabitants
LRT (Lithuania)	€32 million	2.8 million inhabitants
RUV (Iceland)	€56 million	335,000 inhabitants

Doubtless there are differences in these countries' state of development, economic and purchasing power and level of income/salaries. But on the other hand, most of the PSMs

¹ EBU (European Broadcasting Union), 73 members from 56 countries, Europe/Mediterranean

² and ³ - The data for 2018 has been revised in some cases, e.g. in Denmark DR budget reduced by 20%, in Switzerland income of SRG-SSR adjusted to €1.2 billion, but the ratio remains similar.



mentioned offer a comparable amount of programmes and content output. The prices for acquiring technology and licences, and for importing foreign products, are similar or at least proportional. The difference lies only in how much original high-quality programming they are able to produce.

In that respect, funding touches on the sensitive question of the meaning and mission of public service media, their editorial independence and their self-sufficiency.

The evidence shows that all PSM in the WB are underfunded and are facing serious, chronic financial difficulties. Funding of these organizations is not sustainable and fails to lay a foundation for the future.

Intertwined with this issue are questions of national idiosyncrasies, cultural heritage, and different experiences and mindsets. But regardless of the specifics, some common experiences and standards can be identified.

Funding is closely related to the independence of public services. There is no editorial independence without economic self-sufficiency. Decisions regarding PSM funding are decisive for the freedom of the media and freedom of expression. The role of public media is to serve the public, not to focus exclusively on politics – and especially not on the political faction that is in power. Propaganda and apology do not figure in the remit of PSM. The media should assist citizens in finding their way through the conflicting views within society and enable them to form their own judgements and opinions, based on credible facts and information.

Public funding of media is rather different than public funding of other societal apparatus. Moreover, how it is determined is an extremely sensitive matter.

The main point is not the form or the source of the funding (direct, through a licence fee or similar, or indirect funding stemming from state budgets or subsidies) but the securing of unconditional independence for public media together with adequate governance arrangements.

Independence of public service broadcasting is a key element in numerous European standards. "Recalling that public service broadcasters must be independent from the government and be able to function without its political interference, the Parliamentary Assembly of Council of Europe emphasises that their funding model should reflect this independence".⁴

Sanctions against fee evasion and breaches of legislation are also an important aspect.

Funding decisions are decisions on the amount that can be spent on programmes and content. They should not contravene the principles of freedom of expression and editorial independence.

⁴ Council of Europe Recommendation 1878 on the funding of public service broadcasting. This is also emphasised in the EBU core values and EBU Legal Focus "Public Funding Principles for Public Service Media". See Annex 1



An ideal model for PSM funding does not exist. Technological development and the introduction of the dual broadcasting system (not-for-profit existing alongside commercial media) have sharpened the environment. A change in funding models for both types of funding is expected in the foreseeable future. But there will always be a clear distinction of purpose.

Broadcasting has undergone epoch-making changes in recent decades. Even its concept has changed. Electronic media, which in the beginning were monopolistic and state-run, have been superseded by a structure made up of public institutions in which the influence of civil society and interactive relationships with users/consumers prevail, fulfilling general and specific interests through a non-profit mission. Public service not only secures democratic discourse in society but, by definition, also represents the most important and prominent cultural and educational institution, preserving and maintaining national identity, pluralism, the exchange of ideas and the expression of people's creativity. In contrast, commercial media are exclusively profit-driven and have a narrower focus (e.g. some are specialized by genre). They have no obligation or responsibility towards the public, and their outlook on business and content is global.

Since the fall of the Berlin Wall, the above changes have been accompanied by another transition: political democratization and transformation of monolithic state media in Central and Eastern Europe into public pluralistic institutions. This is also the case in the WB. The process is unfortunately not yet finished.

There is a prevailing opinion in the industry that the direct involvement of users/customers is the best form of PSM funding. There are various possibilities: licence fee, taxes or a percentage of income tax (as in Finland). The basis of the payment obligation is changing (ownership of receivers replaced by accessibility of signals from various distributors), broadening the number of payment-eligible persons but also lowering the rates. Collection methods are changing (directly by the PSMs themselves or by intermediaries, e.g. banks, post offices, power suppliers or specially assigned agents).

A direct relationship between user and provider (broadcaster) is the most natural connection, with clearly defined demands, rights and obligations. This encourages both transparency and accountability.

Among EBU membership, the licence fee accounts for 81.9% of public funding.

The most common approach is a hybrid funding system: licence fee + state budget/subsidies + commercial income (e.g. advertising, though in some places this is limited due to commercial competition).

Funding through state budgets developed only after Berlin Wall came down, and mostly in Central and Eastern Europe due to the fact that, in a number of former communist or socialist countries, the licence fee did not exist. The introduction of such an obligation during the period of democratization, concurrent with the dual broadcasting system and against a weak economic backdrop, would have been risky for political leaders. Today, the campaign against

a direct licence fee-type of payment is being spearheaded by populist politicians based on arguments for keeping control and influence over and within the media.

In contrast, the WB countries have had some experience with the licence fee. It has become unpopular partly due to dissatisfaction with PSM (poor/unattractive content owing to lack of funds and bias due to political/economic interference), partly due to an insufficient rule of law (no sanctioning of those evading the payment obligation), partly due to poor and ineffective collection mechanisms, and partly due to commercial content being distributed without any licence requirement – something which has since been abolished. In Montenegro, the licence fee was abolished following privatization of the electricity company and failure to agree on a new collection method. The PSB was left for months without income or a clear outlook on how it would be financed. In Kosovo, the collection of the licence fee through electricity bills was voided for legal reasons.

