

THE TECHNOLOGY,
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TELECOMMUNICATIONS
REVIEW

TWELFTH EDITION

Editor
Matthew T Murchison

THE LAWREVIEWS

THE

TECHNOLOGY, MEDIA AND TELECOMMUNICATIONS REVIEW

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PREFACE

This volume marks the 12th edition of *The Technology, Media and Telecommunications Review*, which has been fully updated to provide an overview of evolving legal and policy activity in this arena across 25 jurisdictions around the world. This publication continues to occupy a unique space in the literature on TMT issues. Rather than serving a traditional legal treatise, this Review aims to provide a practical, business-focused survey of these issues, along with insights into how this legal and policy landscape in the TMT arena continues to evolve from year to year.

In 2021, the ongoing covid-19 pandemic has continued to loom large over legal and policy developments in this sector. As the threat of infection has continued to affect how we live, work and interact, the importance of connectivity has never been greater or more obvious. For many businesses, remote working has been the rule rather than the exception since March 2020, and may well persist in some form well after the pandemic is over. Many schools switched to distance learning formats during the pandemic. Tele-health is on the rise as doctors check in on patients via videoconference. Even tasks as mundane as grocery shopping have shifted online. And broadband connectivity, where available, has made it all possible.

The experience of covid-19 has, in turn, continued to reshape policymakers' understanding of the TMT arena. The shift to remote working and distance learning has stress-tested broadband networks across the world – providing a 'natural experiment' for determining whether existing policies have yielded robust systems capable of handling substantial increases in internet traffic. At the same time, the pandemic has prompted new initiatives to ensure, improve and expand broadband connectivity for consumers going forward. In various jurisdictions, policymakers are moving forward with subsidy programmes and other efforts to spur the deployment of advanced networks more deeply into unserved and underserved areas. Regulators also have taken steps to preserve internet access where it already exists, including by exploring mandates prohibiting disconnection of customers or requiring certain rates for low-income consumers – measures that, where adopted, sometimes have sparked fresh legal challenges and policy debates over the relative merits of government intervention and market-based solutions.

New technologies likewise have required new approaches and perspectives of policymakers. A notable example is the ongoing deployment of 5G wireless networks, as regulators continue to look for ways to facilitate such deployment. These initiatives take a variety of forms, and frequently include efforts to free up more spectrum resources, including by adopting new rules for sharing spectrum and by reallocating spectrum from one use to another. Multiple jurisdictions have continued to auction off wireless licences in bands newly designated for 5G deployment, capitalising on service providers' strong demand for

expanded access for spectrum. The planned deployment of new satellite broadband services, including multiple large satellite constellations in low-earth orbit, also continues to be a focus of regulatory interest across the world.

Meanwhile, long-running policy battles over the delivery of content over broadband networks continue to simmer in various jurisdictions, and new fronts have opened on related issues involving the content moderation policies of social media companies and other online platforms. Policymakers continue to grapple with questions about network neutrality, the principle being that consumers should benefit from an ‘open internet’ where bits are transmitted in a non-discriminatory manner, without regard for their source, ownership or destination. While the basic principle has been around for well over a decade, unresolved issues remain, including whether newer kinds of network management practices implicate such concerns, and whether efforts to promote a healthy internet ecosystem are best served by light-touch, market-based regimes or by more intrusive government interventions. In the United States, the light-touch approach reinstated in 2018 seems fairly certain to be revisited at the federal level, and certain states are continuing to claim an ability to impose their own restrictions on internet service providers. Regulators around the world have begun taking more aggressive enforcement action against internet service providers’ zero rating plans, which exempt certain data from counting against a customer’s usage allowance. Regulators in Asia are grappling with similar policy questions. In addition, these neutrality principles, usually debated in the context of broadband networks, are now spilling over to the content side, where social media companies are facing increased scrutiny over claims of discriminatory practices in moderating content appearing on their platforms. Indeed, some jurisdictions are considering measures that not only would rescind immunities these platforms have traditionally enjoyed for their content moderation practices, but also would require increased transparency and potentially even impose anti-discrimination mandates or other consumer protections. In short, while the balance of power between broadband network operators and online content providers historically has turned on the degree of regulation of the former, both sides’ practices are now very much in the spotlight.

The following country-specific chapters describe these and other developments in the TMT arena, including updates on privacy and data security, regulation of traditional video and voice services, and media ownership. On the issue of foreign ownership in particular, communications policymakers have increasingly incorporated national security considerations into their decision-making.

Thanks to all of our contributors for their insightful contributions to this publication. I hope readers will find this 12th edition of *The Technology, Media and Telecommunications Review* as helpful as I have found this publication each year.

Matthew T Murchison

Latham & Watkins LLP

Washington, DC

November 2021

LATVIA

Andris Tauriņš, Gunvaldis Leitens and Lūcija Strauta¹

I OVERVIEW

Information and communications technology (ICT) is one of the driving forces of the Latvian economy. In 2019, 7021 companies² with 37,112 employees³ contributed to 4.8 per cent of national GDP,⁴ while in 2018 the export of computer and IT services generated €12,733.5 million in revenue.⁵

For the period running from 2018 to 2022, the National Media Strategy for the Electronic Media Sector envisages the withdrawal of public media from the advertising market and promoting the impartiality and accuracy of the news. Another important long-term project is Cabinet of Ministers Order No. 102 ‘On the Electronic Communications Sector Policy Plan 2018–2020’, signed on 12 March 2018, which outlines the actions necessary to reach the goals of EC Communication 5G for Europe – An Action Plan.

2019 and 2020 was marked by severe disagreements between public broadcasters and the National Electronic Mass Media Council, which functions as a platform for debate regarding the independence and future of public media. Moreover, due to changes regarding the regulations on advertising, problems have arisen also regarding the financial situation of the public media.

II REGULATION

i The regulators

The field is mainly regulated by two institutions: the Public Utilities Commission and the National Electronic Mass Media Council. Likewise, the state stock company Electronic Communications Office plays an important role.

1 Andris Tauriņš is a partner and Gunvaldis Leitens and Lūcija Strauta are legal assistants at Sorainen.

2 Data available at https://data.stat.gov.lv/pxweb/lv/OSP_PUB/START_IKT_EP_EPE/EPE010/table/tableViewLayout1/.

3 Data available at https://data.stat.gov.lv/pxweb/lv/OSP_PUB/START_IKT_EP_EPE/EPE010/table/tableViewLayout1/.

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5 Data available at https://data1.csb.gov.lv/pxweb/lv/zin/zin_ikt_sektors/ITG270.px/table/tableViewLayout1/.

Electronic communications

The Public Utilities Commission (Regulator)⁶ is an autonomous body that, inter alia, regulates business activities in the electronic communications sector and protects users' rights from a technological perspective. The Regulator's actions are based on the Law on Regulators of Public Utilities⁷ (LORPU), which came into force in 2001, as well as other legal acts covering specific regulated sectors.

In the field of electronic communications, the Regulator monitors the services provided by electronic communications companies, including voice telephony, transmission of data and electronic messages, leased lines, internet access, broadcasting of radio and TV programmes, and access to networks, infrastructure and interconnections.⁸ To do this, the Regulator assigns usage rights (licences) of scarce resources: radio frequency (RF) spectrum and numbering.⁹ Additionally, it registers electronic communications service (ECS) providers, evaluates draft tariffs submitted by providers,¹⁰ acts as an out-of-court body to resolve disputes where providers are involved¹¹ and carries out other tasks provided by law.

