STANDARD SUMMARY PROJECT FICHE

1. Basic Information
   1.1 CRIS Number: BG2003/004-937.01.01
   1.2 Title: Strengthening of the Administrative Capacity of the Council for Electronic Media in Bulgaria
   1.3 Sector: Political Criteria
   1.4 Twinning Code: BG03/IB-TE-01
   1.4 Location: Bulgaria

2. Objectives
   2.1 Overall Objective:
   Strengthening the capacity of the Council for Electronic Media to implement the acquis and monitor the process of compliance by the licensed and registered radio and TV operators. Improving the radio and TV media system in Bulgaria through establishment of an effective working network of seven full functioning specialized regional centers.

   2.2 Project purpose:
   To create adequate monitoring powers throughout the country and to implement adequate sanctioning powers by setting up and further development of network, aiming to ensure the effective functioning and full utilisation of capacity of all regional monitoring centers.

   2.3 Accession Partnership and NPAA priorities
   To achieve sustainable benefits for the functioning of the electronic mass media;
   To ensure rapid, efficient, nation-wide and regional pluralistic radio and television service for the audiences;
   To improve the state of functioning of the Council for Electronic Media;
   To create new jobs in the regional monitoring centers.
   Chapter 20: "Culture and Audiovisual Policy" has been provisionally closed for Bulgaria.
   The need for further strengthening of the monitoring and sanctioning powers of regional and local broadcasters by CEM was recognized by the EC 2002 Regular Report on Bulgaria’s Progress towards Accession. It states that “The Council for Electronic Media’s capacity to deal with monitoring and sanctioning powers needs to be further strengthened, particularly as far as monitoring of regional and local broadcasters is concerned”.
   This need has been confirmed as well as in the Bulgaria’s Accession Partnership report in the area of Culture and Audio-visual policy: "Strengthen the administrative capacity of the national regulatory body in the field of broadcasting."

   2.4 Contribution to National Development Plan
   The project will be of high importance to the democratization process in the country in terms of establishing reliable prerequisites for the development of the electronic mass media environment.

   2.5 Cross Border Impact
   The project is not a cross-border cooperation program, thus no such impacts are foreseen. Nevertheless, it the case of the Television without Frontiers Directive of the EC and the Council of Europe Convention on Transfrontier Television, the impact of acquis adoption and implementation should reinforce the production of European audiovisual works and contribute to establishing a common regulatory framework within an enlarged European Union.
3. Description

3.1 Background and justification:
Bulgaria’s invitation to negotiate the terms of joining the European Union (Helsinki, 1999) practically marked the end of the transition phase of the country. This act posed new challenges and priorities to journalists. The mass media system, operating with newfound freedoms built up well-differentiated structures at local and national levels, which opened doors to integrate into different European and global media structures.

In contrast to the turbulent, wrenching transformations in the print media, the changes in the electronic media were slower, incomplete and lacked general consistency. The new Bulgarian Constitution adopted on July 12, 1991, was the first legislative act that abolished the party-state monopoly in the electronic media. After seven years of unfruitful discussions of several bills, the National Assembly adopted the Radio and Television Act in 1996. Two years later, after the power shift, substantial amendments to this Act were voted. The National Council for Radio and Television became the official body to deal with program licensing, program monitoring, sanctioning irregular advertising practices, and appointing the chairpersons of the public Radio and Television. The other control body - the State Telecommunications Commission became responsible for the technical licensing. The Act also outlined the basics of transforming the electronic media from state-owned to public ownership.

The executive crisis in the National Radio (after the failure to appoint a new executive director by the National Council for Radio and Television in the first months of 2001) has been so far the most telling example of the still existing governmental control over the national electronic media. This caused the adoption of new amendments to the Radio and Television Act of 09.11.2001. According to the amendments the National Council for Electronic Media was replaced by a newly constituted Council for Electronic Media. The State Telecommunications Commission was replaced by the Communication Regulation Commission.

Concerning the approximation of the Bulgarian audiovisual regulatory framework with the EU acquis, the Council for Electronic Media is directly responsible for applying the Radio and Television Act. This includes enforcing the compulsory norms for advertising, sponsorship and teleshopping as well as for pluralism, protection of minors, right of reply, etc. through issuing decisions and standpoints. However, to ensure that the legislation is fully implemented, the administrative capacity of the Council for Electronic Media needs to be increased, principally by establishing a network of regional control and monitoring centers of the CEM. This will significantly improve the Council's ability to assess accurately the extent of compliance with the acquis.

The proposed project will focus on the institutional building of the Council for Electronic Media, and namely on the creation and the sustainability of the regional monitoring centers. This is considered to be a priority in the wider strategic aims for the sector. The proposed project is expected also to technically assist the training of the CEM’s staff including the staff of the future regional centers and to enhance the introduction of advanced monitoring techniques in the radio- and TV monitoring departments.

At present the monitoring and control supervision is carried out only by the departments, situated at the CEM’s quarters in the capital of the country. 9 officers in the Radio-monitoring department, 10 - in the TV monitoring department and 3 in the Licensing and registration department are responsible for monitoring of over 410 license or registration holders (over 240 radio-operators and over 170 TV operators) throughout the country. Currently mainly the operators, covering the Sofia region (around 70) are monitored on a regular basis. A focus monitoring is performed for the other operators randomly. This is clearly inadequate in terms of effective supervision. It is therefore proposed that 7 regional centers be established. Each of these centers will have a two-fold activity, covering control and monitoring, as well as being the point of contact for the license or registration holders in terms of information and advice. In parallel, there exists an urgent need to increase the capacity of the Radio and TV Departments at
the headquarters of CEM in Sofia to ensure coordination and consistent standards between the regional centers to be established throughout the country.

The project was announced to the professional organizations dealing with mass media. There exists a broad and general agreement among the professional organizations and broadcasters that the outcomes of the project will enhance the radio and television developments in the country.

3.2 Linked activities:

- A Seminar on Digital Television and Internet, sponsored by the European Institute of the Media (Düsseldorf, Germany) has been organized by the Council for Electronic Media for members of Parliamentary Media Commission, Communication Regulation Commission, radio and TV operators and NGOs, dealing with media, in July'02;
- A Strategy for Development of Radio and Television Activities by terrestrial radio broadcasting in the country has been developed in co-operation with the Communication Regulation Commission. This Strategy has been submitted to the Media Commission at the Parliament in November'02;
- Regular meetings with professional organizations and NGOs, dealing with media, are being conducted on various disputable regulatory and practical issues;
- CEM has created and updates regularly a register of the radio and TV cable operators. This register is published in the web site of the Council.
- Analytical report on the current Radio and Television Act has been prepared by CEM for the Parliamentary Media Commission.

3.3 Results:

The implementation of the project is expected to lead to the following results:

- improvement of collaboration between the Council for Electronic Media and the Ministry of Culture through regular exchange of information between the monitoring centres and the specialised departments of the MoC, making use to the best advantage of accumulated there experience, expertise and administrative procedures in the area of enforcing the practical implementation of the legislation concerning copy and related rights;
- improvement of the Council for Electronic Media regulatory activity, by elaborating new policies that derive directly from implementation of the acquis;
- creation of adequately functioning electronic mass media system, in which all the radio- and TV operators in the country will be placed under equal monitoring conditions;
- improvement of the Council for Electronic Media capacity to enforce radio and TV legislation in particular through:
  - Establishment of seven regional monitoring centers of CEM throughout the country, which will enhance the monitoring functions of the Council;
  - Development of the existing Radio and TV Monitoring Departments, situated at the headquarters of the Council in the capital by equipping it according to modern standards and by improving expertise through training of the staff;
  - Raising the effectiveness of the Council for Electronic Media in imposing sanctions on radio and television operators for infringement of harmonized legislation with a consequent improvement in the broadcasters’ compliance with the acquis;
- improvement of communication capacity of the Council for Electronic Media to disseminate information and to raise public awareness of its role;
- improvement of the effectiveness of the departments within the Council for Electronic Media by improving coordination between central and regional centers;
- improvement of professional skills within the personnel of the Council for Electronic Media;
- increased awareness among personnel of the Council for Electronic Media on accession process, especially in terms of the audio-visual policy;
- improvement of the ability of the monitoring experts of the Council for Electronic Media to use the newly acquired equipment;
- protection of public interest.

3.4 Activities:

Institution building:

The administrative capacity of the PIU will be strengthen by the technical assistance under first service contract.

To the new established regional centres Technical Assistance will be provided under the second service contract.

The following activities will be carried out:

- training needs analysis of the required staff
- draft management structure
- draft job descriptions and specialised training - design and organization of training courses (on recent developments in monitoring and regulatory systems on European accession) for CEM and MC personnel with EU experts (cooperation with other Bulgarian companies specialized in training activities).
- preparation of training materials
- elaboration of Working plans for Regional Centers
- management know-how transfer
- strategy for popularisation of centre’s activities

The general inputs of twining activities will be:

- strengthening the existing Departments (Radio monitoring; TV monitoring; Licensing and Registration) at CEM;
- elaboration and promotion of a harmonized secondary legal framework and specific regulations for the implementation of the provisions of the Television without Frontiers Directive;
- carrying out studies on the acquis implementation on the Bulgarian audiovisual sector;
- assistance in the creation of specialized software and database for monitoring;
- design and organization of Train the trainer courses (on recent developments in monitoring and regulatory systems) for involved in audiovisual-related fields, with EU experts. In the future the trainees, passed training during the project will train potential new staff;
- organization of multidisciplinary workshops on media developments, digitization, pluralism, protection of minors (together with other institutions in the related fields of education, psychology, health, in order to analyze the impact of the media on the intellectual, psychological and physical development of minors) and of other groups of public, in line with Directive 89/552/EEC and directive 97/36/EC (Chapter V on protection of minors and public order, Art. 22 and 22b). CEM made these issues its primary objectives to ensure that broadcasts provide equal opportunity for information to the audiences;
- elaboration of conception for foundation and effective functioning of info-center within CEM as well as specialized library;
- re-designing the CEM Bulletin in both electronic and printed formats together with updating the CEM Internet site by including information on progress in adoption and implementation of the acquis to improve transparency of CEM’s work
- organization of public debates on audiovisual policy.

Investment

The utilization of foreseen budget of 1 200 000 € will be in a form of standard supply contract, the Practical Guides for Phare procedures will be followed.

- equipment for the development of an integrated monitoring and control network of the CEM (monitoring offices in Sofia and newly established under the Project 7 regional centres). This will consist of two types of equipment: IT equipment for establishing proper communication and consistent standards between the centers and recording equipment for monitoring of program content;
- equipment for digital monitoring of the radio and TV programs, to be carried out nationwide;
- equipment for electronically accessible register with continuously upgraded database for all the radio- and TV operators;
- database on compliance with the EC Directive accessible to all parties in the project as well as to all institutions dealing with media issues and to all radio and TV operators);
- equipment for the CEM meeting hall, where training courses and most of the seminars will be held;
- equipment for the info-center within CEM and the specialized library.
- development of an integrated monitoring and control network for the Council of Electronic Media to be used in the monitoring offices in Sofia and in the newly created regional centers. (listed in budget as main component of Phare Investment Support. Technical Dossier is to be prepared in line with Phare procedures);
- creation and provision of specialised software and database in compliance with EC Directives (89/55/EU Directive from 03/10/1989 regarding the harmonization of the legislative, administrative and regulatory positions of the EU countries in the field of television broadcasting, 97/36/EU Directive from 30/06/1997 – "Television without Frontiers", regulatory framework for establishing and developing a common European audio-visual environment).