In many cases, PSM's relationship with civil society is weak due to insufficient dialogue. There is also a need for a clearer definition of governing bodies' role in overseeing PSM.

The split between licence fee collection and funding through state budget in the WB is relatively balanced. A licence fee is collected in Croatia, Slovenia, Albania, Bosnia and Herzegovina and Serbia, while PSM are financed from state budgets in Montenegro, Kosovo and FYR Macedonia.

2. Overview of the situation per country, relevant legislation and general recommendations for project activity⁵

2.1. Albania

Overview

Population: 2.9 million, GDP: €10.11 billion, per capita €3,612.5 (2016)

RTSH total income in 2017: ALL 2,295,460.00 (€16,943.16)

Budget for 2018: ALL 2,510,000.00 (€18,527.00)

Licence fee: ALL 100 (€0.78) per month

Operating revenues as % of GDP: 0.16% (2016)

⁵ The options for each specific country and recommendations linked to the project activities are based on the Expert's comparable analysis. Suggestions and recommendations for further activities will be elaborated and thoroughly discussed during the national debates; a report on deliberations, conclusions, recommendations and follow-up process will be delivered after each national conference and presented at a regional level.



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Relevant legislation

Legal basis: Law no.97/2013 on audio-visual media in Republic of Albania, art.115, and Law no.9975/2008 on national taxes, art.11/b

PSM is primarily funded by licence fee, collected monthly by OSHEE (electricity supplier).

There is no compensation for payment shortfalls due to evasion.

Legal basis for additional source of income: law no.97/2013, art.116 point 1, which sets out funding for significant investments in production and broadcast modernization technology out of the budget.

Breakdown of sources of funding: licence fee 52%, other sources (marketing) 42% and advertising 3%.

General recommendations for project activity

Albania, RTSH: Etleva Kadzadej highlighted “no flexibility regarding the specific needs of PSM... The licence fee must be increased by at least 50% and if the electricity supplier does not collect 100% of the licence fee that is billed, the state budget must compensate for the uncollected part (percentage) of the licence fee in order to secure RTSH’s income.”

The percentage of money devoted to funding PSM (0.16%) is one of lowest in Europe, so PSM is evidently underfinanced. On the other hand, Albania has chosen the European model of licence fee financing that is most common and the most politically and editorially independent.

During the national debate, ways and means for a step-by step but sustainable increase in the licence fee should be identified. The arguments should be based on production standards as well as quality and quantity criteria. This should also include a revision of the existing mid-term PSM Strategy (vision/mission/remit and development plan) and the definition of other possible sources of financial support for PSM. Such sources of financial support could be generated through taxes, by lowering the fee collector’s margin, or take the form of much-needed capital investment or subsidies for servicing loans and operating digital platforms.

Further development of PR practices and activities should be elaborated to achieve closer cooperation with the public as well as public support – “public diplomacy”. Such activities should be defined in terms of form, content and deadlines.

Additional legal improvements should be initiated, including the broader definition of the licence-fee duty and sanctions against non-payers.

2.2. Bosnia and Herzegovina:

Overview

Population: 3.5 million, GDP: €14.11 billion, per capita €4,148 (2016)

BHRT total income in 2017: BAM 38,086.340 (€19,235.525)

Budget for 2018: BAM 39,566.000 (€19,982.828)

Licence fee: BAM 7.5 (€3.95) per month

Operating revenues as % of GDP: 0.11% (2016)

Relevant legislation

Legal basis: the BiH law on public service published in official gazettes 93/05 and 32/0 and the law on BiH public broadcasting published in official gazettes 78/05,35/09, 32/10, 51/15 and 25/16

Licence fee monies are collected monthly by the electricity supplier, in the Federation, and by the Post Office, in Republika Srpska (through bilateral agreements).

The relevant legislation, adopted in 2005 to define the system of PSM and establish the corporation servicing the three broadcasters, has been never implemented nor amended despite several attempts, in particular in recent years. The applicable pieces of legislation in the Republika Srpska and the Federation of BiH conflict with the 2005 state-level legislation, thus preventing the latter from being implemented to achieve a unified broadcasting regime.

General recommendations for project activity

Bosnia and Herzegovina, BHRT: Lejla Babović, Head of International Department, highlighted that “the Law has to be changed, the most efficient financial model should be defined, and the tax should be paid according to the ability to receive signals and not based on ownership of the receiver. Article 25 of the law on public broadcasting should be adjusted – the financial data (bills and accounting books) should offer credible criteria for the repayment of debts and settling of loans.”

The national debate in Bosnia and Herzegovina will be aimed at assisting to formulate and adopt improvements or changes in the three legislative instruments, including the modernization of the rules on payment eligibility, assistance in defining an adequate form of collection and the licence-fee amount (which at an aggregated 0.11% of GDP is the lowest in the region). Another aim is the reorganization and rationalization of the PSM system. Another is redefining governance roles. Additionally, special attention must be paid to and proposals put forward for tackling the alarming debt levels seen amongst PSM. In-depth analysis and an

evaluation of existing real estate and business premises as sources of savings or additional income are also required.

Steps must be defined and necessary activities undertaken to de-politicize the PSM environment. Activities must be planned to raise public awareness about the need for PSM on the national and regional level from various angles. Finally, a common strategy must be established and activities with civil society and NGOs planned.