However, according to the Electronic Communications Law (ECL),¹² the Electronic Communications Office (ECO) is mainly responsible for the administration of the RF spectrum and numbering resources.¹³ The ECO provides electromagnetic compatibility, assigns RFs for the operation of radio equipment and undertakes other tasks as provided by law.¹⁴

Media

The other primary regulator, the National Electronic Mass Media Council (NEMMC),¹⁵ is also an autonomous institution. It monitors the legality of the content of electronic mass media.

On the basis of the Electronic Mass Media Law (EMML),¹⁶ the NEMMC, inter alia, maintains a register of issued broadcasting and retransmission permits, analyses suggestions and complaints submitted by consumers regarding the operations of the electronic mass media, monitors the electronic mass media, and approves the list of television programmes distributed to end-users via digital terrestrial broadcasting free of charge.¹⁷ Additionally, it develops and approves the National Development Strategy of the Electronic Mass Media Sector.¹⁸

6 See <https://www.sprk.gov.lv/>.

7 Law on Regulators of Public Utilities of 19 October 2000, last amended on 13 February 2020.

8 Section 4 of the Decision of the Council of the Public Utilities Commission of 30 November 2017 No. 1/32. Regulations on the registration of electronic communications merchants and the list of electronic communications networks and services.

9 Article 9(1(4)) of the LORPU.

10 Article 19(2) of the LORPU.

11 Article 32(1) of the LORPU.

12 Electronic Communications Law of 28 October 2004, last amended on 17 September 2020.

13 Article 4(2) of the ECL.

14 Article Section 6(1) of the ECL.

15 See <https://NEPLPadome.lv>.

16 Electronic Mass Media Law of 12 July 2007, last amended on 29 April 2021.

17 Article 60(1) of the EMML.

18 Article 60(3) of the EMML.

The NEMMC has considerable powers regarding the public electronic mass media. Upon consultation with the public electronic mass media, it develops and approves annual plans for programmes.¹⁹ Additionally, it develops and approves the statutes of the public electronic mass media,²⁰ determines the allocation of the state budget subsidy and the resources granted in the annual budget,²¹ and appoints and dismisses the boards²² of the public electronic mass media. Finally, it can also make decisions regarding the termination of the activities of the public electronic mass media, and the reorganisation thereof, and make changes in equity capital.²³

In 2021, a new institution, the Public Electronic Mass Media Council (PEMMC) was established. PEMMC operates in accordance with the newly adopted Law on Public Electronic Mass Media and Their Management.²⁴ Its operation focuses on the management of public electronic media. It is also responsible for ensuring that the electronic mass media can operate independently, developing codes of ethics for public electronic mass media, suggesting the share of annual state budget necessary for the normal operation of the sector and providing other functions necessary for the maintenance and development of the public electronic mass media. The division of functions between NEMMC and PEMMC is still in progress in 2021.

ii Main sources of law

The main sources of law in the field of electronic communications are the above-mentioned Law On Regulators of Public Utilities from 2001, the Electronic Communications Law from 2004 and the Electronic Mass Media Law from 2007. The Law On the Press and Other Mass Media from 1990 contains the norms applicable to mass media.

Additionally, more detailed regulations are contained in the specific regulations issued by the Regulator or the Cabinet of Ministers. Some examples of these regulations are the Decision of the Council of the Public Utilities Commission No. 1/35 'General authorisation conditions in the electronic communications sector' of 20 December 2018,²⁵ Cabinet of Ministers Regulation No. 24 'Regulations on the State Fee for the Issuance of a Broadcasting Permit and the Review of the Basic Conditions, the Issuance and Re-Registration of a Broadcasting Permit, and the Supervision of the Exercise of Broadcasting Rights' of 9 January 2018,²⁶ Cabinet of Ministers Regulation No. 1226 'Regulations Regarding Types of Regulated Public Utilities' of 27 October 2009,²⁷ Decision of the Board of the Public Utilities Commission No. 1/32 'Regulations on the registration of electronic communications merchants and the list of electronic communications networks and services' of 30 November 2017 (Regulations on Registration),²⁸ among others. The Regulations regarding the general authorisation conditions are updated regularly.

19 Article 62(1) of the EMLL.

20 Article 62(4) of the EMLL.

21 Article 62(3) of the EMLL.

22 Article 62(5) of the EMLL.

23 Article 62(7) of the EMLL.

24 Law on Public Electronic Mass Media and Their Management of 19 November 2020.

25 Available at <https://likumi.lv/ta/id/303972-visparejas-atlaujas-noteikumi-elektronisko-sakaru-nozare>.

26 Available at <https://likumi.lv/doc.php?id=296448>.

27 Available at <https://likumi.lv/ta/en/id/199830-regulations-regarding-types-of-regulated-public-utilities>.

28 Available at <https://likumi.lv/ta/en/id/295646-regulations-regarding-the-registration-of-electronic-communications-merchants-and-the-list-of-electronic-communications-networks-and-services>.

iii Regulated activities

As stated in the LORPU, licences have to be acquired only by providers of public utilities that are specifically named by the Cabinet of Ministers or the Regulator. The operations of providers of public utilities must be regulated, but the special laws and regulations of the regulated sectors do not provide for licensing or other registration, and such operators can start providing public utilities if they are registered on the register of providers of public utilities.²⁹

Electronic communications

Providers of ECSs do not need a licence, but only a general authorisation.³⁰ This regulation follows the Access Directive.³¹

Under the Regulations on Registration, providers must send a notification before the provision of:

- a* a fixed electronic communications network (ECN);
- b* a mobile ECN;
- c* voice telephony services;
- d* public data and electronic message services;
- e* leased line services;
- f* public internet access services;
- g* access services; and
- h* interconnection services.

On the basis of the notification, a general authorisation is issued, and the rules thereunder must be followed by providers. All registered providers are recorded in a public register³² available on the website of the Regulator.³³

On 20 December 2018, the classification of the above-mentioned services was amended by including a direct reference to the fact that notification must also be sent before the provision of the services offered through the virtual mobile ECN.³⁴

RF spectrum can be utilised for radio equipment operations after the receipt of an RF assignment use permit from the ECO or in accordance with a common RF assignment use permit.³⁵

Broadcasting and retransmission

Broadcasting rights are granted on the basis of an application. If an electronic media operator requires an RF resource, the broadcasting rights are awarded on a competitive basis.³⁶ The basic criteria for evaluation are the creative, financial and technical provisions of a broadcast's concept and the amount of the state language used during the broadcasting period.³⁷

29 Article 181(1) of the LORPU.

30 Article 32 and following of the ECL.

31 Access Directive (2002/19/EC).

32 Article 18.1(3) of the LORPU.

33 Available at <https://www.sprk.gov.lv/content/registresana-0>.

34 <https://likumi.lv/ta/id/303973-grozijumi-sabiedrisko-pakalpojumu-regulesanas-komisijas-2017-gada-30-novembra-lemuma-nr-1-32-noteikumi-par-elektronisko-sakaru-...>

35 Article 50 of the ECL.

36 Article 15(4) of the EMML.

37 Article 17(1) of the EMML.

Upon payment of a state fee, a broadcasting permit is issued to the winner of the tender for 10 years. Upon expiry, a new broadcasting permit is issued to the electronic media operator without a competition if there has been no court judgment regarding violations of the ECL during the previous year.³⁸

The retransmission and distribution of programmes on public ECNs requires the consent of the holder of the retransmitted programmes and the permission of the NEMMC.³⁹

iv Ownership and market access restrictions

A foreign company can send the necessary registration notification and carry out the business of providing electronic communications services if it is established as a commercial business in any EU Member State or has established a subsidiary in Latvia. The registration notice also requires the company to identify itself using its united registration number.