3.5 Lessons learned:

According to the current practices there exist substantial deficits in:

- equal treatment of radio and TV operators in terms of exercising monitoring and sanctioning powers by CEM due to lack of facilities and personnel (Currently mainly the operators, covering the Sofia region (around 70) are monitored on a regular basis. A focus monitoring is performed for the other operators randomly);
- coordination between institutions responsible for observing copy and related rights. (The project aims at strengthening of the institutional cooperation of CEM with the Ministry of Culture which is the major institution in the country dealing with this matter);
- sustainable efforts to establish a well-structured and effectively functioning system of the Council in terms of acquis as well as of the Radio and Television Act implementation;
- as far as CEM is aware, attempts for applying for institutional building support of the Radio and TV regulatory authority under Phare were earlier undertaken, however no traces about that were found in the archives of NCRT. CEM has decided to proceed with the project and to ensure its sustainability through cooperation with the Ministry of Culture.

The EC 2002 Regular Report on Bulgaria’s Progress towards Accession recognizes the need for that: “The Council for Electronic Media’s capacity to deal with monitoring and sanctioning
powers needs to be further strengthened, particularly as far as monitoring of regional and local broadcasters is concerned”. This need has been confirmed as well as in the Bulgaria's Accession partnership 2003-2004 report in the area of Culture and Audio-visual policy: "Strengthen the administrative capacity of the national regulatory body in the field of broadcasting."

4. Institutional Framework

The Council for Electronic Media will be the responsible institution for the project. It will work in close cooperation with the Ministry of Culture. CEM will have the responsibility for the practical implementation of the program. These duties will be carried out by a PIU which is to be established at the Council for Electronic Media and will include 3 experts nominated by CEM and one representative of the Ministry of Culture.

CEM will also closely cooperate with local partners from the districts. They will assist in the project promotion and in the technical support for the establishment of the regional centers. CEM will also work with external experts. They will be expected to provide technical assistance to the PIU and to the implementation of the project.

5. Detailed Budget

All figures are in euro

<table>
<thead>
<tr>
<th></th>
<th>Phare</th>
<th>Support</th>
<th>Total Phare (=I+IB)</th>
<th>National Co-financing**</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment</td>
<td>Institution</td>
<td>Building</td>
<td></td>
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</tr>
<tr>
<td>1. One Frame Work Contract – Technical Assistance to the PIU</td>
<td>-</td>
<td>200 000</td>
<td>200 000</td>
<td>-</td>
<td>200 000</td>
</tr>
<tr>
<td>2. One Supply Contract – Creation of Monitoring and control network</td>
<td>900 000</td>
<td>-</td>
<td>900 000</td>
<td>300 000**</td>
<td>1 200 000</td>
</tr>
<tr>
<td>3. One Twining covenant – for Training, Workshops, Studies, Publications, Info Center, Library, CEM Bulletin and Website</td>
<td>-</td>
<td>700 000</td>
<td>700 000</td>
<td>*</td>
<td>700 000</td>
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<tr>
<td>4. One Service contract – Technical assistance to the centers</td>
<td>-</td>
<td>200 000</td>
<td>200 000</td>
<td>0</td>
<td>200 000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>900 000</td>
<td>1 110 000</td>
<td>2 000 000</td>
<td>300 000</td>
<td>2 300 000</td>
</tr>
</tbody>
</table>

* Up to 10% from PHARE financing of the Twining covenant. (general equipment and office accommodation for twining team, as well as covering of travel costs in the country.)

** The National co-financing will be provided from the National Budget through the National Fund Directorate within Ministry of Finance.
6. Implementation Arrangements

6.1 Implementing Agency

The Implementing Agency will be the Central Finance and Contracts Unit (CFCU) of the Ministry of Finance. They will be responsible for all procedural aspects of the tendering process, contracting matters and financial management.

The technical implementation of the project is the responsibility of the Council for Electronic Media.

A Project Implementation Unit (PIU) will be created within CEM before the start of the project. *It will be responsible for preparation of terms of reference, of tender documents, of evaluation criteria, of evaluation of offers, of contracts and of invoices for payment.*

The staff of the PIU will include three experts nominated by CEM and one, nominated by the Ministry of Culture.

A Program Steering Committee will be established, which will be based at The Council of Electronic Media.

*It will meet on a quarterly basis and will ensure the coherent implementation of the project by overseeing the project as a whole, coordinating the main activities and will examine reports.*

Contact persons:

**CEM**
- Project Leader
- Dr. Lilia Raycheva
- Address 69, Shipchenski prohod Blvd.
- 1574 Sofia
- Tel/Fax: +359 2 973 3769
- E-mail: cem@cablebg.net

The Council for Electronic Media will implement the project in close co-operation with the Ministry of Culture. The signing of the Memorandum of Understanding between the Council for Electronic Media and the Ministry of Culture specifying their responsibilities for the project implementation is a prerequisite.

**Ministry of Culture**
- Deputy Minister
- 17, Stamboliiski blvd.
- Sofia 1040
- Tel.: +359 2 988 4910

It is planned one expert of the Ministry of Culture to be included in the PIU which will operate the project at the Council for Electronic Media.

Members of the Steering Committee will include five voting persons: Chairman and: representatives from the Council for Electronic Media (2), the Ministry of Finance (1), the Ministry of Culture (1); as well as observers from the Communication Regulation Commission (1), The Department of Radio and Television at the Faculty of Journalism and Mass Communication of the St. Kliment Ohridsky University of Sofia (1) and the EU Delegation (1).
Voting members will be nominated by (approved on a proposal from) the CEM and appointed by the PAO.

The Council for Electronic Media and the Ministry of Culture are responsible for the broad publicity of the project.

### 6.2 Twinning

**Contact persons for Twinning** is Dr. Lilia Raycheva, CEM, Address 69, Shipchenski prohod Blvd., 1574 Sofia, Tel/Fax: +359 2 973 3769; e-mail: cem@cablebg.net

Whilst a significant twinning component is envisaged for this project, a twinning covenant will be sought with EU Member State. The budget for the project contained in Section 5 has been based on 18 months twinning partnership.

The component will be implemented through a Twinning Covenant with 1 Pre-Accession Advisor (PAA) (to run the project), 1 Project Leader level expert (to conceive, supervise and coordinate the project), and a team of medium- and short-terms advisors. The assignment of the PAA will last 18 months. The necessary medium and short-term expertise and the training needs will be defined within the framework of the twinning covenant.

The **PAA** will have the following **profile**:  
- Experience of the implementation and management of projects under Practical Guide to PHARE/DIS Procedure;
- Experience of the media and cultural sector in Central and Eastern Europe, ideally in Bulgaria
- Experience of providing technical assistance to EU development projects, and ideally in the Central or Eastern European situation, and ideally within the media context
- Good knowledge of the Radio and Television regulatory sector, its potential and possibility of development;
- Knowledge of the principles and instruments within the interaction process between legislative and regulatory authorities and between regulatory authorities and Radio and television operators;
- At least 5 years at EU Member State's theoretical and practical experience in Radio and Television Regulatory Authority infrastructure building;
- Leadership experience and appropriate inter-personal and communication skills;
- Fluency in English.

The **guaranteed results** for this component should include:

- Adoption of the harmonized secondary legal framework and specific regulations for the implementation of the provisions of all EU audiovisual Directives
- Completed long-lasting training programme for the development of electronic media sector (especially monitoring activities)
- Elaborated methodologies for transparent and efficient systematic public-private dialogue on business perceptions and further development;
- Well-trained professionals in the field of Radio and TV monitoring;
- Set of training materials (handbooks, manuals, guides) delivered;
- Specialized software.
In all twinning projects, success in delivering a guaranteed result will depend on the coherence of a number of successive inputs, the continuity of those inputs, and steady progress. Every twinning project will therefore include a Member State Project Leader, who continues to work in his/her Member State administration but who devotes some of his/her time to conceiving, supervising and coordinating the overall thrust of the project. *She will always be complemented by at least one full-time expert, known as a Pre-Accession Advisor (PAA), from a Member State to work on a day-to-day basis with the beneficiary* in the candidate country and accompany the implementation of the twinning project.

In the event of no suitable twinning proposal is forthcoming, the project will instead be implemented through conventional technical assistance.

6.3 **Non-standard aspects**
The Practical Guide to Phare, ISPA and SAPARD Contract Procedures will be followed. Regional authorities will actively participate in the institutional building of the regional monitoring centers.

6.4 **Contracts**

**One Frame Work Contract** (200 000 Euro) – Technical Assistance to the PIU.

**One Supply Contract** (1 200 000 Euro) – Creation of Monitoring and control network. This contract will include the National co-financing.

**One Service contract** (200 000 Euro) – Technical assistance to the Centers

**One Twining covenant** (700 000 Euro) – for Training, Workshops, Studies, Publications, Info Center, Library, CEM Bulletin and Website

7. **Implementation Schedule**

7.1 Start of project
October 2003

7.2 Start of project activity
January, 2004

7.3 Project completion
November, 2006

July, 2007, end of disbursement period

8. **Equal Opportunity**
Project design and implementation will guarantee that equal opportunities will be given to women and men and ethnic groups. People with physical disabilities can also participate in the monitoring activities.

9. **Environment**
The project does not create environment pollution problems.

10. **Rates of return**
Increased employment (The sustaining of the regional monitoring centers will require 21-35 job openings).

11. **Investment criteria**
Local and international tenders for equipment will be organized for the institutional building of the regional monitoring centers.
11.1 **Catalytic effect:**
The project will catalyze the process of acquis adoption and enforcement, thereby stimulating the development of the national audiovisual sector and enhancing Bulgaria's contribution towards European diversity.
Phare’s support will catalyze the regional monitoring of Radio and TV programming, conducted by the Council for Electronic Media. This is considered to be a priority accession driven action, which would otherwise have taken place at a later date because of lack of funding.

11.2 **Co-financing:**
National and local co-financing will be attracted for the investment support part of the project. The National co-financing will be provided from the National Budget through the National Fund Directorate within Ministry of Finance.

11.3 **Additionality:**
PHARE intervention had not displayed other public or private sector financing from this project.

11.4 **Project readiness and Size:**
Draft Terms of Reference and Technical Specification for monitoring equipment and database are in the process of preparation according to Practical Guide to Phare Contract Procedures. The Council of Electronic Media has applied through the Ministry of Finance for a Technical Assistance for Institution Building Support through Phare. It was scheduled to start in November, 2002, however it has never been developed.