Nationwide debates should be used to further highlight the importance of sustainable and adequate funding for PSM in BiH. Debates should also provide a user-friendly platform for discussion and for collecting various opinions and recommendations.

2.3. FYR Macedonia

Overview

Population: 2.1 million, GDP: €9.26 billion, per capita €4,233 (2016)

MKRTV total income in 2017: MKD 1,037,492,576.00 (€16,621.156)

Budget for 2018: MKD 999,060,000.00 (€16,005.286)

State budget financing: fixed amount

Operating revenues as % of GDP: 0.19% (2016)

Relevant legislation

Legal basis: from 1 October 2017, the amended law on audio and audio visual media services (132/17), art.105 (1), art.135 and art.140 (1) point 1

The fixed amount from the state budget is expected to be secured up to 88.7%, paid in monthly instalments. Investments can be financed separately.

General recommendations for project activity

FYR Macedonia, MKRTV: Marina Todorovska, Head of CEO Unit, highlighted that “the funding model is new, so only time will show what can be changed and improved”.

The national debate on funding modalities will be aimed at analysing the effects of the newly adopted legislation and the new funding and governance practices, and implementing measures to secure editorial independence and quality amid the new funding arrangements.

Recommended measures include supporting steps and measures for reorganizing and restructuring PSM, and assisting in analysing cost and production issues.

The PSB (public sector broadcaster) has more employees than the five private national televisions put together but comes last in terms of ratings.

Initial experiences with budget-based financing have been positive. In 2018, €21 million in funding has been secured, which is significantly more than in the previous years. Budget income of €24 million is envisaged for 2019. Yet criteria should be defined, while the Empowering Society project could assist in finding adequate, forward-looking solutions.

Another prerequisite is a proper technical modernization and digitization strategy as well as defining logistics and the use of business/production premises.

A list of priorities, activities and deadlines regarding content, organization, cost-efficiency and editorial/production/financial standards should be defined and agreed upon – and closely and actively observed during the follow-up period.

Debates should explore opportunities to improve as much as feasibly possible the current draft proposal for changes in the respective law, which is due to be adopted in the autumn, and to ensure sufficient safeguards for PSM independence.

Greater transparency and accountability could be encouraged, thus demonstrating PSM's responsibility to the society.

3.4. Montenegro

Overview

Population: 625,000, GDP €3.57 billion, per capita €5,924.5 (2016)

RTCG total income in 2017: €12,935.485 (euro is local currency)

Budget for 2018: €19,977.200

Operating revenues as % of GDP: 0.37% (2016)

Relevant legislation

Legal basis: the law on the national public broadcasting – RTCG from June 2016, art.16, monthly instalments

PSM funding is sourced 90% from the state budget, 3% from marketing and 7% from advertising.

General recommendations for project activity

Montenegro, RTCG: Vanja Ščekić, Deputy Director, highlighted that “the current financial model (0.3% of GDP) marks an improvement relative to the previous one as it provides increased public revenues and potential for growth. The debt RTCG owes to RDC (the signal distributor) should be dealt with, as it is a burden to the PSB. An increased percentage of GDP may be one of the options.”

The national debate in Montenegro is aimed at:

- Assisting in defining a strategy for medium-term development, thus enabling sustainable funding
- Analysing existing problems in payments, rates and the relationship with the signal distributor
- Defining cost effectiveness and assisting in ongoing work on amendments/changes to legislation, in particular in the field of governance; increasing the inclusiveness of civil society and decreasing the direct impact of politicians

2.5. Kosovo

Overview

Population: 1.8 million, GDP €5.69 billion, per capita €3,272.5 (2016)

RTK total income in 2017: €13,315.435 (euro is local currency)

Budget for 2018: same as 2017: state budget financing, fixed amount

Operating revenues as % of GDP: N/A

Relevant legislation

Legal basis: Law no.05/L-125 related to the budget of the Republic of Kosovo for 2017, art.11 point 5

Sources for funding: 83% from the state budget, based on six-month instalments, 2% from marketing-at-large and 15% from advertising.

No permanent legislation on the matter since discussions on a draft of the new law regulating RTK were permanently postponed. Budget for 2018 not yet fixed.

General recommendations for project activity

Kosovo, RTK: Elvana Prekazi, Head of International Affairs and PR highlighted that “licence fee collected solely through electricity bills, previous experience of RTK, proved to be successful.”

The national debate on funding modalities in Kosovo is aimed at assisting in finding the optimal solution for funding PSM in the context of ongoing legislative changes and at developing a modern formula for collecting licence fees based on a halted positive experiment. This trial was put on hold after a ruling by the constitutional court in response to complaints of poor territorial coverage by audio-video signals. The problem is still pending and is due to be recognised in the set of proposals, actions and solutions for sustainable PSM financing.

Prerequisites for launching activities in the field of sustainable funding are:

- Analysing the cost effectiveness of the current planning system at the PSB
- Defining RTK's new medium-term strategy
- Assisting in finding a solution for the PSB's premises and ideas for technical modernization

Proper solutions/recommendations should also be formulated in a clear agenda spelling out actions and deadlines.