The market can only be accessed if the service provider has a permission or relevant licence. Competition is also restricted due to the limited nature of the radio spectrum. Additionally, mergers and acquisitions are stringently controlled to avoid market concentration and abuse of dominance.

Corporations that are the owners of the media are obliged to inform the commercial registry authority of their beneficial owners in these cases and according to the procedure prescribed by the Commercial Law.

v Transfers of control and assignments

In Latvia, licences are issued on an individual basis. The Regulation Regarding the Licensing of Public Utilities states that the service provider is not entitled to transfer the licence to other persons.⁴⁰ Likewise, permissions and rights to broadcast⁴¹ cannot be transferred.

However, companies can merge, and the general Latvian merger control framework applies to the TMT sector. The provisions on market participant mergers can be found in the Competition Law.

The Competition Council must be notified about every merger. Within the meaning of the Competition Law, mergers are considered to be transactions that result in the acquisition of influence in another undertaking, or even only the assets of a company or the right to use them.⁴²

Notification is required prior to a merger if the total turnover of the merger participants in the previous financial year in the territory of Latvia constituted at least €30 million, and the turnover of at least two of the merger participants in the previous financial year in the territory of Latvia constituted at least €1.5 million each.⁴³ Additionally, within 12 months from a merger's implementation, the Competition Council is entitled to request that the participants submit a notification on an already implemented merger that does not conform with the above-mentioned provisions in the following circumstances: in the relevant market,

38 Article 18(6) of the EMLL.

39 Article 19(1) of the EMLL.

40 Clause 16 of the Cabinet of Ministers Regulation No. 664 Regulations Regarding the Licensing of Public Utilities of 30 August 2005.

41 Article 15(2) of the EMLL.

42 Article 15(1) of the Competition Law of 4 October 2001, last amended on 23 April 2019.

43 Article 15(2) of the Competition Law.

the aggregate market share of the participants exceeds 40 per cent and there is a suspicion that the merger might result in or strengthen a dominant position, or competition in the relevant market might be notably reduced.⁴⁴

Mergers that create or strengthen a dominant position, or that may significantly reduce competition in any relevant market, are prohibited. However, such mergers can be permitted if the Competition Council imposes binding provisions on the relevant market participants, thus preventing negative consequences.⁴⁵

If a notification has not been given in the cases specified in the law on or an unlawful merger has occurred, the Competition Council can impose a fine on the new market participant or on the acquirer of a decisive influence. The fine amounts to up to 3 per cent of the participant's or acquirer's net turnover in the last financial year.⁴⁶

At the end of 2019, two mobile operators, Tele2 and Bite Latvija, established a joint venture – Centuria – the purpose of which is to build and manage radio networks in Latvia and Lithuania. The partnership of Swedish-based telecommunications group Tele2 AB Group and mobile operator Bite aims to share active and passive network infrastructure and 2G, 3G, 4G and 5G communications. The establishment of a network for common use has been started in 2021, and the complete network is expected to be established by 31 December 2023.⁴⁷ On March 2021, the Public Utilities Commission allowed Bite and Tele2 to cooperate by sharing their network infrastructure and a part of their frequencies.⁴⁸

Another topic of considerable discussion is the merger of public media companies.⁴⁹

III TELECOMMUNICATIONS AND INTERNET ACCESS

i Internet and internet protocol regulation

The ECL, adopted on 28 October 2004, regulates, inter alia, both traditional telephony services and the internet and IP-based services. In addition, the Regulations on Registration regulate all types of electronic communications.

Specific regulations cover, for example, rules regarding public internet access service providers storing data and the liability exemption regime.

ii Universal service

The regulations regarding universal services obligations⁵⁰ have been implemented in Latvia through the ECL⁵¹ and the 17 November 2016 Decision of the Council of the Public Utilities Commission No. 1/24 'Provisions on universal service in the electronic communications sector'.

44 Article 15(21) of the Competition Law.

45 Article 16(3) of the Competition Law.

46 Article 17(1) of the Competition Law.

47 Information available at <https://www.lsm.lv/raksts/zinas/ekonomika/registrets-bite-latvija-un-tele2-kopuznemums-centuria.a332865/>.

48 Information available at <https://www.tvnet.lv/7213966/sprk-atlaj-tele2-un-bite-latvija-sadarbibu-mobilosakaru-frekvencu-izmantosana>.

49 Information available at www.delfi.lv/business/uznemumi/roke-butu-bistami-apvienot-sabiedriskos-medijus.d?id=49341615.

50 Directives Nos. 2002/22/EC and 2009/136/EC.

51 The last amendments in the relevant chapter were made on 6 October 2021.

These Provisions state the duty of the universal service provider to provide access to a public ECN for voice telephony calls and the transmission of fax and data messages at data rates that are sufficient to provide internet access all over Latvia.⁵² Tet (former Lattelecom) has been the official provider of the universal service since 2003. Its tasks also include the duty to provide special services to persons with disabilities, such as discounts on such subscribers' telephone lines, domestic calls, installation fees for broadband internet access services and subscription fees for broadband internet access services.

In accordance with the Next Generation Broadband Electronic Communications Network Development Strategy for 2013 to 2020, broadband coverage is being improved in the rural regions of Latvia. This means that the quality of the universal service will also be raised. Additionally, free internet, which is directly financed by the state budget, has already been available in all libraries, including those in rural regions, for more than 15 years.⁵³

iii Restrictions on the provision of service

Restrictions on tariffs

Tariffs are strictly controlled by the Regulator.

Article 20 of the LORPU states that tariffs are to be set to the extent that payments made by users cover the economically justified costs of public services and ensure the profitability of public services, unless special laws on the field provide for other tariff setting principles. If factors affecting tariffs (such as profitability) change, the Regulator may propose a tariff review. The Regulator may apply tariff regulation measures to ECSs that have a significant market power.⁵⁴

Prerequisites for providing services

To receive permission to provide services, providers must comply with the general rules regarding the electronic communications field.⁵⁵ These general rules include, for example, data protection requirements, the duty to carry out any planned scheduled maintenance at the lowest possible hourly load and the duty to protect the ECN from unauthorised access. They can be seen as general restrictions on the provision of service, especially as in cases of repeated violations the Regulator can suspend the activities of a violating provider for a period of up to five years.⁵⁶

At the beginning of 2020, the Regulator terminated the operation of the electronic communications service provider, Baltic Communication Network, removing it from the list of service providers. The service provider had been administratively sentenced twice during the year in connection with a failure to provide information at the request of the Regulator. Additionally, its right to provide the service for the next three years has been suspended until 9 February 2023.⁵⁷

52 Section 4 of the Provisions on universal service in the electronic communications sector.

53 Information available at <https://www.lsm.lv/raksts/zinas/latvija/bezmaksas-internets-lauku-bibliotekas-valstij-izmaksa-ap-400-000-eiro-gada.a194874/>.

54 Article 60(2) of the ECL.

55 Decision of the Council of Public Utilities Commission of 20 December 2018 No.1/8 General Authorisation Regulations in the Field of Electronic Communications.

56 Article 33(3) of the ECL.

57 Information available at: <https://lvportals.lv/dienaskartiba/312153-sprk-atnem-tiesibas-sia-baltic-communication-network-sniegt-elektronisko-sakaru-pakalpojumu-2020>.