11.5 **Sustainability:**
The project will be operated through an established PIU and with the participation of the Ministry of Culture and regional structures in the process. Sustainability will depend upon the future capacity of the Bulgarian Government to finance such schemes without external aid donor support. It is considered unlikely that such a capacity will exist prior to 2005. Since the investment in the regional monitoring centers is necessary for the sustainable functioning of the Council for Electronic Media in the long term, which is in line with EU sector policy acquis, it is expected that these centers will be financially maintained by the National budget, allocated to CEM. The established under the project PIU will remain operating after the end of the project.

11.6 **Compliance with state aids provisions**
The project is in accord with Article 92(3) (a) of the Treaty of Rome with respect to regional aid in an Objective 1 Member State.

11.7 **Contribution to National Development Plan**
The Project will support the development of radio- and television environment in the country.

12. **Conditionality and sequencing**

12.1 **Conditionality**

The project cannot commence until the EU Delegation is satisfied with the capacity of both the Project Implementing Unit and the Beneficiary. Representatives (3 persons) nominated by CEM in the PIU would be appointed latest three months before the start of the project activities. The fulfillment of the project will be achieved mainly by sustainable development of the Radio and TV Environment in the country. Strict measures for ensuring the stability of rent contracts for the offices of the regional monitoring centers have to be undertaken.
The Parliamentary Media Commission has announced its intention to draw up a new Radio and Television Law, since the country needs a new improved media legislature in tune with further harmonization with the acquis. Nevertheless, the need for monitoring will be not greatly influenced by the changes. However, if the law is questionable in terms of sustainable development of the electronic media in the country, this may cause difficulties with the project implementation.

12.2. **Sequencing**
No special sequencing beyond this is foreseen.

**ANNEXES TO PROJECT FICHE**

1. Logical framework matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of program
### Annex 1. Phare log frame

**LOGFRAME PLANNING MATRIX FOR**

<table>
<thead>
<tr>
<th>Project</th>
<th>Program name and number</th>
<th>Contracting period expires</th>
<th>Disbursement period expires</th>
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<tr>
<td></td>
<td></td>
<td>Total budget: € 2 300 000</td>
<td>Phare budget: € 2 000 000</td>
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<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>• To improve the radio and TV media system in Bulgaria</td>
<td>• Sustainable development of radio and TV media sector assured by the created and fully functioning 7 Regional centres</td>
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<tr>
<td>• Strengthening the capacity of the Council for Electronic Media to implement the acquis and monitor the process of compliance by the licensed and registered radio and TV operators.</td>
<td>• Monitoring department resources in CEM expanded and developed</td>
<td>• EC 2002 Regular Report on Bulgaria’ Progress Towards Accession</td>
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<td>• Bulgaria's accession partnership 2003-2004 report in the area of Culture and Audio-visual policy</td>
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<td>• Radio and TV Act</td>
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<td>• CEM - annual report</td>
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<td></td>
<td></td>
<td>• Strategy for Development of Radio and Television Activities terrestrial Broadcasting</td>
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<tr>
<td>Project purpose</td>
<td>Objectively verifiable indicators</td>
<td>Sources of Verification</td>
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<td>-----------------------------------------------------------------</td>
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<tr>
<td>• Creation of adequate monitoring powers</td>
<td>• Decrease to a maximum extent violations of the Radio and TV act by radio and TV broadcasters</td>
<td>• CEM’s acts and sanctions</td>
</tr>
<tr>
<td>• Implementation of adequate sanctioning powers</td>
<td>• Create equal conditions for monitoring activities and sanctioning powers for all the radio and TV operators</td>
<td>• CEM’s regular year report</td>
</tr>
<tr>
<td>• Setting up and further development of monitoring network</td>
<td>• Increase staff (35 new jobs) and equipment in the Radio and TV Monitoring Departments</td>
<td>• CEM’s monthly bulletin</td>
</tr>
<tr>
<td>• Ensuring of the effective functioning and full utilisation of capacity of all regional monitoring centers.</td>
<td>• Undertake course of training programs for 35 experts.</td>
<td>• Published accounts</td>
</tr>
<tr>
<td>• Contribution to the implementation of a balanced and proportionate audiovisual policy that ensures both free competition and pluralism in the sector</td>
<td>• Improve communication between executive and regulatory bodies and professional organizations</td>
<td>• Harmonization tables compiled quarterly</td>
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<tr>
<td>• Increase of the general awareness of the acquis adoption and its enforcement</td>
<td>• Develop cooperation between CEM and the Ministry of Culture for better functioning system for protecting copy and related rights</td>
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<tr>
<td>• Development of the administrative capacity of the Council for Electronic Media and implementation of the policies within the harmonized legal framework for the audiovisual field</td>
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<tr>
<td>Results</td>
<td>Objectively verifiable indicators</td>
<td>Sources of Verification</td>
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page 14
• improvement of the CEM regulatory activity
• creation of adequately functioning electronic mass media system & equal monitoring conditions for all operators;
• improvement of collaboration between the CEM and the MoC in the area of enforcing the practical implementation of the legislation concerning copy and related rights;
• improvement of the CEM capacity to enforce radio and TV legislation in particular through:
  - Establishment of seven regional monitoring centers of CEM throughout the country;
  - Development of the existing CEM’s Radio and TV Monitoring Depts by equipping according to modern standards and by improving professional skills & expertise through training of the staff;
  - Raising the effectiveness of the CEM in imposing sanctions for infringement of harmonized legislation with a consequent improvement in the broadcasters’ compliance with the acquis;
• improvement of communication capacity of the CEM to disseminate information and to raise public awareness of its role;
• improvement of the effectiveness of the departments within the CEM by improving coordination between central and regional centers;
• protection of public interest

• Created seven regional monitoring centers of CEM with equipment installed
• Trained staff (total 35) according EU electronic media authority standards
• Organizational structures in CEM improved
• Staff number increased (35 new jobs)
• Training courses completed by relevant staff (50 professionals in the field of radio & television broadcasting)
• Info-center and library created

• Project reports
• CEM’s monthly bulletin
• CEM’s annual bulletin
• Updated CEM’s website

• Effective implementation
• Proper management of the technical and financial resources allocated
• Efficiency and effectiveness of the departments within CEM
• Effective collaboration between CEM and Ministry of Culture
• Effective implementation of the training programs
• Good documentation basis for the workshops
• Effective co-operation between Media Commission at the National Assembly, Council for Electronic Media, Ministry of Culture and regional authorities
<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• training needs analysis of staff; design and organization of Train the trainer courses &amp; specialised training &amp; preparation of training materials</td>
<td>• One Frame Work Contract Technical Assistance to the PIU.</td>
<td>• Approval of the Financing Memorandum in time</td>
</tr>
<tr>
<td>• drafting of management structure, job descriptions; management know-how transfer;</td>
<td>• One Supply Contract – Creation of Monitoring and control network. This contract will include the National co-financing.</td>
<td>• ToRs and other documents prepared</td>
</tr>
<tr>
<td>• elaboration of Working plans for all Centers; strategy for popularisation of centre’s activities</td>
<td>• One Service – Technical assistance to the Centers</td>
<td>• Recruit and retain adequate staff for the centers</td>
</tr>
<tr>
<td>• strengthening the existing Departments at CEM; elaboration and promotion and of a harmonized secondary legal framework; studies on the acquis implementation on the Bulgarian audiovisual sector; organization of multidisciplinary workshops on media developments, digitization, pluralism, protection of minors and of other groups of public, in line with EU Directives 89/552/EEC &amp;97/36/EC;</td>
<td>• One Twining covenant – for Training, Workshops, Studies, Publications, Info Center, Library, CEM Bulletin and Website</td>
<td>• Effective co-operation with other institutions (universities, industry) who set and use standards</td>
</tr>
<tr>
<td>• re-designing the CEM Bulletin in electronic and printed formats; updating it’s Internet site with information on progress in adoption and implementation of the acquis to improve transparency of CEM’s work</td>
<td>• Project progress reports</td>
<td>• Training at the Centre for continuing education of journalists at the Sofia University</td>
</tr>
<tr>
<td>• equipping of integrated monitoring and control network of the CEM (Sofia and new 7 regional centres;</td>
<td>• Final Report submitted to the Delegation and Commission</td>
<td></td>
</tr>
<tr>
<td>• equipment for digital monitoring nation-wide</td>
<td>• Workshops documentation</td>
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<tr>
<td>• equipment for electronically accessible register with complete database for all operators;</td>
<td>• Trainers’ training reports and evaluation sheets produced by trainees upon completion of the training sessions</td>
<td></td>
</tr>
<tr>
<td>• equipment for the CEM meeting hall;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• equipment for the info-center within CEM and the specialized library.</td>
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<tr>
<td>• development of an integrated monitoring and control network for the CEM;</td>
<td></td>
<td></td>
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<tr>
<td>• creation and provision of specialised software and database</td>
<td></td>
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</tr>
</tbody>
</table>
Preconditions:

- The project cannot commence until the EU Delegation is satisfied with the capacity of both the Implementing Agency and the Beneficiary.
- Sustainable implementation of project may be influenced by the unstable media legislature.
- The fulfillment of the project will be achieved mainly by sustainable working of the monitoring functions of the Radio and TV Regulatory Authority.
- Strict measures for ensuring the stability of rent contracts for the offices of the regional monitoring centers have to be undertaken.
## ANNEX 2
### IMPLEMENTATION CHART – Strengthening of the Administrative Capacity of the Council for Electronic Media

<table>
<thead>
<tr>
<th>Components</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
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<tbody>
<tr>
<td></td>
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<td>J  F  M</td>
<td>A  M  J</td>
<td>J  A  S</td>
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<tr>
<td>PIU operational</td>
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<td>x  x  x</td>
<td>x  x  x</td>
<td>x  x  x</td>
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<tr>
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<td>x  x  x</td>
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</tr>
<tr>
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<td>x  x  x</td>
<td>x  x  x</td>
<td>x  x  x</td>
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<tr>
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<td>x  x  x</td>
<td>x  x  x</td>
<td>x  x  x</td>
</tr>
<tr>
<td>documentation</td>
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<tr>
<td>Supply tendering procedure</td>
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<td>x  x  x</td>
<td>x  x  x</td>
<td>x  x  x</td>
</tr>
<tr>
<td>Contract awards</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Supply contract implementation</td>
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<td></td>
<td>x  x  x</td>
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<tr>
<td>Draw up service tendering</td>
<td></td>
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<td></td>
<td>x  x  x</td>
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<tr>
<td>documentation</td>
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<td></td>
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<tr>
<td>Approval of service tendering</td>
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<td></td>
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<td>documentation</td>
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<tr>
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<td>Contract awards</td>
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<td>Call for proposal – twining</td>
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<td>covenant</td>
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<tr>
<td>Selection of twining partner</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Drafting twining covenant</td>
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<td>Approval of twining covenant</td>
<td></td>
<td></td>
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<td>Twining covenant activities</td>
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<td>x  x  x</td>
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<td>Management of the Centers</td>
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<td>x  x  x</td>
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<tr>
<td>Final evaluation</td>
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<td>x</td>
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</tbody>
</table>