2.6. Serbia

Overview

Population: 7.0 million, GDP: €32.13 billion, per capita €4,488 (2016)

RTS total income in 2017: RSD 11 billion (€91,896.408)

Budget for 2018: same as 2017

Operating revenues as % of GDP: 0.25% (2016)

RTV total income in 2017: RSD 2,119,468.634 (€17,706.505)

Budget for 2018: RSD 1,129.000.000 (€17,786.132)

Licence fee: RSD 150 (€1.25) per month + state budget

Relevant legislation

Legal basis: Law on public media services of 14 August 2014 and temporary legislation on the collection of taxes of 30 December 2015 and 29 December 2016



RTS is financed by licence fee (tax) collected monthly by the electricity company Elektroprivreda Srbije, and RSD 3.5 billion (€25.9 million) under contract with the government (shared with RTV), paid in monthly instalments. Licence fee and state budget cover 74% of income, commercial revenue 26% (of which advertising: 19%).

RTV is financed from 95% from licence fee (tax) and state budget, 5% from marketing-at-large (of which advertising: only 3%).

A new building for RTV is under construction, financed separately from the budget of the Republic of Serbia and the autonomous province of Vojvodina.

General recommendations for project activity

Serbia, RTS: Branka Ružić, Financial Director at RTS highlighted that “RTS is satisfied with the present funding model, which includes three main sources: tax (collected by the electricity company), state funds and commercial income. RTS expects stable and sufficient funding in the future and, in due course, an increase in the tax amount (based on the current collection model) with a decreasing amount of state aid.”

RTV Vojvodina: Mile Boca, Head of International Relations, highlighted “the increase in the tax up to RSD 500 (€4.17) without funding from the state budget, and the change in the current distribution scheme for the tax in the Vojvodina province from 70-30% RTV-RTS at present to 80-20%.”

The national debate in Serbia on funding modalities is aimed at assisting in defining and securing a more appropriate rate for the existing tax (currently RSD 150). It is also looking into new collection methods and other measures for consolidating the PSB’s financial condition and editorial and economic independence as well as its position in the broadcasting market.

The national debate will also be aimed at assisting in finding the most appropriate solutions for securing additional funding sources (marketing and advertising) and finding solutions for increased multimedia content and output – as a source of additional financial income and to enhance the quality and credibility of PSM.

By the end of the series of national debates, the stakeholders in each country will have devised a set of recommendations for improving or adapting the national funding model as well as a roadmap for implementing these recommendations on the ground. They will be further developed in activity 1.3 and 1.4.

By way of conclusion, to provide comparative examples, here are two PSM organizations from the same region, both of which are EU members:



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Croatia:

Overview

Population: 4.2 million, GDP €38.9 billion, per capita €10,293 (2016)

HRT total income in 2017: €186 million, licence fee €10.8/month

Operating revenues as % of GDP: 0.40% (2016)

License fee collection based on relevant law, and ownership of radio/TV receivers; collection by broadcaster.

88% of income provided by license fee, 3% by public funds, 7 % by advertising and 2% by other commercial income.

Slovenia:

Overview

Population: 2.1 million, GDP €33.83 billion, per capita €18,411 (2016)

RTV SLO total income in 2017: €124 million, licence fee €12.75/month

Operating revenues as % of GDP: 0.30% (2016)

Licence fee collection defined by relevant law, based on ownership of radio/TV receivers; collection by broadcaster.

79% of income by licence fee, 2% by public funds, 11% by advertising and 8% by other commercial income.



3. Conclusions

Every funding method has its drawbacks.

In the case of the licence fee, it is important to define the rate and who the decision-maker is. It is important to have an access to a credible source of data and to ensure it is managed properly. When fee collectors are used, prices and margins are the decisive variables.

In cases of funding from the state budget, the amount is decisive. In prevailing practice, a certain percentage of the state budget is defined, but most often this gives rise to the problem of defining which budget. The misunderstandings are endless (e.g. whole budget, budget based on tax income, operational budget). A better solution is to define a percentage of GDP, which is a more stable figure, less exposed to fluctuations and easier to substantiate before international observers.

Another possibility is to define a starting amount, adjusted annually for inflation and degree of autonomy and excluding politically motivated or arbitrary interventions. Unfortunately, there are no positive examples in operation to date.

In any case, objective limits have a legal basis too: length/mandate of the executive authority or government, obstacles owing to budget obligations spanning several years, irregularity of sustainable budget plans.

However, the predominant problem is that the matter is handled by politicians, and actions tend to reflect present parliamentary majorities, meaning that minorities and the opposition are insufficiently taken into account. There is no known model of funding out of the state budget that would prevent interference with PSM independence, even when formally guaranteed by legislation.

The future of PSM is dependent on a political and societal consensus, which tends to be fragile and unstable in the WB region. But there is also a need for professional prerequisites such as a balanced long-term PSM strategy (vision, mission and functional strategies, criteria, transparent prices, rules for implementation) and deontological standards (codes of ethics and editorial guidelines).

Changes in the model of funding for PSM should only be made after a proper assessment and following broad-based consultations with all relevant stakeholders.

Deliberations examining funding models should be conducted taking into account the remit of PSM, by which PSB are obliged to service all groups within society, catering to all interests and needs for information, education, culture and entertainment.