Theoretically, service providers are free to choose which services they provide. However, the ECL regulates the minimal content of contracts between providers and users.⁵⁸ There are also some norms in the general rules that apply specifically to service provision: for example, providers must comply with the restrictions on the transmission of illegal content specified in regulatory enactments.⁵⁹ Providers must also not facilitate access to information on the internet the distribution of which is prohibited in accordance with regulatory enactments.⁶⁰ In addition, the norms regarding consumer protection and the prohibition of unfair commercial practice apply. Specific obligations and duties, such as those regarding transparency, equal treatment, accounting separation, tariff regulation and cost accounting, can be imposed by the Regulator upon ECS providers with significant market power.

Rights and duties of providers

ECS providers that provide public data and electronic message transmission or public internet access services with temporary storage of transmitted information, provided that the information is not stored longer than necessary for its transmission, are responsible for the content transmitted if such provider proposes the transmission of information, chooses the transmitted information recipient, and chooses or converts the broadcast information.⁶¹

All other ECS providers are not obliged to monitor the transmitted information or search for circumstances indicating the transmission of illegal content.⁶²

The exact terms and conditions for the provision of ECSs depend on a contract concluded between the user and the provider. Nevertheless, the general licence terms state those cases when the provider has the right to suspend the provision of the service:

- a* the end-user uses unauthorised access to the operator's ECN;
- b* the end-user, without the consent of the ECS provider, uses the end-user connection for business in the electronic communications sector;
- c* the end-user does not comply with the terms of use of the services; and
- d* in cases of usage contrary to those specified in the contract between the user and the provider on the use of the ECSs, the rules for the use of ECSs or regulatory enactments.⁶³

End-users and subscribers have equal rights to receive ECSs, and they have the right to choose several ECS providers simultaneously.⁶⁴ The ECL also specifically provides that a service provider who offers digital television and digital radio services must ensure that the services provided do not limit subscribers' rights to a free choice of service supplier, and interoperability with other ECS providers' services.⁶⁵ Owners of private ECNs have a duty to ensure the interoperability of their network if such private network is connected to the public ECN.⁶⁶ Additionally, the Regulator has the right to fairly, proportionally and with equal treatment impose obligations regarding access and interconnections upon ECS providers to

58 Article 22(3) of the ECL.

59 Section 18 of the General licence terms in the electronic communications sector.

60 Section 19 of the General licence terms in the electronic communications sector.

61 Section 20 of the General licence terms in the electronic communications sector.

62 Section 21 of the General licence terms in the electronic communications sector.

63 Section 17 of the General licence terms in the electronic communications sector.

64 Articles 23(1) and 23(2) of the ECL.

65 Article 67(1) of the ECL.

66 Article 26 of the ECL.

ensure the access necessary to end-users.⁶⁷ The Regulator has the same right regarding the obligation on public ECN operators to ensure access to application software interfaces and electronic programme guides.⁶⁸

iv Privacy and data security

Decisions on the basis of national security

On 20 June 2018, amendments to the EMMML were adopted to strengthen Latvia's information space.⁶⁹ The general rules for creating media programmes were amended with the addition of the principles of neutrality and accuracy, and the imposition of a prohibition on presenting facts in informative documentaries and news in a deliberately misleading way. Additionally, the law requires media owners to disclose the true beneficiaries of electronic media in order to ensure transparency.⁷⁰ The functions of the NEMMC have also been widened regarding the prohibition on hate-inciting television programmes.

The NEMMC generally also plays an active part in the field of security. For example, on 16 May 2018, together with the European Commission it discussed restricting the freedom of reception of Rossija RTR, a television programme, in the territory of Latvia owing to content that allegedly incited hatred.⁷¹ On 31 January 2019, the NEMMC adopted the decision to prohibit the retranslation and distribution of Rossija RTR in the territory of Latvia for three months.⁷² However, the decision was deficient as it explicitly prohibits only the retranslation of Rossija RTR, while the same content could be and has been provided also in other programmes, such as RTR Planeta and Rossiya-24.⁷³

During 2020 and 2021, actions against media have also been initiated in relation to the reflection of the covid-19 pandemic. Misleading information related to the pandemic and the nature of the virus is recognised as being misleading and potentially harmful for public health. One of these government actions was the NEMMC decision against TV channel Pirmais Baltijas Kanāls at the beginning of 2021. A fine totalling €16,000 was applied on the basis of two TV shows claiming that covid-19 is not a highly contagious infection. The NEMMC emphasised that the spread of such information must be strictly limited as it poses a threat to public health and motivates the public to ignore government-implemented safety measures.⁷⁴

67 Article 36(1) of the ECL.

68 Article 36(2) of the ECL.

69 Information available at <https://lvportals.lv/skaidrojumi/295915-steidzami-grozot-likumu-cer-stiprinat-latvijas-informativo-telpu-2018>.

70 Information available at <http://www.saeima.lv/lv/aktualitates/saeimas-zinas/26937-saeima-konceptuali-atbalsta-likuma-grozijumus-latvijas-informativas-telpas-stiprinasanai>.

71 Information available at <https://lvportals.lv/dienaskartiba/295735-neplp-ar-eiropas-komisiju-apspriez-rossija-rtr-ierobezosanu-2018>.

72 Information available at <https://neplpadome.lv/lv/sakums/padome/padomes-sedes/sedes-sadalas/neplp-aizliedz-retrantlet-rossija-rtr-latvijas-teritorija.html>, the decision available at <https://www.neplpadome.lv/lv/assets/documents/Lemumi/Lemums%2012%20par%20Rossija%20RTR%20ierobezosanu.pdf>

73 Information available at <https://nra.lv/latvija/271932-rossija-rtr-aizliegums-neprecizs-liela-dala-operatoru-to-var-ignoret.htm>

74 NEPLP konstatē nepatiesas informācijas izplatīšanu "Pirmajā Baltijas Kanālā", 2 March 2021, available at <https://www.neplpadome.lv/lv/sakums/padome/padomes-sedes/sedes-sadalas/neplp-konstate-nepatiesas-informacijas-izplatisanu-%E2%80%9Cpirmaja-baltijas-kanala%E2%80%9D.html>

Cybersecurity

The Law on the Security of Information Technologies (LSIT) was adopted in 2010. It sets out the most important requirements for the security of information technologies for state and local government institutions and private legal entities.⁷⁵ The Law imposes some obligations on the providers of private entities that provide critical infrastructure, such as the duty to monitor and eliminate security loopholes.

On the basis of the LSIT, the Information Technology Security Incident Response Institution (CERT.LV)⁷⁶ was established in 2011. Its main tasks are to maintain information on IT security threats, provide support in the case of IT security incidents, advise government institutions and organise informative and educational activities. CERT.LV is also in charge of security throughout the Latvian electronic information space and under the TLD.lv top-level domain.