Note: Dates are approximated to the nearest month.
# Annex 3. Contracting and disbursement schedule by quarter

**Project title:** Strengthening of the Administrative Capacity of the Council for Electronic Media

## Contracting schedule by quarter in Euro m (provisional)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
<td>II</td>
<td>III</td>
<td>IV</td>
</tr>
<tr>
<td>1. Framework contract</td>
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<td>0.2</td>
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<tr>
<td>2. Supply contract</td>
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<td>1.2</td>
<td></td>
<td></td>
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<tr>
<td>3. Service contract</td>
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<tr>
<td>4. Twining covenant</td>
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<td><strong>1.2</strong></td>
<td><strong>0.9</strong></td>
<td><strong>2.3</strong></td>
</tr>
</tbody>
</table>

## Disbursement schedule by quarter in Euro m (provisional)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
<td>II</td>
<td>III</td>
<td>IV</td>
</tr>
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<td>1. Framework contract</td>
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<td>2. Supply contract</td>
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<td>0.96</td>
<td>0.96</td>
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<td>3. Service contract</td>
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<td>0.16</td>
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<td>4. Twining covenant</td>
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<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
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<tr>
<td><strong>Total contracting:</strong></td>
<td><strong>0.16</strong></td>
<td><strong>0.16</strong></td>
<td><strong>0.16</strong></td>
<td><strong>1.16</strong></td>
</tr>
</tbody>
</table>
ANNEX 4


Division I
General Conditions:

S. 20. (1) The Council for Electronic Media (CEM) is an independent specialized body regulating the radio and television activity through registration or granting licenses for carrying out radio and television activity and through exercising supervision over the activity of the radio and television operators only, for adherence of this law.

(2) In its activities, the Council for Electronic Media shall take into account the interests of society.


S. 22. The Council for Electronic Media shall be assisted in its activities by administrative and technical services, the structure and staff of which it shall determine autonomously depending on the funding envisaged for the corresponding year.

S. 24. (1) The Council for Electronic Media shall consist of five members, five of which shall be elected by the National Assembly, and four of which shall be appointed by the President of the Republic.

Division III
Powers of the Council for Electronic Media:

S. 32. (1) The Council for Electronic Media shall:

1. Supervise the activities of radio and television broadcasters in view of the observance of this law;
2. Elect and remove the managing directors of BNR and BNT;
3. Approve, on a proposal from the managing directors, the members of the managing boards of BNR and BNT;
4. Give opinions during the drafting of legislative instruments and in case of concluding international agreements relating to radio and television;
5. Give an opinion on the draft subsidy from the state budget for BNR and BNT;
6. Approve annually the extra-budgetary plan-account of the radio and television fund;
7. Organise the polling of public opinion on the activities of radio and television broadcasters and on their programmes;
8. Give an opinion on the modifications of the amount of fees due for the use of radio and television services;
9. Take decisions on issuing, amending, revocation, transfer and termination of licenses for radio and television activity;
10. Refer to the competent authorities the violations of legislative instruments in the course of carrying on radio and television activities;
11. Determine the composition of the managing board of the radio and television fund, adopt rules on the organisation and activities of the fund and of the managing board, and appoint the fund’s executive director;
12. May issue compulsory guidelines on the implementation of the licenses for radio and television activity.
13. Demand of the Communication Regulation Commission technical parameters of the transmission equipment, necessary for installation, maintenance and operation of telecommunications networks for terrestrial radio and television broadcasting for a residential settlement, region or the whole territory of the Republic of Bulgaria, as specified by the Council for Electronic Media, including free radio frequencies and maximum power of transmitters allowable, possible points of transmission, as well as other necessary technical information.

14. Conduct a contest for selection of a radio and television operator to whom a telecommunications license for installation, maintenance and operation of a network for terrestrial radio and television broadcasting shall be granted.

15. Issue individual license for radio and television activity to the winner of the contest under item 14 and notify the Communication Regulation Commission to issue a telecommunications license to the said person.

16. Register and delete registrations for carrying out radio and television activity as provided by law.

17. Represent the Republic of Bulgaria in inter-state and intergovernmental organisations on issues, related to the electronic media and perform co-ordinating functions between the state departments and non-governmental organisation in view of formulating a common policy with respect to electronic media.

18. Make other decisions while exercising its powers under this law and enacted international agreements in the field of radio and television activities where Bulgaria is a party thereto.

(2) While exercising its powers, the Council for Electronic Media shall adopt rules, decisions and declarations and shall give opinions in the cases laid down in the law.

(3) The Council for Electronic Media shall approve and publish a list of events with major public significance and ensure measures for guaranteeing the access of the audience to their coverage so that an operator under the jurisdiction of the Republic of Bulgaria who has been assigned such exclusive rights on events with major public significance to be able to exercise those rights in such a manner that:

1. not to deprive the majority of audience in the country of the chance to follow these events live, wholly or partly and if it is necessary or appropriate, due to objective considerations of public interest - to broadcast these events after some time wholly or partially on the free television;

2. not to deprive the majority of audience in an EU member state or a state signatory to the European Convention on Transfrontier Television of the chance to watch live wholly or partially, and if that is necessary or appropriate, due to objective considerations of public interests - to cover after some time wholly or partially on the free television the events with major public significance, in compliance with the provisions approved by that other country under conditions of reciprocity.

(4) The Council for Electronic Media shall promulgate publicly the decisions taken in connection with exercising of its powers, including the manner in which it applies the law, as well as the grounds for changing its practice. The decisions of the Council for Electronic Media shall be motivated.

S. 33. The Council for Electronic Media shall supervise the activities of the radio and television broadcasters only in respect of:

1. compliance with the principles under s.10, subsection 1 and the proportion under s. 10, subsections 2 and 3

2. compliance with the requirements of s. 6, subsection 3 and s. 7;

3. the coverage of elections for state authorities and the authorities of local self-government,

4. compliance with the requirements relating to advertising and radio and teleshopping in the broadcasts of radio and television broadcasters;

5. compliance with the norms relating to charitable activities and sponsorship,

6. the preservation of secrets in the radio and television activities, as laid down in the law;

7. compliance with the requirements for broadcasts aimed at minors and underage children;
8. information on the decisions of courts and other state authorities in the cases laid down in the law;
9. the protection of consumer rights;
10. the technical quality of broadcasts and programmes;
11. compliance with the restrictions laid down in the law, in licenses and in enacted international agreements where Bulgaria is a party to;
12. adherence to the conditions of the licences for radio and television activity
ANNEX 5

CEM: SIX MONTHS LATER

(27th November 2001 – 27th May 2002)

1. The Beginning

CEM has started its mandate in the swing of urgent preparations for Bulgaria’s accession to EU. Bulgarian media laws were formulated in conformity with the major principles of the European Community legislation.

The Republic of Bulgaria has signed and the National Assembly has ratified the European Convention on Transfrontier Television, which became part of the Bulgarian media legislation. The Radio and Television Act (RTA) was harmonized with the Television without Frontiers Directive, which allowed the Republic of Bulgaria to close the Chapter on Audiovision. Bulgarian practices in the media sphere also meet the terms of some protocols and decisions of the Council of Europe and the European Commission in relation to media development under the conditions of globalisation.

Pursuant to RTA Art. 20, para 1, CEM is “an independent specialized authority in charge of the regulation of radio and TV broadcasting in the country by registration and licensing of the radio and TV operators and by supervising exclusively whether the radio and TV operators act in accordance with this Act.”

Pursuant to RTA Art. 20, para 2, CEM “in implementation of its duties shall be guided by the public interests and shall uphold freedom and pluralism of expression and of information, and independence of the radio and TV operators.”

Structuring of CEM has conditioned the quick adoption of the main rules and procedures for its activities. Already at the start the Council considered and adopted a new structure and staff roll, gave testimonials to all its employees, developed new Regulations for its internal activities, and organised and held competitions for the unoccupied positions at the Radio Monitoring, TV Monitoring, Licensing and Registration, Legal, and Administrative departments.

The Council discussed and adopted a report on the state and development prospects of the Radio Monitoring and TV Monitoring departments, as well as Regulations for Identifying Administrative Violations of RTA and for Imposing Administrative Sanctions under the Administrative Violations and Penalties Act, so as to give the experts greater freedom in drawing and handing in penal acts.

The new regulatory authority started a discussion on the future registration of operators broadcasting by cable. Now, six months later, registration of cable broadcasters is implemented successfully.

- Some important tasks have been featured on the CEM agenda: The competition for Director General of the Bulgarian National Television; licensing of radio and TV operators in the different regions; and introduction of the new registration regime for operators broadcasting by cable.

- CEM has opened its activities to the professional organizations in the field of media, to the civil sector and to society in general. To advance regulation, it has been particularly important to listen to the position of professional community. Regulation is a public pursuit; it constitutes part of Bulgaria’s road to civil society and the process of euro-integration.
- **CEM has maintained steady contacts with the Media Commission** of the Bulgarian National Assembly. At its request the Council has submitted a number of expert statements on the introduction of a new effective financing mechanism for the two public media; for licensing an independent parliamentary channel with the Bulgarian National Radio (BNR); and it introduced an amendment to RTA Art. 102 pertaining to criteria and conditions for the Licensing and Registration Fees Tariff.

- **CEM has regularly notified the media of the decisions and stands taken by it.** The public sessions, weekly press communications, discussions and news conferences, articles and interviews have manifested this regulatory authority’s respect for the public and the media in its capacity of a public corrective.

- **CEM has been working in an open manner:** on important social issues it has been holding public sessions, given news conferences and has its own Speaker.

- **CEM has greatly increased its efforts with respect to professional standards.** The Council has considered and adopted a number of decisions and statements specifying some concrete media standards. CEM has also relied in its work on the positions adopted by the National Council for Radio and Television that form an indivisible part of regulation.

- **CEM has published the first two issues of its Bulletin intended for making public its decisions and for reporting its current activities.**

In the first six month of its existence CEM has:

- **held 51 sessions, six of which were open to journalists.** Of the 13 decisions and statements of the Council pertaining to professional standards, one was taken with nine pros, three with eight pros, two with seven pros, five with six pros, and two with five pros;

- **prepared a project for its own institutional structuring along lines of the Ministry of Culture for the PHARE Programme;**

- **prepared a project for a new software to back up the start of regional radio monitoring;**

- **adopted a statement on the start of regional monitoring, for subsidy from Bulgarian financial institutions.**

2. **Bulgarian media space**

The Bulgarian private radio and, subsequently, the private TV market were launched exactly ten years ago, in 1992. The emergence of new operators has durably changed the characteristics of Bulgarian media space, which by and by began to restructure, rearrange and redistribute itself.