4. Annexes

Annex 1 - European standards

Annex 1.1. Council of Europe (CoE)

Council of Europe Recommendation 1878 on the funding of public service broadcasting (2009) underlines the importance of sustainable funding of PSM so that PSBs can fulfil their mission:

"16. The Assembly notes with interest the discussions currently being held in national parliaments on the mission and funding of their public service broadcasters and calls on parliaments of all member states to:

16.1. ensure that their public service broadcasters have a clear mission and adequate long-term funding possibilities for fulfilling this mission in accordance with the resolution on the future of public service broadcasting of the 4th European Ministerial Conference on Mass Media Policy"

Annex 1.2. European Broadcasting Union (EBU)

The PSM six core values adopted unanimously by all PSM at EBU General Assembly in Strasbourg in 2012 are independence, universality, diversity, accountability, innovation and excellence.

The EBU develops various tools and exchanges in order to help members to live up to these six core values. The EBU Legal Department has developed Legal Focus "Public Funding Principles for Public Service Media".

The four public funding principles are:

"Stable and Adequate"

A stable and predictable source of funding enabling full coverage of the public service remit in the digital media age

"Independent from political interference"

Not reliant on political favour, thereby promoting public trust in PSM and its role as a truly indispensable service

"Fair and Justifiable"

Fair and objectively justifiable to the public and the market

"Transparent and Accountable"

An open and clear funding mechanism holding PSM accountable to its audience

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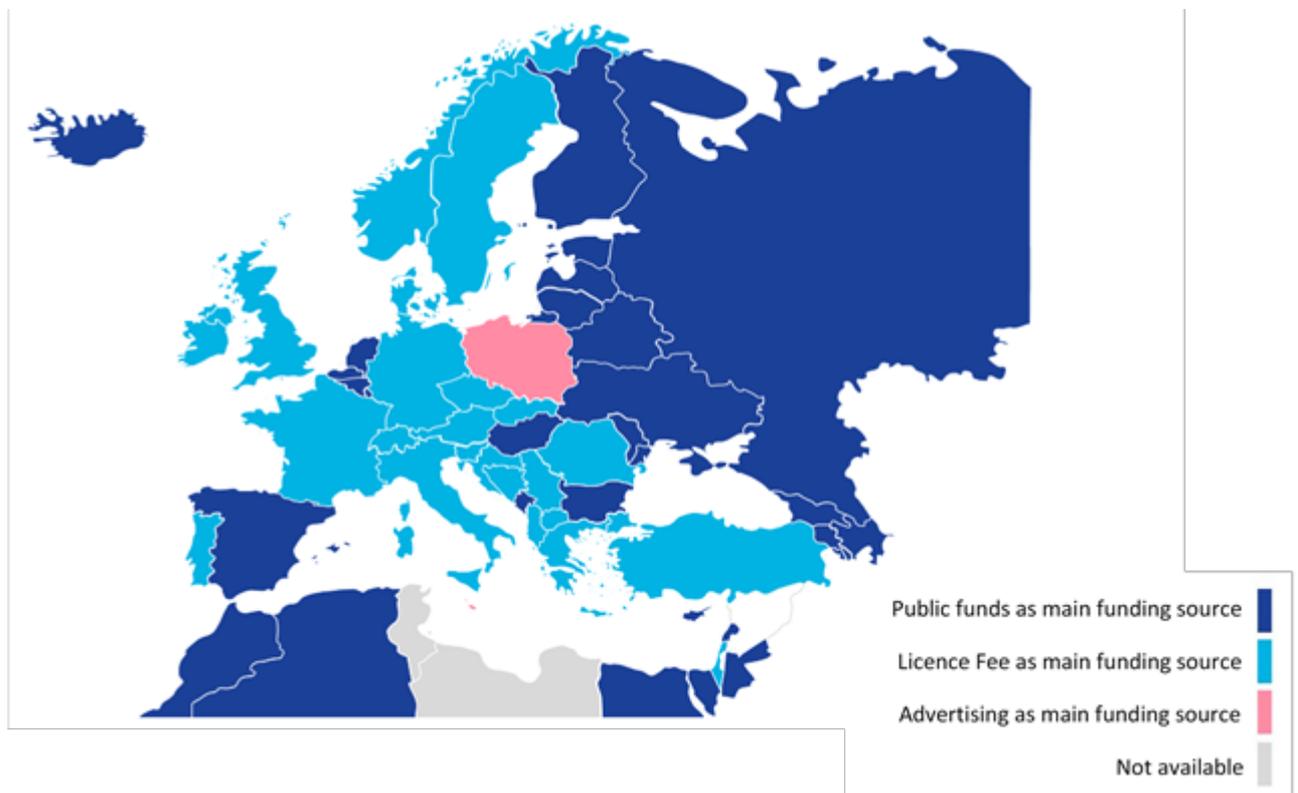


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Annex 2 - Funding charts for the EU Western Balkans

ANNEX CHARTS FOR EU WESTERN BALKANS PROJECT

CHART 1. MAP OF MAIN SOURCE OF PSM INCOME (2016)



Source: EBU Media Intelligence Service based on Members' data.