The National Guard Cyber Defence Unit, established in 2013, and the Military Information Technology Security Incident Recovery Team (MilCERT), established in 2016, also have a key role in ensuring cybersecurity. Additionally, based on the National Security Concept, the National Information Technology Security Board was established on 28 May 2018 by appointing representatives from various ministries, the State Revenue Service, the Bank of Latvia, CERT.LV, MilCERT and other institutions.⁷⁷ In addition to the regulations mentioned above, in summer and autumn 2019 the Cabinet of Ministers debated on the Latvian Cybersecurity Strategy for 2019 to 2022.⁷⁸ Taking into account the priorities set by the European Union and the objectives set out in national policy planning and other documents, the guidelines outline five fields of action for the period up to 2022:

- a* promoting cybersecurity and reducing digital security risks;
- b* resilience of ICTs, strengthening of provision of ICTs and services critical to society;
- c* public awareness, education and research;
- d* international cooperation; and
- e* cyber justice and the reduction of cybercrime.⁷⁹

Article 9 of the LSIT states the duties of ECS providers, such as:

- a* ensuring the integrity of the network;
- b* drawing up an action plan for ensuring the continuous operation of the network, indicating therein the technical and organisational measures implemented to appropriately manage the risks posed to the security of the network and the provision of services;
- c* informing the relevant institutions regarding breaches of security or integrity that have had a significant impact on the operation of the ECN or the provision of services;
- d* upon the request of the relevant institutions, organising a security audit to be carried out by a qualified body governed by public law if essential breaches of security and integrity have been detected; and

75 Law on the Security of Information Technologies of 28 October 2010, last amended on 15 June 2017.

76 See: <https://cert.lv/en/about-us>.

77 Prime Minister Order No. 146 of 28 May 2017 On the National Information Technology Security Board.

78 Information available on <http://tap.mk.gov.lv/lv/mk/tap/?pid=40466584&mode=mk&date=2019-07-09>.

79 Guidelines 'Latvian Cybersecurity Strategy for 2019 to 2022', version of 17 September 2019.

e upon the request of the relevant institutions, disconnecting an end-user from the ECN for a short period of time if such end-user significantly endangers the rights of other users or the information system, or the security of the ECN.

On 25 October 2018, the LSIT was amended to implement Directive 2016/1148.^{80,81} The amendments establish the obligation of basic service providers and digital service providers to comply with certain IT security requirements and to report security incidents. Certain tasks are set for CERT.LV, the Digital Safety Monitoring Committee, the Ministry of Defence and ministries monitoring individual sectors.

In October 2018, the Constitution Protection Bureau stated that within the past few years the Russian military intelligence service had repeatedly attacked targets in Latvia, including the defence and foreign affairs sectors. Some of the attacks had also been targeted towards the media.

On the day of 13th Saeima (parliamentary) elections, attacks were carried out on the Latvian social network draugiem.lv,⁸² as well as some email systems, websites and network infrastructure in the public sector. However, no politically motivated cyberattacks carried out by the Russian military intelligence service, which would have had an impact on the elections, had been observed.⁸³

Data security

To maintain high professional standards in the processing of personal data in the electronic communications sector and to develop new societal services and technologies, while respecting individuals' rights to data protection and privacy, in May 2019, the Latvian Information and Communication Technology Association published guidelines for personal data processing.⁸⁴ These guidelines specify how the requirements of the European Data Protection Regulation must be applied to the specific nature of personal data processing within electronic communications.

Fraud

To limit the number of cases of fraud in the electronic communications sector using numbering, on 11 February 2019, the Regulator modified the Numbering Fraud Prevention Rules. This was done taking into account the growing variety of fraudulent practices and the pleas of the businesses that had suffered from such fraud.

The rules supplement and clarify the signs of fraud, as well as explaining the necessary conduct of the victim in cases of suspected fraud, both nationally and internationally.⁸⁵

80 Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union.

81 Information available at <https://likumi.lv/ta/id/302455-grozijumi-informacijas-tehnologiju-drosibas-likuma>.

82 Information available at <https://skaties.lv/zinas/latvija/atjaunota-kiberuzbrukuma-cietusas-draugiem-lv-majaslapas-darbiba/>.

83 Information available at <https://www.lsm.lv/raksts/zinas/latvija/sab-krievijas-specdienests-pedejos-gados-uzbrucis-latvijas-kibertelpai.a295244/>.

84 Information available at <https://www.dvi.gov.lv/lv/zinas/likta-vadlinijas-fizisko-personu-datu-apstrade/>.

85 Information available at <https://www.sprk.gov.lv/index.php/events/regulators-velas-ierobezot-krapniecibas-gadijumus-elektronisko-sakaru-nozare>.

Criminal law measures

Unauthorised access to automated data processing systems is prohibited by Article 241 of the Latvian Criminal Code,⁸⁶ while Article 243 stipulates liability for interference with the operation of automated data processing systems and illegal actions with the information included in such systems. The Criminal Code also prohibits illegal operations with devices that could influence automated data processing systems,⁸⁷ violation of the safety provisions of information systems⁸⁸ and other TMT-connected crimes.

IV SPECTRUM POLICY

i Development

For many years, there was a fee for the usage of spectrum. A significant change was its revocation in 2014. The respective amendments were made because the ECL provided (and still provides) that ECO collects a fee for provided public paid services, including a monthly payment for the provision of the electromagnetic compatibility of radio equipment.⁸⁹ The parliament concluded that, practically, the charge for an electromagnetic compatibility service is, in fact, a fee for use of the RF spectrum.

Additionally, ECS providers must pay a state fee for the regulation of public utilities.⁹⁰

The procedures for granting spectrum use rights are set out in the 16 June 2011 Decision No. 1/7 of the Board of the Public Utilities Commission ‘Regulations Regarding the Rights of Use of the Radio Frequency Spectrum’, which were last amended on 6 August 2018. These amendments, inter alia, widened the list of cases when the Regulator can refuse to grant rights to use RFs and set new regulations for the evaluation of applications. These were the first amendments to the Decision since 2013.

From 2021, the spectrum in the 700MHz frequency bands will be used solely for the provision of 5G services in Latvia.

ii Flexible spectrum use

An ECS provider cannot transfer the right to use RF spectrum if it has not paid for the acquisition of this right.⁹¹ All other limitations in law apply regarding the transfer of the right to use numbering. Thus, it can be presumed that the flexible transfer of the use of radio spectrum is generally encouraged. This encouragement is proven also by the Regulator’s duty to ensure that RFs are used efficiently to promote competition and the harmonised transfer of RFs. The Regulator assesses the necessity of transferring the right of use of the RFs taking into account the competition.⁹²

Additionally, commercial activities without a Regulator’s permit for the right to use the RF spectrum can be carried in RF spectrums or channels for which a sharing RF allocation use permit has been specified.⁹³

86 Latvian Criminal Code of 17 June 1998, last amended on 3 September 2020.

87 Articles 244 and 2441 of the Latvian Criminal Code.

88 Article 245 of the Latvian Criminal Code.

89 Articles 6(1(2)) and 6(4) of the ECL.

90 Article 12 of the ECL.

91 Article 47(31) of the ECL.

92 Article 47(61) of the ECL.

93 Article 47(51) of the ECL.

However, no specific developments to enable new uses of the spectrum (terrestrial use of satellite spectrum, mobile use of spectrum previously licensed for fixed use, etc.) have been observed.

iii Broadband and next-generation mobile spectrum use

In 2017, 4G coverage reached 98 per cent of households in Latvia.⁹⁴ By 2020, coverage had reached 99 per cent.⁹⁵ Similarly, a large part of internet coverage in Latvia is ultrafast broadband (93 per cent of households), in which regard Latvia, as recognised in the Digital Economy and Society Index, stands far above the EU average.⁹⁶ Latvia is also named as one of the top OECD countries for mobile data usage.⁹⁷

In 2018, more than half of all download speed measurements in the territory of Latvia exceeded 30Mbit/s. The quality of the signal has been described as outstanding when looking at such parameters as latency, jitter and packet loss ratio. In this manner, as noted by the Regulator, 'the mobile internet quality indicators mark the further development of technology, both by improving and expanding the existing 4G technologies, as well as by providing a suitable platform for the gradual transition to the latest 5G technology'.⁹⁸

In 2012, however, there still were 363 white territories that needed the development of the optical network.⁹⁹ Thus, and in line with the Europa 2020 strategy, in 2014 Latvia adopted the Next Generation Broadband Electronic Communications Network Development Strategy for 2013–2020.¹⁰⁰ It was amended in 2016¹⁰¹ and is still in force.