And while at the start the main characteristics of this media space were low standards, violation of copyright and piracy on the air, ten years later it was already redistributed, partially regulated and put within the framework of the Radio and Television Act. Today media environment is much more lively, more broadcasting is on the air, and competition between the operators is much stronger.
In the last six months, establishment of the Council for Electronic Media has marked the start of re-registration of operators broadcasting by cable and satellite. Some important decisions have been taken for opening a competitive biddings procedure for radio and TV operators that rendered meaning to the new function of CEM provided for by the amendments to the Radio and Television Act, namely the joint licensing of operators. This served as a precondition for operation of the new regulatory rules for media environment in Bulgaria.

With respect to regulation and enforcement of new rules in the media environment, it is important to note that the Council for Electronic Media has been considering the changes and trends in this environment in their totality. The rules, development, changes and analyses in the media field have been equally valid for the media market and for the media space in general, which gives us grounds to merge these two spheres and call them in the interest of all participants in these processes (operators, journalists, advertisers, regulatory authorities) with the general concept media environment.

Media environment in Europe has long ago established clear-cut formats for the operators. Formatting of radio and TV stations in Bulgaria unfolded during the decade of liberalization of this environment. In the last six months the Council for Electronic Media has supervised the strict profiling of applicants for registration or license. There has been also another trend: whenever the environment called for this, operators partially modified in form, reporting this or agreeing it with the Council for Electronic Media. This further expanded the choice of Bulgarian listeners or viewers. We have already witnessed the development of different formats of radio stations: for news, strictly for music, for socially disadvantaged groups, etc.

3. Supervision of private operators

The total volume of production watched by the Radio Monitoring and TV Monitoring departments amounts to 10 200 hours.

The main fields of specialized monitoring of public operators have been compliance to RTA provisions, which regulate the advertising, sponsorship and pluralism of viewpoints. Owing to shortage in technical resources and the fact that the regulatory authority is still in the process of institutional structuring, CEM has kept under supervision chiefly the operators in Sofia and the national operators. In the past six-month period one regional medium, Radio Stara Zagora, has been monitored twice. CEM provides in its strategy for the establishment of seven regional monitoring bureaux of the local and regional operators. A project for institutional consolidation of CEM has been under preparation where some of the measures relate to regional monitoring. With this project CEM intends to apply for the EU pre-accession funds.

Monitoring of private operators in the past six months has outlined some new trends in redistribution of media environment and convergence of different in format and style radio companies via joint programmes.

Thus monitoring of Radio NET and Radio Jazz FM to what degree their activity conforms to their licenses has ended with mandatory instructions issued by the Council concerning the territorial range of their licenses they must observe.

In the past six months 66 penalty acts for violation of RTA were drawn and handed to 17 radio and 49 TV operators. Most of them pertained to violation of the provisions under RTA Chapter 4 relating to advertising and sponsorship.

In the first six month of its existence CEM has received the first application from a private operator concerning some modifications of the license provisions. In dialogue with bTV, CEM rendered
these parameters more precise, thus combining the commercial interests of the medium with upholding its public functions.

The Radio and Television Act is closely bound to the Copyright and Neighbouring Rights Act (CNRA). In implementation of some RTA provisions requiring from CEM to issue statements on any amendment of texts relating to media environment, the Council expressed a concerted opinion on a CNRA provision that entitled the authors to select their defence or to defend their rights via an organization.

4. Competitions

A. Electing a Director General

After its decision of 5th December 2002 that Lilyana Popova, Director General of the Bulgarian National Television (BNT), does not meet the latest legal requirements for occupying that position, CEM discharged her from her duties, along with the entire Management Board of the medium, and started a competition for a new Director General. By a decision of 5th December 2002, the regulatory authority appointed as acting Director General Dipl. Eng. Kiril Gotsev. The conditions and especially the criteria for the competition were discussed for more than two months. This issue was featured on the agenda of 15 CEM sittings.

The competition proper was implemented in three stages, with clearly formulated rules and wide publicity.

On 21st February 2002, after the documents of 11 applicants were accepted, the Council with a motivated decision rejected three of them as ineligible to take part in the competition. The motives for rejection were: "Failure to present an in-depth analysis of the situation obtaining at the BNT… and of the mechanisms for determining and implementing the programme priorities, and lack of any personal ideas about the BNT programme development.”

After voting on 21st February 2002, only three applicants made the final round: “Public discussion of the proposed concepts”. According to the preliminary publicized regulations, only applicants who got more than five votes at a secret ballot were let to participate in the discussion. The public discussion was held on 4th March 2002, in the auditorium of the Bulgarian Telegraph Agency, and the three applicants drew lots for the order of their presentation.

At an open session on 5th March 2002 CEM elected with five votes Mr. Kiril Gotsev as BNT Director General. The new Management Board of BNT was finally elected on 26th March 2002.

B. Regional competitions

CEM is now in the process of publicly held preparations for the regional radio and TV competitions. The new requirement of joint licensing called for setting up a work group of CEM members and members of the Communications Regulation Commission (CRC) who held weekly sittings. Thus members of the two regulating authorities have worked out the competition criteria and procedure. Now they are pending discussion with the professional organizations of private operators.
5. Monitoring

A. Monitoring under RTA

One of Cem major functions is to monitor how the radio and TV broadcasters implement their activities in conformity with RTA. Advertising, sponsorship, media behaviour during elections, pluralism of viewpoints in the current publicistic broadcasts of public operators are all subjected to monitoring on the part of the regulatory authority.

The Radio Monitoring and TV Monitoring departments are in charge of permanent monitoring how RTA provisions are observed in the programmes of all radio and TV broadcasters working in Sofia. The monitored volume in the analysed period amounted to about **10 200 hours of programme time, including 3000 hours of radio broadcasting programmes and 7200 hours of TV broadcasting programmes**. During the above-mentioned period Radio Monitoring and TV Monitoring departments have presented **100 reports and draft statements** related to RTA observance.

Owing to technical, financial and human resources reasons, such monitoring has been limited mainly to operators broadcasting in Sofia. With few exceptions, the radio and TV operators broadcasting in other regions have not been monitored yet. This divides the operators into Sofia-based and **others** in terms of supervision and actually introduces a dual regime of regulation.

CEM has discussed a report featuring project versions of the forthcoming regional monitoring, one of which provided for **setting up and backing technically up seven regional bureaux** for this type of monitoring. The project required estimated **USD 300 000**. On the basis of the above report CEM will issue a statement on applying for subsidies to Bulgarian financial institutions.

*The start of regional monitoring is a very important step in CEM activities, expected to bring at par the supervision standards for all radio and TV operators in the country. Some other versions for subsidy gaining and for purchasing software to back up such a start are considered too. Projects are under way for CEM to apply for subsidies to some European media organizations.*

B. Monitoring of conformity with the programme licenses

The following **radio programmes** have been monitored in the analysed period:

- Specialized monthly monitoring of the *BNR Sunday 150 (Nedelya 150)* broadcast of the *Horizon programme*.
- Specialized weekly monitoring of the *BNR Radio Stara Zagora* programme.
- Specialized biweekly monitoring of the *Radio FM+* programme.
- Biweekly monitoring of the observance of programme license requirements by *Radio NET*.
- Biweekly monitoring of conformity with the programme license requirements by *BNR Radio Stara Zagora*.
- Specialized monitoring of the *Darrik Radio* programme.
- Monitoring how Radio *Jazz FM* complies with the programme license requirements.
The following TV programmes have been monitored in the analysed period:

- Specialized monitoring of the *Naked Truth (Golata Istina)* broadcast of Msat television.
- Specialized monthly monitoring of the *BNT Current Issues (Aktualno)* broadcast.
- Specialized monthly monitoring of the *BNT Team 4 (Ekip 4)* broadcast.
- Monthly monitoring how bTV complies with its programme license requirements.

**C. Sanctions**

Sixty-six penal acts for RTA violations have been drawn and handed in the analysed period: **17 to radio broadcasters** and **49 to TV broadcasters**. Another 16 acts are in the process of drawing. Defaults predominantly related to the provisions under RTA Chapter 4: Advertising, radio and TV market and sponsorship.

**D. Prevention**

In its capacity of a regulatory authority CEM has directed its efforts at prevention, or making the operators conform with and have respect for the law. Two public discussions were held on prevention: on copyright and neighbouring rights and their observance under RTA and CNRA, and a working meeting of CEM experts and representatives of the Sofia Law College on material evidence and procedure of act-drawing for defaults on RTA.

**6. Decisions and statements**

RTA regulates the issuance of mandatory instructions by CEM to the radio and TV broadcasters how to operate in conformity with their licences. The law subjects the programme services of radio and TV operators to one and the same rules, which CEM is obligated to monitor. In the first six month of its existence CEM has issued 90 decisions, of which the more important were:

- Decision and mandatory instruction by CEM to BNT to conform to the new requirements under RTA Art. 7, subpara 6, namely “by reflecting the various ideas and opinions in society through pluralism of viewpoints in all publicistic news and current issues programme items on a political or economic theme.”
- Decision and mandatory instruction issued by CEM to bTV for stopping the “Raw Force” and “Smack Dawn” broadcasts in the afternoon hours during weekends.
- Mandatory instruction to Radio NET in relation to its “joint broadcasting” with Radio Jazz FM for unconditional observance of the territorial range featured in its licence.
- CEM decision to the effect that, “pluralism of viewpoints in every news and current issues programme item on a political or economic theme shall be considered part of the programme line of the respective programme service.”
- CEM decision to the effect that, “the announcements of radio and TV operators concerning their own programme or any extra services offered by them, as well as the public announcement and appeals for charity included in the programme services free of charge, which pursuant to RTA Art. 81 are not subject to the
restrictions under RTA Art. 74, para 2 and Art 86, may contain the name of the sponsor or its trademark.”

- CEM decision to the effect that, “restrictions under RTA Art. 74, para 2 and Art 86 shall not apply to programme services devoted to self-promotion of the operators, nor to services offered by them. Restrictions under RTA Art. 74, para 2 and Art 86, besides for advertising, shall also apply to self-promotion of own goods.”

- CEM decision on the election of Mr. Kiril Gotsev as BNT Director General.

- CEM decision on the election of members of the BNT Management Board.

- CEM decision on the election of a member of the BNR Management Board.

The regulatory authority has adopted statements on some media cases:

- A CEM statement to the effect that “Documentary films, which under RTA Art 83, para 2 are not a subject to breaks for advertising, shall be complete authored audio-visual works rendering meaning to social reality in the light of a political and/or an economic theme.”

- A CEM statement on legitimacy of the “joint broadcasting” concept of two or more radio and/or TV operators in the light of RTA.

- A CEM statement on a possible broadcasting capacity of the National Assembly’s Parliamentary Channel on BNR.

- A CEM statement adopting the results of the implemented monthly monitoring of BNR Sunday 150 programme item to the effect that “no facts testifying to any defaults on RTA provisions have been established in the process of monitoring.”