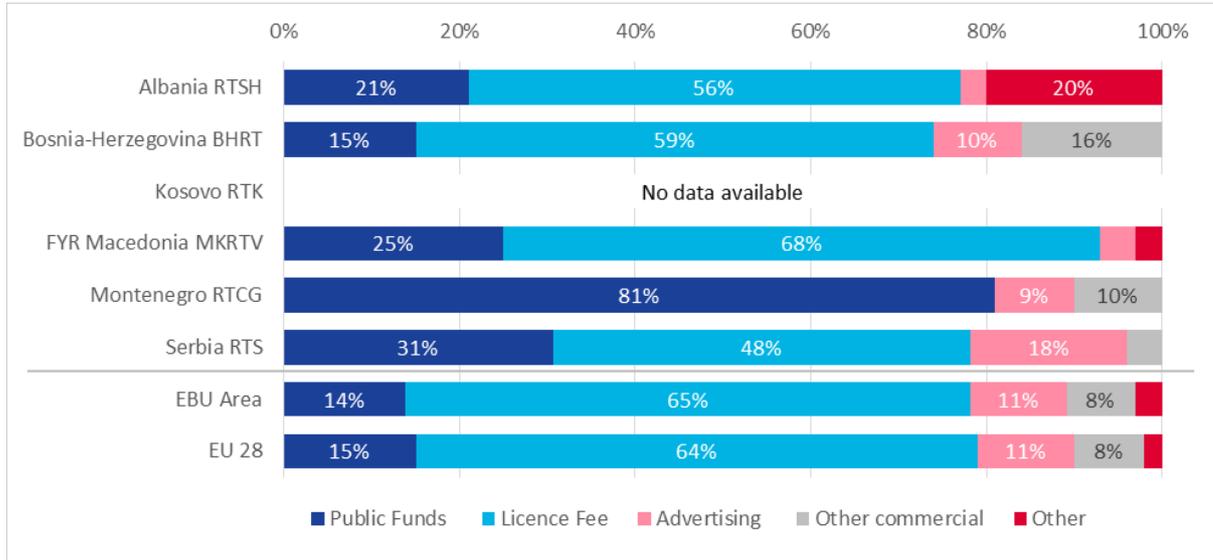
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CHART 2. PSM FUNDING MIX (2016. WESTERN BALKANS, EBU AREA AVERAGE AND EU28 AVERAGE)

EBU PSM income by type, in percentage of total income

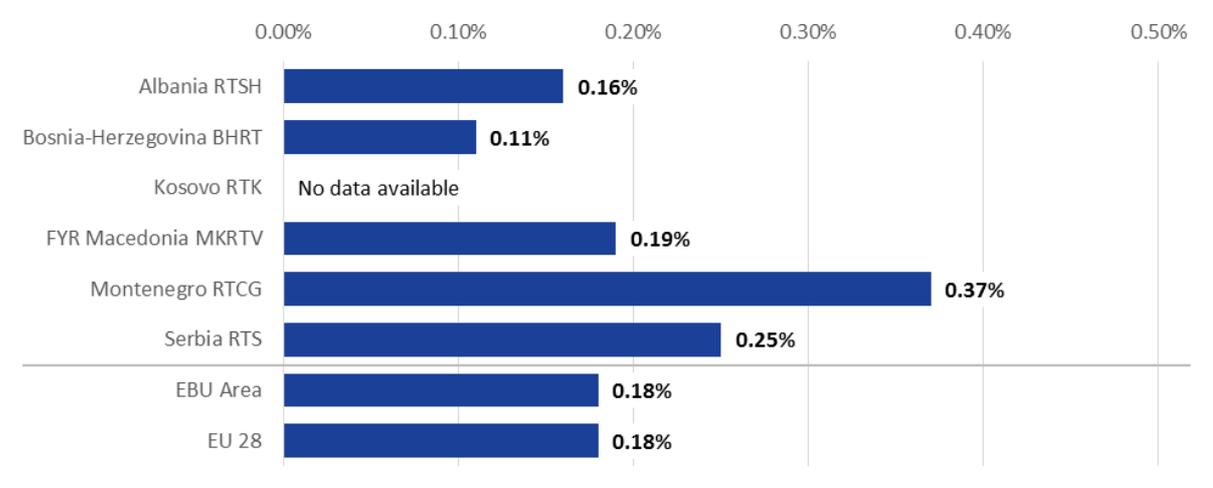


Note: No data label below 5%

Source: EBU Media Intelligence Service based on Members' data. EBU Area based on 46 markets.

CHART 3. PSM FUNDING AS % OF GDP (2016, WESTERN BALKANS, EBU AREA AVERAGE AND EU28 AVERAGE)

Total EBU PSM funding (operating revenues) as a percentage of the gross domestic product (GDP)



Source: EBU Media Intelligence Service based on Members' data. EBU Area based on 46 markets.

