



LV-Latvia: A new Public Service Broadcasting Concept Developed in Latvia

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The Ministry of Culture has developed a new concept paper on the creation of a new public service broadcasting medium in Latvia and, on 17 April 2012, the concept was approved by the National Electronic Media Council (NEPLP), selecting one of the three alternative models suggested by the Ministry.

The concept is an extensive political planning document, providing a detailed analysis of the current situation of public service broadcasting (PSB) in Latvia, its deficiencies and potential solutions, taking into account also the experience of PSB systems in other member states of the EU. The main reason for developing the concept was the currently weak position of PSB in Latvia, the decline of its audiences, insufficient financing and lack of authority and visibility among the Latvian public. It was established that the PSB organisations, Latvian Radio (Latvijas Radio) and Latvian Television (Latvijas Televīzija), are not capable of optimally carrying out the public remit function and of addressing all groups of society. Due to insufficient financing from the state budget both companies are simultaneously participating in the advertising market, competing with commercial broadcasters. On the other hand, certain problems of management and insufficient technological means have created the situation that commercial broadcasters often offer similar high-quality content provided by skilled journalists, thus, the role of PSB is unclear and undefined.

The concept is rooted in the consideration that PSB must be grounded on the idea of its public remit, based on a public value assessment. The goal of PSB is to render outstanding content and quality, to provide universal service in the sense of its availability and access to all groups in society and to ensure media transparency and public involvement in the management, supervision and creation of content.

In order to achieve this goal, the concept paper offered three alternative solutions: (1) partial convergence of Latvian Radio and Latvian Television, leaving two independent organisations that would cooperate on specific projects, such as running an internet portal, keeping an archive, research journalism etc.; (2) full convergence of Latvian Radio and Latvian Television, leaving in place the brands and editorial independence of the current channels, but merging administration, technical functions, management, using single infrastructure; this merged entity would itself create most of the content by employing skilled,

professional journalists; (3) creating a new merged PSB organisation, which, however, would itself create only news broadcasts, purchasing other content from independent producers. The concept paper left open the question of which of the options should be chosen.

Consequently, the NEPLP assessed the concept and selected the second option (full convergence) as the optimal solution for the Latvian situation. It explained that this option had the most strengths, as the new, merged entity would be more efficient both in creating content and using its financing wisely. This model would include a substantial start-up investment (however, not larger than in option 1), but the running costs would be lower than in option 3. It is planned that the financing of the new medium would be gradually changed from state subsidy and advertising to a public license fee or similar payment (the concept refers to the experience of Finland in introducing a media tax). Certain parts of the project are planned to be financed by European instruments, such as the European Social Fund and the European Regional Development Fund. It is estimated that the introduction of the second option would cost more than EUR 75 million.

If implemented, several amendments to legal enactments will be necessary, including the Electronic Media Law, as the model also provides for a change in the functions of the NEPLP. Currently, the NEPLP is both a media regulator and has a shareholder's function in the PSB organisations. In the new model the PSB organisation might be an independent public person, directly accountable to Parliament and to the public.

The concept paper and the option selected by the NEPLP must still be submitted to the Ministry of Culture, which will subsequently present it for the approval of the Cabinet of Ministers in order to move forward. Thus, the current endorsement of option 2 by the NEPLP does not as yet mean that this option will be implemented, as neither the Ministry nor the Cabinet of Ministers is bound by the recommendations of the NEPLP.

- *Koncepcija par jauna Latvijas sabiedriskā elektroniskā medija izveidi*(Concept paper on the creation of new public service medium in Latvia) <http://merlin.obs.coe.int/redirect.php?id=15852>

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