- In response to a requirement from the Media Commission of the National Assembly, expert statements on the subscription fees.

- A statement on a supplement to Regulation No 13 issued by the Minister of Health on the terms and procedure for approval of medicinal products advertisements.

- A declaration that monitoring implemented by CEM “shall be regarded by no means as any form of censorship.” That is why, “The administrations of the broadcasters, irrespective whether the latter are public like BNR and BNT, or commercial, should not maintain their programme policies in conformity with external factors, including the monitoring implemented by CEM as a regulatory authority.”
7. Discussions

Jointly with representatives of the professional community and of the civil sector, CEM has considered some marginal media cases, on which the professional community opinion and assessment was needed.

CEM held seven public discussions:

- on the licensing and registration fees and the forthcoming registration of operators broadcasting by cable;
- on honouring of copyright and neighbouring rights by the radio and TV broadcasters pursuant to RTA and CNRA;
- on the “Naked Truth” programme item of Msat TV;
- on daytime broadcasting of “Raw Force” and “Smack Dawn” programme items of the World Catch Wrestling Federation by bTV;
- on the meaning of the concept of “joint broadcasting” by two or more radio or TV operators in terms of RTA;
- on the meaning of the “documentary film” concept pursuant to RTA.

8. Registration and licensing

Communications Regulation Commission (CRC) was elected three months after the starting of CEM and in April 2002 the two regulating authorities began their joint work on joint licensing. This licensing was expected to start in seven towns with TV operators broadcasting under § 14 of the Telecommunications Act (TA).

Registration regime is a new type of activity regulated by an amendment of RTA (State Gazette No 96/2001), guaranteeing the citizens their constitutional right (under Art. 41 of the Constitution) of seeking, receiving and imparting information. It also conforms with the right to a free economic enterprise declared by the Constitution. Such a regime is a step toward deregulation of media environment. It facilitates those broadcasters who are willing to engage in radio or TV transmissions by technical means different from terrestrial broadcasting. To obtain a registration certificate, RTA provides for a stepped-up 14-day procedure, which is facilitated in comparison to the procedure of licensing.

Registration certificates issued under this RTA procedure are undated and do not contain any restrictions as to the territorial range of programme transmissions. CEM may refuse registration only if the submitted programme service documents run contrary to RTA provisions, or at a failure to correct on time any irregularities identified in the submitted documents. In the event of systematic defaults CEM may cancel the registration.

The amendments to RTA Art. 102 and 102a concerning the criteria and conditions for license fees have provided legal grounds to the Council of Ministers to adopt the Tariff of Licensing and Registration Fees evolved by CEM. Under the Bulgarian Constitution, the fees are legislatively determined Government takings. That is why the Tariff of Licensing and Registration Fees must be legitimate, or any concrete results from licensing and registration would be attacked as illegitimate before the Higher Administrative Court.
CEM has so far achieved the following along these lines:

- Prepared a **Draft Tariff of Licensing and Registration Fees**.
- Held **two public discussions** with the operators broadcasting by cable and with the professional organizations about the Tariff of Licensing and Registration Fees and the introduction of the new registration regime.
- **Prepared amendments to RTA Art. 102 and 102A** relating to the criteria and conditions which should underlay the Tariff of Licensing and Registration Fees.
- Reaffirmed before CRC the **licenses of 31 radio operators**.
- Prepared **draft licenses for radio and TV broadcasting** by commercial and public operators.
- Developed **draft applications for registration and extension of terms of operation** of radio and TV broadcasters.
- Drafted **amendments and addends to the licenses** of radio and TV operators.
- Developed **applications for the modification of identification data** in the licenses of radio and TV operators.
- Prepared the contents and graphic layout of **registration certificates**.
- Came out with **seven decisions** and statements on the implementation of TA §§ 14 and 16.
- Received **five broadcaster withdrawals** in connection with the procedure under RTA Art. 116.
- Received withdrawals and CEM statements on issuance of telecommunications licenses under RTA Art. 116 to: New Television: First Private Channel PLC, Media Broadcasting Services PLC, Mef Holding PLC, and Radio City for Bourgas.
- Evolved a **registration procedure for operators broadcasting by cable**.
- Drafted **decisions for registration** of: Eset TV, Orbel TV, Radio Arena, Quantum Vision.
- Prepared **license modifications** for **25 radio and TV operators**.
- Prepared the criteria, terms and procedures for **competitive biddings for terrestrial TV transmission**.
- Adopted modification of **BNR and BNT licenses**.
- Adopted decisions for **BNR licenses**.
- Adopted decisions on the modification of programme service license of **Radio Maya**.
- Adopted a decision on issuing a license to **Radio Turgovishtë**.
- Adopted a refusal to accept changes in the duration of the **Radio City programme**.
In the sphere of licensing and registration, **60 reports and draft statements** have been considered at the CEM sittings and over **200 documentary units** requested by CEM from CRC have been filed.

### 9. The Radio and Television Fund. Fees

The European experience has shown that public media should have legislative guarantees for their financial and editorial independence. The **1994 Council of Europe Resolution and the 1996 Explanatory Report attached to it** regarded the independent funding of the public radio and TV stations as a priority issue for the European media institutions, especially of the European Broadcasting Union in Geneva and the European Observatory in Strasbourg. In 2000 the Legal Committee of the European Broadcasting Union made a special review of the different legislative practices relating to funding of public radio transmissions, and approved a system of mixed funding, which was in compliance with the **Directive on the Protection of Pluralism of Media Environment** (1995). The system comprises:

- fees;
- specialized public funds;
- proceeds from advertising and sponsorship;
- sale of audiovisual works and programmes.

The budget of a public medium should correspond to its public functions and tasks, to its activities for the benefit of society. Such medium is obligated to create programmes for all social groups in society, for the benefit of disadvantaged, which means that commercial success is not mandatory priority to it.

Introduction of new technologies and forthcoming digitalisation certainly require vast financial resources. This determines a form of mixed funding: in addition to fees, the proceeds from advertising and sponsorship.

Along with this, the Legal Committee has pointed out explicitly in its report that funding of public media from the State Budget creates opportunities for Government and political interference in the programme service policies and behaviour of journalists.

### The mechanism for collection of fees

The main problem faced by the Bulgarian model of public funding is:

- **Absence of an effective mechanism for the collection of fees for radio and TV services.** Under RTA, after 2003 BNT and BNR should fund 50% of their budgets from fees, which are expected to replace the State subsidies. However, the “electric meter” mechanism has failed for a number of reasons:

  A. In the small towns and villages electricity bills are collected via the telecommunications and post offices. Under the recent liberalisation of that sector, collectability of fees for radio and TV services would have been greatly impaired.
B. Liberalisation presumes existence of a host of companies and absence of a centralised system.

C. The license of electricity-distributing companies does not feature “collection of fees under RTA” and thus such service does not fall into the scope of their immediate tasks. The State Commission for Energy Resources with the Council of Ministers should modify this license.

D. Anticipated low collectability: only about 60-70% of the electricity bills are collected, so no higher collectability of RTA fees could be expected.

E. Anticipated difficulties in fees collection in the Roma residential districts, mountain hamlets, small towns and villages without post offices.

F. A dynamically changing number of households and quickly outdated statistical data with a not very clear idea how to update them.

- Registration of households on a territorial principle seems more suitable. Bulgaria has a well-organized territorial infrastructure and a system for collecting the local taxes and fees. The mechanisms of payment of local taxes and fees correspond in their collection periods to the mechanism of payment of radio and TV fees: monthly, quarterly, yearly.

Collection of radio and TV fees by the tax administration on a territorial principle should be regulated as a mechanism in the Local Taxes and Fees Act. Thus no need will arise to create special administration, nor to additionally pay for this activity. This means that the radio and TV fees could be paid along with the property tax at the municipalities. The main arguments in support of this principle are:

- **Contrary to most Western and Central European countries**, most Bulgarians own the houses in which they live.

- **Property tax is a public due** collected by the tax administration. This administration maintains an extensive and well-kept roll of the taxable persons.

- Contrary to the power-transmission companies, it is **unlikely for this activity to be privatised**.

- **Property tax is payable wholly or in instalments**. There are no obstacles to apply the same regime to the radio and TV fees.

- **There is no need to create special administration** to handle exclusively the collection of radio and TV fees. This would stand for lower administrative expenses.

- **The one dwelling – one fee principle** is almost identical to the RTA principle: one electric meter – one fee.

- **There are no legal obstacles** for the tax offices to collect fees for the Radio and Television Fund simultaneously with the property tax and to transfer the proceeds into a special account of the Fund.

Such a practice is introduced under Art. 64, para 1 of the Local Taxes and Fees Act for the waste disposal fees transferred to the municipal budgets, but collected by the tax administration pursuant to the Local Taxes and Fees Act Art. 66, para 2. The radio and TV fees could be paid quarterly, with a 5% rebate for their payment in one take. CEM proposed for these fees to amount to 0.6% of
the minimum salary of natural persons in the preceding year and to 3% of the annual minimum salary of legal and natural persons engaged in commercial activities.

Control of collectability of fees

The problem is how to control collectability of fees and how to sanction the refusal to pay them? In terms of the legal logics of tax legislation, a failure to pay the taxes and fees on time is not deemed an administrative offence and should not be sanctioned under the Administrative Violations and Penalties Act. The sanction for public dues in the arrears is a penal interest rate, while the mode of their compulsory collection is regulated in Chapters 18 and 19 of the Tax Procedure Code. In the domain of fees any refusal to pay the dues results in withholding the service by the respective authority, as in the case of notarial services.

Deposits into the Radio and Television Fund are not typical public dues, insofar as CEM is an independent public regulatory authority. Within the limits of legislatively regulated publicly useful activities implemented by it, CEM could collect RTA-specified amounts of fees. An acceptable sanction for refusal to pay the fee should be withholding the radio or TV service.

The proceeds from these fees should go to the special Radio and Television Fund. The fees could be effectively collected from the natural and legal persons engaged in economic activities and from the Government and municipal administration.

Exemption of fees

Under RTA, any person who has declared in writing that he/she does not possess a radio or TV set could be exempted of dues for such services. According to the National Statistical Institute, almost all Bulgarian households own a radio or a TV set. The list of persons exempt of payment of radio and TV fees should be made by the relevant ministries and departments and subsequently approved and publicized in a Regulation of the Ministerial Council. In RTA this list is approved and publicized by CEM.

Citizens with impaired eyesight and hearing, the health care establishments, children’s homes and kindergartens, social homes and cultural institutions should be exempt of fees, according to lists proposed by the respective ministries and departments and approved by CEM. Persons who do not own radio and TV sets or who do not receive radio and TV broadcasts could be also exempt of fees, provided they have declared this in writing at the relevant office. Sanctions for incorrect data included in the declaration should be imposed, as well as for obstructing any checks of truthfulness of such data.