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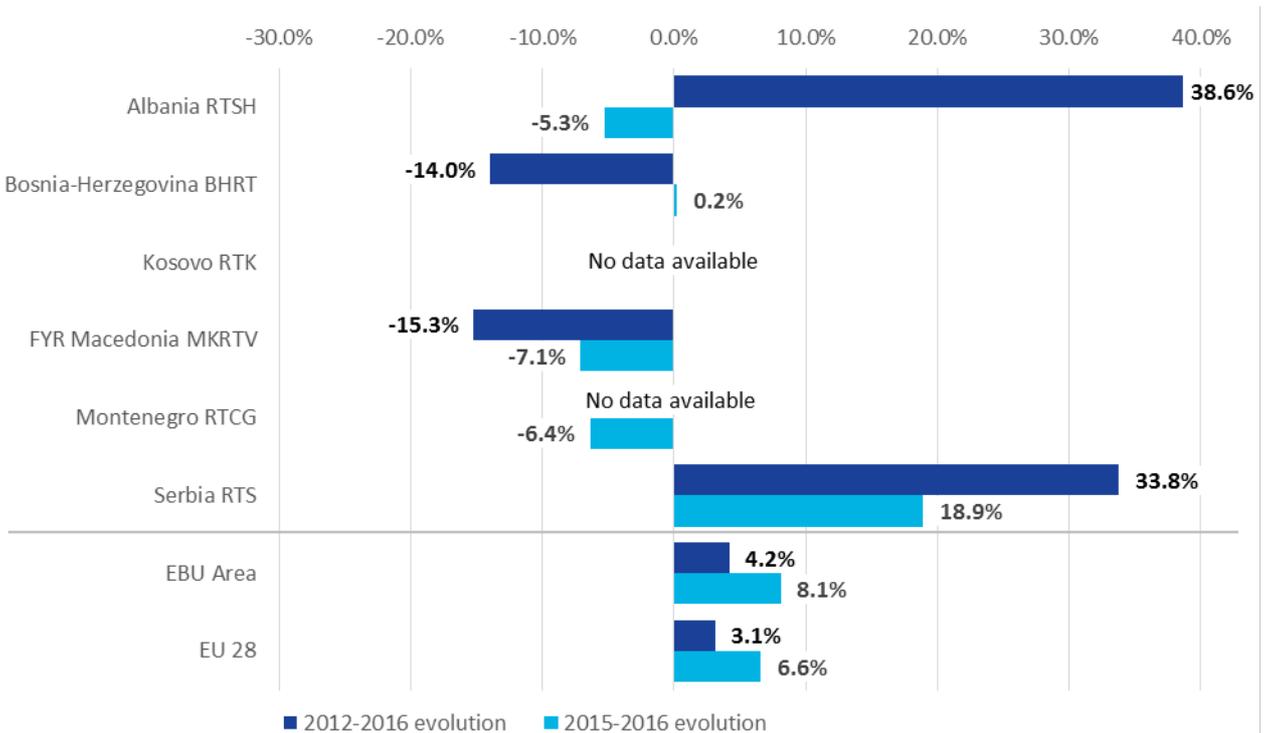
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CHART 4. **CHANGE IN PSM FUNDING** (WESTERN BALKANS, EBU AREA AVERAGE AND EU28 AVERAGE)

Change in total PSM funding: 2012– 2016 and 2015 – 2016 (based on national currencies)



Note: No 2012-2016 evolution for Montenegro as 2012 data not available.

Source: EBU Media Intelligence Service based on Members' data. EBU Area based on 46 markets.

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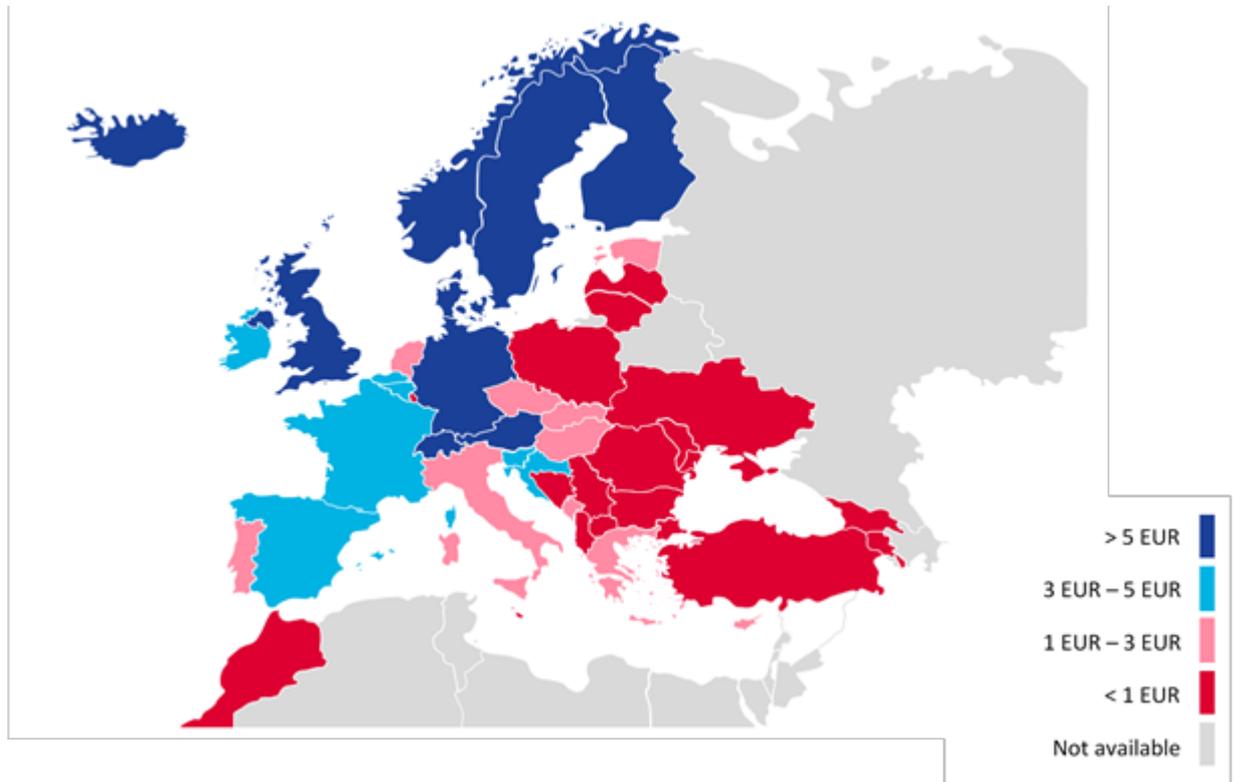
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CHART 5. MAP OF *PSM COST PER CITIZEN* (2016, EUR)

EBU PSM cost per citizen per month



Source: EBU Media Intelligence Service based on Members' data.