In accordance with the strategy, broadband coverage will be improved for the rural regions of Latvia with the help of state aid through the development of next-generation ECNs. Private providers have to deliver the last-mile connection. Within this project, between 2012 and 2015 a 1,800km-long optical line with more than 177 access points was developed.¹⁰² It is planned that this project will allow 83,000 new households to access the internet. The long-term next-generation access aims are 100 per cent coverage with 30Mbps and 50 per cent household penetration with 100Mbps by 2020.¹⁰³

On 12 March 2018, the Cabinet of Ministers signed Order No. 102 on the Electronic Communications Sector Policy Plan 2018–2020. The Order, inter alia, confirms Latvia's readiness to reach the goals noted in EC Communication 5G for Europe – An Action

94 Digital Economy and Society Index (DESI) 2018 Country Report – Latvia.

95 Digital Economy and Society Index (DESI) 2020 Country Report – Latvia.

96 Digital Economy and Society Index (DESI) 2020 Country Report – Latvia, available at https://ec.europa.eu/newsroom/dae/document.cfm?doc_id=66919.

97 Information available at <http://www.oecd.org/sti/broadband/broadband-statistics-update.htm>.

98 Information available at https://infogram.com/id-qualityreport_2018_summary-1h0n250ee0nz4pe?live.

99 Information available at <https://nra.lv/latvija/200232-jaunie-platjoslas-interneta-tarifi-komersantiem-izdevigaki.htm>.

100 Cabinet of Ministers Order No. 589 of 7 December 2012 The Next Generation Broadband Electronic Communications Network Development Strategy for 2013–2020.

101 Cabinet of Ministers Order No. 453 of 16 August 2016 Amendments to the Next Generation Broadband Electronic Communications Network Development Strategy for 2013–2020.

102 Information available at <https://nra.lv/latvija/200232-jaunie-platjoslas-interneta-tarifi-komersantiem-izdevigaki.htm>, also the material prepared by the Ministry of Transport: [www.sam.gov.lv/images/modules/items/DOC/item_3178_Balts_peleks_meln_final_\(2\).doc](http://www.sam.gov.lv/images/modules/items/DOC/item_3178_Balts_peleks_meln_final_(2).doc).

103 Cabinet of Ministers Order No. 102 of 12 March 2018 On the Electronic Communications Sector Policy Plan 2018–2020.

Plan. The tasks include the release and reprogramming of the 700MHz band for mobile communications. An informative report on this issue, which outlines plans for the release of the 700MHz band from January 2022, was reviewed by the government in August 2018.¹⁰⁴ The implementation of this project will take place two years later than demanded by the EU, as Lattelecom has the right to provide pay-TV services in the band until 31 December 2021.¹⁰⁵ On 11 January 2019, the Regulator annulled the rights of Lattelecom to use the specified bands after 1 January 2021.¹⁰⁶ On February 2020, the Cabinet of Ministers in Latvia approved Latvia's 5G 'Roadmap for the Deployment of Fifth generation (5G) Public Mobile electronic Communications Networks in Latvia'. The document provides an overview of spectrum allocation, deployment of commercial networks in large urban centres and coverage obligations planned for the allocation of 700MHz related to railways and roads.¹⁰⁷

On 19 June 2019, LMT started the provision of a 5G network in Latvia. Similarly, on 18 June 2019, its competitor company, Tele2, started a 5G base station to provide the network within a business centre. Thus, Latvia was one of the first countries in the world to launch the 5G network. Additionally, Latvian firm MikroTik has announced the production of 5G internet routers in Latvia.¹⁰⁸ By the end of 2021, there are expected to be 100 broadcasting towers of 5G internet deployed in territory of Latvia.¹⁰⁹

In 2018 and 2019, 27 Latvian municipalities were awarded financing from the European Commission to create WiFi points in their territories.

iv Spectrum auctions and fees

The right to use radio spectrum bands is acquired via auctions. Since 2010, the Regulator has organised 10 spectrum auctions.¹¹⁰

In 2020, the Regulator approved a number of changes to the rules of the procedure for the auction of rights to use RF spectrum. The changes have been made to facilitate a more efficient and effective spectrum auction. The amendments provide for the reduction of the administrative burden – now the application for registration will be electronic. At the same time, to speed up the auction process, a more flexible procedure and determination of intermissions during the auction has been established.¹¹¹

Since 2014, no spectrum fee exists.¹¹² It does not seem likely that any fee will be created again, as the monthly payment for the provision of electromagnetic compatibility of radio equipment, collected by the ECO, fulfils the same goal. Licensed operators also contribute to the financing of the universal services.

104 Information available at <https://www.mk.gov.lv/lv/aktualitates/valdiba-skata-informativo-zinojumu-par-radiofrekvencu-joslas-atbrivosanu-5g-mobilo>.

105 Information available at www.sam.gov.lv/sm/content/?cat=433.

106 Information available at <https://www.sprk.gov.lv/events/regulators-anule-radiofrekvencu-spektraliotosanas-tiesibas-sia-lattelecom>.

107 Information available at: <https://www.sam.gov.lv/en/electronic-communications-0>.

108 Information available at www.la.lv/tiesraide-no-rigas-un-liepajas-latvija-tiek-palaists-pirmais-5g-internets-lmt-tikla.

109 LMT šogad uzstādīs 100 5G bāzes stacijas, *Dienas bizness*, 8 September 2021, available at: <https://www.db.lv/zinas/lmt-sogad-uzstadis-100-5g-bazes-stacijas-504387>

110 Information available at <https://www.sprk.gov.lv/events/izmainas-noteikumos-efektivakai-radiofrekvencu-spektra-izsoles-norisei>.

111 *ibid.*

112 Amendments in the Law on Taxes and Duties of 19 December 2013.

V MEDIA

i Regulation of media distribution generally

Network operators and content providers are regulated separately. While network operators are mainly regulated by the Regulator in accordance with the ECL, content providers are governed by the NEMMC in line with the EMLL.

Many restrictions on the provision of service were included in the 2018 amendments to the EMLL (see more in Section VI). In addition, the EMLL stipulates that the electronic media cannot include in their programmes:

- a* stories highlighting violence;
- b* pornographic material;
- c* encouragement of incitement to hatred or a call to discriminate against a person or group of persons;
- d* a call to war or a military conflict;
- e* an invitation to violently overthrow the state's power or violently change the state machinery, to crush territorial integrity or to commit another crime; or
- f* scenes that discredit Latvia's statehood and national symbols.¹¹³

Providers must respect human rights and defend the idea of a democratic and independent Latvia.¹¹⁴ All television broadcasts in foreign languages, with specific exceptions, must be provided with subtitles in Latvian,¹¹⁵ while films must have either an audio translation or subtitles.¹¹⁶ If a public electronic medium creates and distributes television news broadcasts in a foreign language, a summary must be provided in the form of a line in the national language.¹¹⁷ European audiovisual works must occupy a minimum of 51 per cent of broadcast time, with the exception of news, sports events, games, advertisements and television stores.¹¹⁸

The retransmission of an electronic media audiovisual programme from another EU Member State or EEA country can be restricted if its provider has unequivocally, seriously and materially violated specific provisions of the EMLL at least twice during the previous 12 months.¹¹⁹

Emerging platforms are treated differently from traditional media outlets. While the traditional outlets are considered media, regulated by the Law on Press,¹²⁰ platforms that are not registered as mass media or that in their style are not identical to online news portals¹²¹ do not fall under the scope of this Law. To date, the criterion of an identical style, developed

113 Article 26 of the EMLL.

114 Article 24(2) of the EMLL.

115 Article 28(4) of the EMLL.

116 Article 28(3) of the EMLL.

117 Article 28(5) of the EMLL.

118 Article 32(1) of the EMLL.

119 Article 21.1(1) of the EMLL.

120 Law On the Press and Other Mass Media of 20 December 1990.

121 17 October 2012 judgment of the Supreme Court of the Republic of Latvia No SKC-637/2012.

by the Supreme Court, has been applied only to platforms that work in cooperation with printed magazines, or that are publicly recognised as trustworthy news portals.¹²² Therefore, it is not known whether this criterion could be applied also to fight against fake news outlets.