Proceeds from fees, advertising and sponsorship

Protests of commercial radio and TV broadcasters in Bulgaria against mixed funding of the public media have been for a long time on the agenda of media regulation. At the present stage, prior to introduction of fees, there are no reasons to demand extra restrictions for the advertising and TV
market of public operators. This would only encumber the introduction of new technologies and the forthcoming digitalisation and would place these broadcasters in an unequal position in relation to the commercial operators.

10. Professional dialogue

CEM maintains a continuing dialogue with the radio and TV operators and media organizations. The regulatory authority held several meetings in June with the administrations of BNR and BNT. Meetings were also held with the Management Board of ABBRO (Association of Bulgarian Broadcasters), Musicautor and Filmautor, as well as with the Copyright Directorate at the Ministry of Culture, with the Media Observatory, and the Civic Association for Public Television. In relation to the forthcoming competitive biddings, CEM has reached an agreement with ABBRO about the “input” and time periods of licensing.

11. International contacts. Harmonization diagram

CEM members have taken an active part in various media forums held in Bulgaria and abroad:

- a seminar on public media funding models held at the initiative of the Operative Bureau for the Mass Media with the Ministry of Transport and Communications;
- a seminar on the principles of independent journalism held on the initiative of the Bulgarian Media Observatory;
- an international meeting on the theme “Public media in service of society” in Budapest;
- a Forum for Dialogue of the Baltic Media Centre in Copenhagen;
- a session of the Standing Committee for Transfrontier Television in Strasbourg;
- a meeting of the European Platform of Regulating Authorities (EPRA) in Brussels;
- periodical maintenance of the CEM infrastructure fiche, which is part of the national harmonization diagram for the European Commission;
- preparation of CEM documentation and participation in the sittings of Work Group 20 on Culture and Audiovisual Policies;
- a CEM organized joint seminar with the European Institute for the Media and the Centre for Continuing Education of Journalists at the School of Journalism and Mass Communication of the St. Ochridski Sofia University, dedicated to the development of Internet and digital television in Bulgaria.
12. Regulation and myths

The idea of media regulation is neither accepted, nor understood by society in general. It is often assessed as interference in the program services of the operators. Traditions and practice are lacking in the domain of media regulation and there is a noticeable deficit of experts in this field.

The public was quick to create its own mythology about CEM and media regulation, which thrives and feeds on the lack of knowledge and experience in this new media sphere, on misunderstanding of the importance and need to develop media legislation, and on poor knowledge of the main principles and functions of regulation as a process.

Some of these myths are:

- **In its capacity of a regulatory authority CEM encumbers the development of the market by censoring the broadcasting of radio and TV operators.** Untrue.
  
  CEM has implemented **11 specialized types of monitoring** of various programme items broadcast by radio and TV operators, but not a single act of such monitoring was used as a concrete argument to take the item off the air, or to discharge a single journalist.

- **The court has seized the functions of CEM as a regulatory authority, because the decisions of this authority are challenged in court.** Untrue.
  
  CEM decisions are challenged no more than those of the National Council for Radio and Television (NCRT), or of any other regulatory authority in Europe. The actions brought to court against CEM decisions are a normal practice, testifying that regulation in Bulgaria is implemented under the conditions of liberal democracy.

In 2001 fifty-four cases were brought to court against NCRT decisions based on complaints against issuance of an individual license to a national TV operator, issuance of individual licenses for regional radio transmissions, against the election of a Director General and Managing Board of BNR.

Of these, NCRT finally won 10 cases, lost three lawsuits, while some of the remaining suits have been withdrawn or have not been closed yet.

Cem has issued so far **90 decisions**, of which only nine have been challenged. Since the beginning of 2002 thirteen lawsuits have been brought against its decisions. Only four of these were lost at the Higher Administrative Court, the rest have not been closed yet.

CEM has issued **24 penal provisions** to radio and TV broadcasters for committed offences; of these **seven have entered into force**, and **17 have been challenged in court**. Lawsuits have been brought on the basis of complaints against 11 of these penal provisions, while complaints against the remaining six penal provisions fetched no legal proceedings. Neither of the lawsuits has closed. There are nine pending proceedings in relation to NCRT administrative penal actions. So far the Legal Department of CEM has presented **45 reports and statements** on various regulation problems.
Activation of complaints in court against the decisions of the regulatory authority testifies to development of a civil society, and is a sign of the growing self-confidence of radio and TV broadcasters that work under an ever stronger competition in a media market subjected to general rules. Broadcasters challenge the administrative sanctions imposed by CEM in fear of the strict RTA provisions: after enforcement of two penal provisions for one and the same offence their licenses would be cancelled. The general public must accept from now on that judicial courts play the role of an important regulator in the life of civil society and that the number of lawsuits indicates the development of Bulgarian media.

The problem is not in the number of lawsuits brought against CEM, but rather in the decisions revoked by the court as illegitimate. So far the High Administrative Court has revoked only one decision of CEM: Decision No 15-00-02 (5 December 2001) on discharge of BNT Director General and of members of the Management Board. On a three-member panel the Higher Administrative Court reconfirmed the decision on the mandatory instruction issued to bTV for stopping the “Raw Force” and “Smack Dawn” broadcasts in the afternoon hours during weekends, as well as the decision of CEM on the election of the General director of BNT Kiril Gotsev.

- **CEM intends to legalize the unlicensed radio and TV broadcasters without competitive bidding.** Untrue.

With the latest amendments to RTA joint licensing by CEM and CRC was introduced. In the light of this type of licensing some established status quo have become illegal: possession of one licence (for programme services or for telecommunications) does not mean that the other is automatically obtained. This could be done only through competitive bidding.

- **RTA does not provide for issuance of telecommunication licenses to radio and TV broadcasters on the basis of already issued programme services licenses. That is why CEM refuses to satisfy the applications of some operators along these lines.**

- **CEM proposes a tenfold increase of the forthcoming subscription fees for public operators, which would effectively reach BGL 60-80 a year.** Untrue.

In all expert statements sent by CEM to the Media Commission of the National Assembly the regulatory authority has strictly supported the amount of subscription fees stipulated in RTA, namely 0.6% of the minimum working salary for the country.

CEM has proposed a fee collection model through the mechanism of local taxes and fees, relying on the fact that Bulgaria has a strong self-government and a well-developed municipal administration. This proposal is also in line with European trends and is legally grounded.

**Introduction of an effective mechanism for BNR and BNT funding is an important condition for their independence from government authorities and their development as public media. Along with this, the main lever for building up the public character of a mass medium are its programme policies and inclusion of such items in its programme, which would guarantee the public interest.**
13. Forthcoming tasks

- Competitive bidding for terrestrial TV broadcasting in the towns of Sofia, Pleven, Bourgas, Shoumen, Dobrich, Kazanluk, and Sopot, and for terrestrial radio broadcasting in the towns of Pazardzhik, Pernik, Lovech, Montana, Silistra, Gabrovo, and Razgrad.

- Institutional strengthening of CEM. Preparation and setting up of regional units for monitoring of the programme services of radio and TV broadcasters. A project for starting regional monitoring under the PHARE Programme. Development of a digital monitoring programme for radio and TV operators.

- Creation and maintenance of database for licensing and registration of radio and TV broadcasters.

- Joint participation with the Ministry of Education and Sciences and the non-government sector in a nation-wide monitoring programme of broadcasts addressed at minors and young people under age.

- Advancing the dialogue between CEM and the professional and civil sector.

- Initiation and participation of CEM members in media forums in Bulgaria and abroad.

14. Prospects

Media regulation faces the following main issues:

- How is regulation going to respond to the ever-growing diversity of programmes and channels on a world scale?

- How is regulation going to react to the rapid bringing together of the press, telecommunications and electronic media?

- What will be the development of regulation after the radio and TV programmes are now transmitted by satellite and after the current advent of digital technologies?

- How is national regulation going to respond to internationalisation of the media market?

- How will be regulated digitlalization of production and transmission of programmes?

- How will be regulated the market under the growing concentration of media and capitals?

These issues pose the main problems to media regulation in Bulgaria:

- Is it ready for the advent of new technologies, rapid spread of the Internet and confluence of the media and electronic business?

- To what an extent self-regulation of the Bulgarian media market would help regulation in its development?
o What is the public assessment of market regulation and market operation by clear-cut professional rules?

o Will regulation continue to be resisted by the public, which does not seem ready to face its challenges?
ANNEX 6

Summarized Version by the Council for Electronic Media and
The Regulatory Communications Committee

STRATEGY

For Developing Radio and Television Activities By
On-land Radio Broadcasting

The Council for Electronic Media and the Regulatory Communications Committee, having considered the following:

1. Their obligation according to law to draft a Strategy for developing radio and television activities by on-land radio broadcasting under the regulations provided by the Law on Radio and Television (promulgated in the State Gazette, issue No 77 from 2002)

2. The principles for developing radio and television activities, specified in the Law on Radio and Television and the Law on Telecommunications and namely:

   - Uniform regulation as regards public and commercial broadcasting operators;
   - Bound licensing on terms of contest;
   - New liberal registration regime of cable and satellite broadcasting operators;
   - Equal status of all operators;
   - Establishment of free market and fair competition;
   - Effective management of the radio frequency band for civil needs;

3. The major role of the provisions of the European Convention on Transborder Television, ratified by the Republic of Bulgaria, as well as the two major directives in the policy of the European Union in the audio-visual sector – 89/55/EU Directive from 03/10/1989 regarding the harmonization of the legislative, administrative and regulatory positions of the EU countries in the field of television broadcasting, 97/36/EU Directive from 30/06/1997 – "Television without Borders", which are the main regulatory framework for establishing and developing a common European audio-visual environment;

4. The regulatory principles, upon which the policy of the EU in the field of audiovisual sector is based, and namely:

   - developing public television, which guarantees pluralism and protection of the public interest by forming public opinion;
   - developing public and commercial broadcasting operators in conditions of fair competition and stimulation of the free market;
   - transparency of capital;
   - gearing Bulgarian legislation to EU normative regulations in the media field;
   - increased supervision over programmes viewed by minors;
   - introduction of digital technologies, based on clear and predictable regulatory frame;
   - independent regulation and institutional strengthening of the regulatory bodies;
   - self-regulation, jointly performed by operators and audiences;


7. Structuring Radio and Television Activities in Compliance with National Priorities and major goals of society:
   - granting the right to receive information and freely voice opinion;
   - guaranteeing free civil enterprise;
   - granting equal access to various in type and format electronic media;

8. Need of stability of the regulatory frame for developing radio and television broadcasting activities;
   - Bulgaria takes part in the sustainable development global project, entitled "21 Agenda" as a result of the commitments taken by Bulgaria at the Summit meetings, held in Rio De Janeiro, Brazil in 1992 and in Johannesburg in 2002. The sustainable development has been among the priorities of the Republic of Bulgaria since it initiated negotiations over its EU accession.