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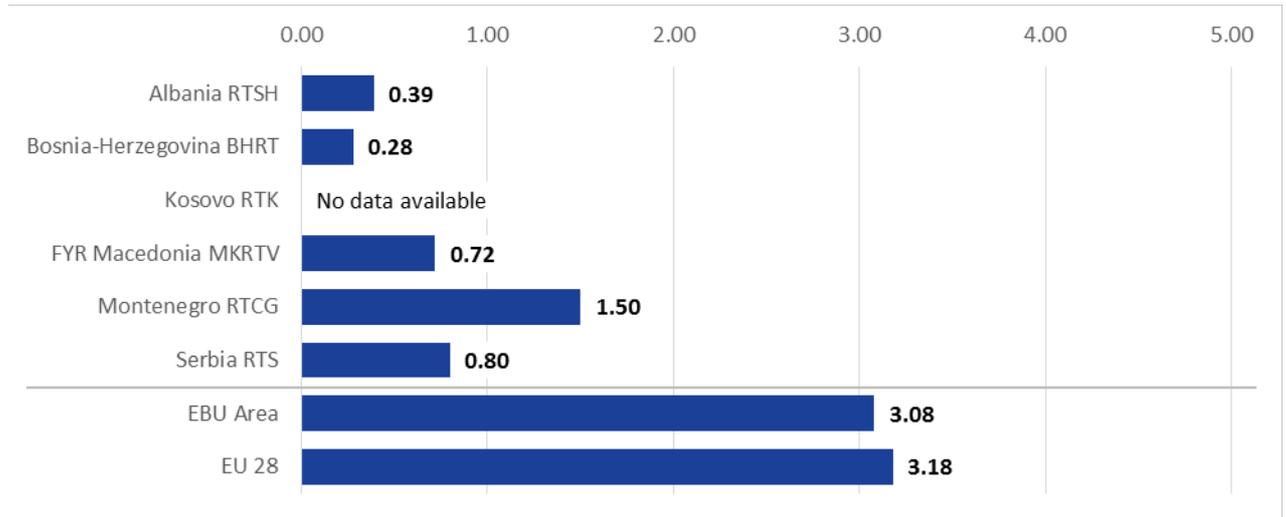
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CHART 6. *PSM COST PER CITIZEN* (2016, EUR, WESTERN BALKANS, EBU AREA AVERAGE AND EU28 AVERAGE)

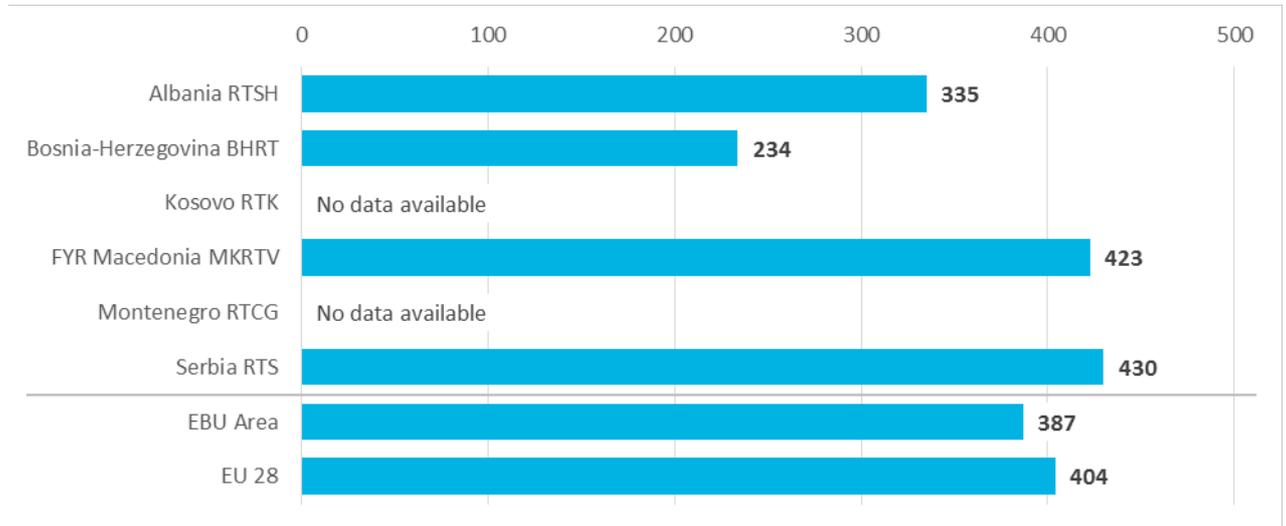
EBU PSM cost per citizen per month



Source: EBU Media Intelligence Service based on Members' data. EBU Area based on 46 markets.

CHART 7. *PSM EMPLOYEES PER MILLION INHABITANTS* (2017, WESTERN BALKANS, EBU AREA AVERAGE AND EU28 AVERAGE)

Number of EBU PSM employees per million inhabitants (2017 – full time equivalent when available)



Note: Bosnia-Herzegovina BHRT and Serbia RTS based on number of employees. Albania RTSH based on 2015 data.

Source: EBU Media Intelligence Service based on Members' data. EBU Area based on 47 markets.

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