Since the beginning of 2021, the public media have exited from the advertising market.¹²³ In the public media sector, the exit of the advertising market had been discussed for years. It was supported by both LTV and Latvian Radio management, commercial media and the Ministry of Culture and the National Electronic Mass Media Council. The main concern related to the exit was how to obtain sufficient funding for media from the national budget. Additional funding of €8.3 million was granted for 2021. The public media plan to direct funding to new content, tax and copyright payments, investments and maintenance, which were previously covered by advertising revenue.¹²⁴

ii Internet-delivered video content

Latvian television provides access to many of its programmes on the Latvian Public Media portal.¹²⁵ The same practice is evolving in some other television stations.¹²⁶ However, here the distribution has not moved from television to the internet: rather, both are offered in parallel to cover Latvians living abroad, as well as people who do not have a television at home. Due to the plans regarding universal services, as well as the accessibility of the internet in libraries, this has a positive impact on consumers.

Many smart-television options are also offered to consumers in Latvia. Non-linear services have specific regulations within the EMMML. These regulations include, for example, the duty to ensure that minors under normal conditions cannot access services that might seriously impair their physical, mental and moral development.

Since 2018, the NEMMC has rights to limit access to websites that provide audiovisual content illegally. In August 2019, the NEEMC carried out a massive inspection of internet websites to find such channels. This has resulted in the blocking of two internet websites by restricting the use of their domain names until 15 January 2020.¹²⁷ However, this has been a growing problem recently. In early 2021, the NEMMC discovered 48 websites that had carried out broadcasting of one or more TV channels without receiving authorisation from the relevant media. Furthermore, only eight websites ceased their actions after receiving a warning from the NEMMC. Accordingly, seven new court proceedings were initiated, while 35 websites were blocked and five websites were given a time period for obtaining the licences necessary for their operation.¹²⁸

122 26 November 2015 judgment of the Limbazi District Court in case No. C27200514; 21 December 2017 judgment of the District Administrative Court, Archive No. A42-01972-17/14; 28 January 2015 judgment of the Riga Regional Court in case No. C30761212.

123 Information available at <https://www.lsm.lv/raksts/zinas/latvija/sabiedriskie-mediji-pamet-reklamas-tirgu-ko-tas-nozime.a387116/>

124 Information available at <https://lvportals.lv/skaidrojumi/295915-steidzami-grozot-likumu-cer-stiprinat-latvijas-informativo-telpu-2018>.

125 See: <https://www.lsm.lv/>.

126 See: <https://tvplay.skaties.lv>.

127 Source: <https://www.neplpadome.lv/lv/sakums/padome/padomes-sedes/sedes-sadalas/nepl-ierobezo-majaslapas-www.peers.tv-un-www.edem.tv.html>.

128 NEPLP pērn 48 mājaslapās konstatējusi prettiesisku televīzijas programmu retranslāciju, šogad janvārī sāktas jau 7 jaunas lietvedības, 17 February 2021, available at: <https://www.neplpadome.lv/>

VI THE YEAR IN REVIEW

The period from 2019 to 2021 has seen a crisis in public media and rapid changes therein.

Up to 2019, the EML had stated that the boards of public electronic media were to be appointed and removed by the NEMMC. Any person with a good reputation, high-level education and at least five years' professional experience in the field of media or business could be appointed as a board member. In spring 2019, the NEMMC appointed two new members of the Board of the National Television (LTV). This decision was opposed¹²⁹ by the Latvian Journalists Association and other media representatives, who claimed that the chosen members of the Board were not qualified enough as they did not have any media work experience. The chosen board members resigned,¹³⁰ and the NEMMC amended the statutes of the Board of the National Television stating that the Board is made up of one person.¹³¹

As a reaction to these events,¹³² on 20 June 2019, the parliament adopted amendments to the EML, which clarify both the requirements for the members of public media boards and their selection procedure, as well as the procedure for the recall of the boards. Along with the amendments,¹³³ the competences of the NEMMC have been limited, especially due to the creation of the Nomination Commission for Public Media Board Members.

This is an example of the disagreements between the NEMMC and the media. Additionally, in May 2019, the NEMMC initiated an administrative case against one of the commercial television stations in Latvia. The core of the proceeding was the distribution of the critical opinion, expressed by the State Audit Office of the Republic of Latvia, regarding the NEMMC. Politicians highly criticised this decision to initiate proceedings, as it seemed that the law was being used to oppress the freedom of expression.¹³⁴

During 2020, the NEMMC issued several administrative fines to TV and radio broadcasters in relation to covert agitation for political parties during the Riga City Council emergency election period. The fines varied between €10,000 and €15,000. The NEMMC has announced that it plans to implement severe punishments for this kind of conduct now and in the future.¹³⁵

lv/sakums/padome/padomes-sedes/sedes-sadalas/neplp-fern-48-majaslapas-konstatejusi-prettiesisku-televizijas-programmu-r.html.

129 Information available at <https://www.lsm.lv/raksts/zinas/latvija/latvijas-radio-zurnalisti-aicina-neplp-anulet-ltv-valdes-konkursa-rezultatus.a315339/>.

130 Information available at <https://www.lsm.lv/raksts/zinas/latvija/ltv-jauniecltie-valdes-locekli-atsakas-no-amatiem.a315342/>.

131 Information available at <https://www.lsm.lv/raksts/zinas/latvija/neplp-samazina-ltv-valdes-loceklu-skaitu--mediju-vadis-viens-cilveks.a317059/>.

132 Information available at <https://www.diena.lv/raksts/latvija/politika/saeima-rosina-mainit-sabiedrisko-mediju-valdes-loceklu-atlases-kartibu-14220911>.

133 Amendments of 20 June 2019.

134 See, for example, www.la.lv/to-var-saukt-par-noderigu-nepratu-rinkevics-komente-neplp-versanos-pret-tv3; www.la.lv/pavluts-rodas-iespads-ka-neplp-likuma-normu-izmanto-mediju-brivibas-ierobezosana.

135 'Par slēptu priekšvēlēšanu aģitāciju NEPLP ar 10 500 eiro soda 'RīgaTV 24'', available at <https://www.neplpadome.lv/lv/sakums/padome/padomes-sedes/sedes-sadalas/par-sleptu-prieksvēlesanu-agitaciju-neplp-ar-10-500-eiro-soda-%E2%80%9Crigatv-24%E2%80%9D.html>; 'Par slēptu priekšvēlēšanu aģitāciju NEPLP ar 11 400 eiro soda 'Baltkom radio'', available at <https://www.neplpadome.lv/lv/sakums/padome/padomes-sedes/sedes-sadalas/par-sleptu-prieksvēlesanu-agitaciju-neplp-ar-11-400-eiro-soda-%E2%80%9Cbaltkom-radio%E2%80%9D.html>.

During 2020 and 2021, actions against media have also been initiated in relation to the reflection of the covid-19 pandemic. Misleading information related to the pandemic and the nature of the virus is recognised as misleading and potentially harmful for public health. Several fines have been issued by the NEMMC.

The growing number of websites that are illegally broadcasting TV channels has been an issue during the past year. At the beginning of 2021, the NEMMC discovered 48 websites that broadcast one or more TV channels without receiving authorisation from the relevant media. That is many times more compared with previous years.

Another important question has been the public radio crisis. On 15 July 2019, following critical statements and an expression of distrust by radio journalists,¹³⁶ the Board of the Latvian Radio announced a human resources and financial crisis in the media.¹³⁷ It was stated that at present, a lack of funding critically endangers the ability to provide high-quality, objective and diverse information in sufficient quantities. The consequences of bad governance, as alleged by the journalists, was worsened by the decision in 2018 regarding the withdrawal of public media from the advertising market. Another financially negative effect was caused by amendments to the Consumer Protection Law prohibiting the advertisement of consumer loans in the public media. Therefore, in August 2019, the NEMMC had to demand €10 million extra funding from the state for the stabilisation of the financial situation of the public broadcaster.¹³⁸ However, there is no clarity regarding the long-term solution yet. Additionally, even the additional budget does not solve the disagreements between the radio journalists and the Board regarding the political influence on content.¹³⁹ Despite previous concerns, since the beginning of 2021, the public media have exited from the advertising market. The state has undertaken to compensate their losses. Accordingly, a support cushion for public media of €8.3 million was issued for 2021.

Financing-related issues have become even more relevant during 2020 because of the covid-19 pandemic. State financial support has been issued to several media to decrease their financial consequences and also to involve the media in the organisation of covid-19 preventive measures and the education of the general public.

At the beginning of 2021, the Law on Public Electronic Media and its Management was adopted. It provides for a new and separate regulation for public electronic media, addressing their governance, financing, supervision and other issues. On its basis a new institution, the Public Electronic Mass Media Council, was established in 2021. Its operation focuses on management of electronic media.

On another note, in September 2018, the Baltic Transport Ministers signed a memorandum of understanding on the development of connected and automated driving and 5G technologies along the Via Baltica corridor. The purpose of this memorandum is to promote connected automated driving with the aim of supporting sustainable mobility,

136 Information available at <https://www.lsm.lv/raksts/zinas/latvija/latvijas-radio-zinu-dienests-izsaka-neuzticibu-radio-valdei.a325190/>.

137 Information available at <https://www.lsm.lv/raksts/zinas/latvija/latvijas-radio-valde-pazino-par-krizi-medija-prasa-papildu-teju-miljonu-eiro.a325652/>.

138 Information available at <https://www.delfi.lv/news/national/politics/aicina-valdibu-pieskirt-ap-10-miljoniem-eiro-situacijas-stabilizesanai-sabiedriskajos-medijos.d?id=51366261>.

139 Information available at <https://www.lsm.lv/raksts/zinas/latvija/saeima-sagaida-aktivu-nepilricibu-konflikta-risinasana-latvijas-radio.a326686/>.

improving road safety and promoting innovation. In addition, it is in line with one of the three strategic objectives set by the European Commission for the rollout of ECNs by 2025 (i.e., to provide 5G in all major cities for continuous highways).¹⁴⁰

The 5G network has been rapidly growing in Latvia during the past few years. By the end of 2021, there are expected to be 100 broadcasting towers of 5G internet deployed in the territory of Latvia.

i Mergers, acquisitions and licensing

In 2020 there were a few noteworthy mergers. On 20 February 2020, the Competition Council cleared SIA Bite Latvija's acquisition of sole control over SIA Baltcom, which both provide communication and internet services in the territory of Latvia. The affected markets were the market for phone services in a fixed communications network; the market for internet connection and data transmission services; the market for pay television programme distribution in retail; and the market for television programme distribution in wholesale.

In October 2020, electronic communications company SIA Baltcom submitted a notification for acquiring sole control over electronic communications provider Dautkom TV, operating in Daugavpils. The merger affects the phone service, internet provision and television retail service markets. The merger is of significance because SIA Baltcom had not previously operated in Daugavpils, which is the second largest city in Latvia.

In 2019, there were no important mergers in the field of TMT. The only merger somewhat connected to electronic communications was between Also Holding AG, which owns Latvian registered companies, engaging in the provision of computer programming services and the wholesale of computers, their peripherals and software, and Solytron Bulgaria OOD, a company active in the wholesale of information and communication technology.

In 2018, the key TMT field merger was between SIA Bite Latvija, SIA Stream Networks and SIA Latnet Serviss.¹⁴¹ Bite Latvija is a public mobile operator, while the core business of Stream Networks and the Latnet group is the provision of telecommunications and IT services over the fixed network.

ii Sector trends

When analysing sector trends, focus should be directed at the security issues regarding both cybersecurity and the information space. Those issues were highlighted, for example, in the decision regarding the temporary blocking of the Russia RTR channel and the following debates on the legality of its statements regarding the newly elected President of Latvia,¹⁴² as well as the declarations by the Security Police, Central Election Commission and other institutions regarding the parliamentary elections. On 18 June 2019, the NEMMC demanded additional amendments to the EMLL, which would change the way in which the NEMMC may derogate from the country of origin principle and restrict the retransmission and distribution of programmes in the territory of Latvia.¹⁴³

140 Information available at www.sam.gov.lv/satmin/preview/?cat=433&action=print&.

141 Decision of the Competition Council No. 6 of 29 March 2018.

142 Information available at <https://www.nepplpadome.lv/lv/sakums/padome/padomes-sedes/sedes-sadalas/neppl-konstate-naida-runu-%E2%80%99Crossiya-24%E2%80%9D.html>.

143 Information available at <https://www.lsm.lv/raksts/zinas/latvija/neppl-iesniedz-sacima-likuma-grozijumus-informativas-telpas-drosibas-stiprinasanai.a322802/>.

Also important are the disagreements between the NEMMC and the public media¹⁴⁴ regarding issues of media independence and the competence of the NEMMC, as well as the discussions regarding the financial future of the public media. Some of the issues could be solved by the new Law on Media, which should be actively debated in the parliament this year.

Additionally, communications companies are strongly focusing on the creation of 5G network infrastructure. Noteworthy is the cooperation between two telecommunications companies, Bite and Tele2, which have agreed to share the network infrastructure.¹⁴⁵ This partnership is expected to boost the 5G network development process, benefit the economies in Latvia and Lithuania, and also enable companies to increase service quality and optimise each party's network infrastructure maintenance and development costs. This agreement is the first of its kind in the Baltic region and has recently obtained approval of the regulators in Latvia.

VII CONCLUSIONS AND OUTLOOK

The exit of media from the advertising market is currently in progress. Although the state provides financial support for the implementation of this process, it is still debatable whether this decision will not aggravate the financial challenges for public media. It is necessary to find a permanent source of financing that does not depend on the political situation and does not make the media vulnerable.

The covid-19 pandemic has also highlighted new challenges for media in areas of state financial support and providing trustworthiness of health-related information displayed by media.

In addition, Latvia must strike a careful balance between protecting its own information space and avoiding accusations about censoring the Russian media.

144 Information available at <https://www.lsm.lv/raksts/zinas/latvija/mediju-eksperte-rozukalne-neplp-sevi-diskreditejusi.a327519/>.

145 Information available at <https://www.lsm.lv/raksts/zinas/ekonomika/tele2-un-bite-vienojusas-par-tiklu-koplietosanu-latvija-un-lietuva.a321182/>.

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