9. The requirements and principles, underlying in the International Telecommunication Union Recommendation (radio communication sector ITU R – 370) and the Sector Policy in the field of telecommunications on developing VHF FM and television radio broadcasting;

10. The planning of the radio frequency band already made:
    - in the 87.5 – 108 MHz band, following an agreement on internationally coordinated frequencies for the Republic of Bulgaria, endorsed by the 1984 Geneva Conference;
    - in the television broadcasting band – based on powerful transmitting stations, endorsed by the 1961 Stockholm Conference, and secondary transmitting networks from low-powered transmitters and relay stations in particular country regions.

The Council for Electronic Media and the Regulatory Communications Committee have come up with the following stand on the present situation of the media sector in Bulgaria:

1. RADIO ACTIVITIES

There are presently a total of 75 licensed telecommunications broadcasters, 273 radio stations and another 30, run by persons, operating under paragraph 16 of the Preceding and Concluding Regulations of the Law on Telecommunications, who broadcast in the VHF-FM band. The case is the following: there are presently a total of 240 towns nationwide, 42 of them being radio stations with local radio reception broadcast. There are 115 radio stations of regional reception in 9 Bulgarian towns, each of them of more than 100 000 citizen population.

At the same time the situation with the radio frequency specter in the 87.5 – 108 MHz band allows allocating a new frequency channel resource to a third national radio operator, as well as licensing new local stations.
1.1 ADVANTAGES:

- diversity of the radio environment in conditions of relatively even nationwide allocation of radio activities in profiles: polythematic and high-profile formats;
- presence of a great number of commercial broadcasting operators (approximately 9 times more than the public ones), which testifies to imposing the market-oriented economy principles in the media sector development;
- tendency for increase in the number of high-profile programmes;

1.2 DISADVANTAGES:

- concentration of radio operators mainly in the big towns;
- two times fewer radio operators in the northern regions compared to those in the southern regions;
- poorly met public needs by local and regional media;
- tendency for uniformity of the high-profile formats;
- insufficient level of transparency of capital in radio activities;
- absence of enough favourable circumstances for developing the Bulgarian National Radio as a public radio media;
- usage of strategic transmission locations and internationally protected high-power radio frequencies by local radio stations;
- 25 % of the radio specter in the 87.5 MHz – 108 MHz band is practically unusable due to the liberalization of the license procedure based on the lack of clear legal argumentation, as well as inconsistent allocation of radio channels under the provisions of the Law on Communications from 1975;
- presence of unlicensed radio stations run by persons, exercising radio activity under the paragraph 16 of the Preceding and Concluding Provisions of the Law on Telecommunications;

2. TELEVISION ACTIVITIES

The situation with the UHF band (470 – 862 MHz) and the internationally approved channels to be used by the Republic of Bulgaria make possible the optimization of the radio frequency planning for a third national television operator, as well as allocation of frequencies for local reception in almost all towns and villages nationwide.

2.1 ADVANTAGES

- development of two national operators - public and commercial broadcasters, broadcasting programmes with polythematic profile and creating an efficient competitive environment;
- traditionally formed public confidence in the Bulgarian National Television;
- achieving diversity in the television broadcasting environment by launching programmes, transmitted via satellite or cable;

2.2 DISADVANTAGES:

- uneven development of the television broadcasting activity nationwide and its concentration mainly in the city of Sofia;
- no television contests for on-land radio broadcasting have been held nationwide so far;
- insufficiency and uniformity of the high-profile television formats;
- insufficient transparency of capital in television broadcasting activities;
- lack of enough necessary circumstances for the development of the Bulgarian National Television as a public media;

3. OPPORTUNITIES
- ensuring radio channels and licensing a national commercial radio operator, as well as a national commercial television operator of a polythematic profile;
- protection of the local radio communication by launching contest procedure on direct freewill terms;
- establishing regional television communication by launching contest procedure;

On the basis of the analysis made, and considering the national interests and freedom of economic enterprise, the Council for Electronic Media and the Regulatory Communications Committee propose the following Strategy:

1. VISION:
Structuring the radio and television activities at national, regional and local level, based on pluralism of media environment and free enterprise.

2. MAJOR OBJECTIVE
Making effective use of the limited resource available – the radio frequency specter in defense of public interest, free enterprise, as well as closest compliance with the media structures already established.

3. MAIN OBJECTIVES:
3.1 Exercising the right of every Bulgarian citizen to receive information;
3.2 Protection of the national interests and needs of the audiences living in the border regions;
3.3 Achieving diverse media environment – in terms of range, formats, audiences;
3.4 Providing regional spread and specialized profile of the radio and television activities suited to the needs of the audience;
3.5 Preserving the national identity of the Bulgarian society;
3.6 Creating favorable conditions for pluralism in media environment and working competition;

4. KEY PRIORITIES:
4.1 Developing national radio and television communication.

The need of creating a new national radio and television operator is determined by:

4.1.1 Exercising the Constitutional right of every Bulgarian citizen to receive information, which is mostly hindered in the sparsely populated regions of the country. Their poor level of economic development could hardly support both regional and local media. This
Constitutional right could be exercised in its full capacity only by a national operator by taking certain commitments in the telecommunication license;

4.1.2 Protection of the national interest in the border regions, which are sparsely populated. A national operator, if having taken certain public responsibilities in its programme license, could exercise a national integrational function and thus compete effectively with the programmes, produced and broadcasted by the neighboring countries.

4.1.3 The existing radio networks cannot be an alternative of the national operator. These radio networks originally started operating by winning contests for local operators, however presently function at over-regional level. They demonstrate economically motivated tendency to grow into national ones but it is only at the telecommunication level in terms of audience capacity, rather than at the national programme level, defended and approved in the contest procedure.

4.1.4 Concentration of social life, leading to asymmetry in making events and information flows. This, in turn, leads to the creation of one more national radio and television operator, so that media pluralism be ensured in covering events of great public interest.

4.1.5 A situation of socioeconomic transition period which hampers the operation of the private media and their survival and could result in breaking the internal pluralism – within the separate programme. Coping with this problem in the near future could be done by creating favourable conditions for pluralism from the outside by means of licensing a new national operator.

4.1.6 Liberalization of the market through further structuring of the nationwide media space by holding a contest for a third national operator on the regulatory principles basis.

4.1.7 Attracting new investments in the media field by licensing new national operators.

4.1.8 Availability of professional potential, capable of producing new national programmes.

4.2 Developing the national public operators – the Bulgarian National Radio and the Bulgarian National Television.

4.2.1 Guaranteeing the opportunities of broadcasting the programmes of the radio and television operators via the transporting network of BTC (the Bulgarian Telecommunication Company), considering their role as regards national security.

4.2.2 Creating conditions in the programmes of BNT (the Bulgarian National Television) and BNR (the Bulgarian National Radio) for full observation of the provisions of the Law on Radio and Television (article 12, paragraph 2), designed for Bulgarian citizens, whose mother language is not Bulgarian.

4.3 Developing regional and local radio and television activities. It is determined by:

4.3.1 Completing the licensing and structuring process of the media environment in the smaller towns and villages too.

4.3.2 Specialization and localization of communication, which are designed to bring the Bulgarian media environment closer to EU standards.

4.3.3 Orientation of the media communication towards everyday topics and relations in smaller communities.

4.4 Digitalization.

- Adoption of new digital standard;
- Allocation of frequencies for digital transmissions in the allocation of the free radio bands;
- Complementing the Strategy in view of the development of the electronic media in the digitalization process;

The Council for Electronic Media and the Regulatory Communications Committee define two main stages in the development of the radio and television activities in the realization of the present Strategy:

5. FIRST STAGE: 2003 – 2005

5.1 RADIO ACTIVITIES

5.1.1 Developing the presently existing two national operators of polythematic profile and preparing the licensing of a third national radio operator, provided there are free radio frequencies, and if needed – partial re-planning of the radio band already used, which are designed to cover the sparsely populated and border regions of the country. That would involve:

- Adopting basic criteria for a contest, guaranteeing financial independence of the project and execution of the public functions of the new national radio operator.
- Radio planning for national radio operator, by using strategic spots with great effective height of location of about 20 powerful transmitters with high effectively transmitted power.
- Ensuring radio reception of at least 85% on the territory of the country, by placing at least 10 relay stations.

The re-planning of the radio frequency specter could also be accomplished in two stages.

First stage:
- testing electromagnetic compliance;
- monitoring the planned radio frequency specter in the specified areas to be covered on the part of the Regulatory Communications Committee;
- radio frequency planning;
- coordination with the International Telecommunication Union on the issue of the unused frequencies;

Second stage – changing the technical parameters of certain existing licensed operators; possible results:
- Due to limited frequency resources there may be difficulties in the process of allocating free frequencies for a third national operator in the regions of Belogradchik, Plovdiv, Pleven, Stara Zagora, Kardzali.
- Allocating frequency channels for a third national radio operator would limit the future development of the national operators – the Bulgarian National Radio, "Darik" Radio, as well as the regional centers of the Bulgarian National Radio.

5.1.2 Developing the Bulgarian National Radio as a public operator.

- programme "Horizont" – in terms of range and audiences;
- programme "Hristo Botev" – in terms of audiences, at optimum use of the medium wave radio frequency specter too;
- radio "Bulgaria" – increase in audience and communication efficiency by satellite and Internet broadcasting. Developing programmes, aimed at different ethnical groups, including the Bulgarian communities abroad;
- developing regional centers – in terms of range, audiences and programme length;

5.1.3 Developing local radio operators
- Licensing local radio operators through a contest procedure in the towns where persons work under paragraph 16 of the Preceding and Concluding Provisions of the Law on Telecommunications, in strict compliance with the radio frequency specter planned for a new national operator, but not later than six months within the date of the adoption of the Strategy;
- Licensing local radio operators at direct enterprise, voiced by the persons concerned, and depending on the free radio frequency specter;
- Allocating additional frequencies in the region of northeastern Bulgaria after the decommissioning of the television transmitter, broadcasting the Bulgarian National Television's programme over the 5th TV channel in the area of the town of Shoumen, northwestern Bulgaria.

5.1.4 Maximum preservation of the existing licensed operators

The radio frequency planning for a third national radio operator requires providing strategic spots for transmitters with great effective power. Their distribution across the country would cause a change in the technical parameters of some already existing and licensed operators. A change in these technical parameters would be completed in stage 2 in the re-planning of the radio specter and includes the following:
- preparation and decision-making by the Regulatory Communications Committee in order for the parameters of the already licensed operators to be changed;
- technological time for a new projecting and readjustment to be done by the operators aforementioned in order to transmit on new frequencies, make changes in their antenna subsystems, transmitters, filters, etc.
- testing the electromagnetic compliance and internal coordination of the radio frequency allocation.

5.1.5 Projected for 2005: Inspection of the radio activities status on a nationwide scale

The findings of the inspection should be taken into account in drafting the changes and amendments to the Law on Radio and Television, in connection with the need of gearing Bulgarian media legislation to EU standards and is a logical consequence of the European Convention on Transborder Television and the "Television Without Borders" Directive.

The development of the radio activities, depending on the findings of the inspection, could be reconsidered and changed in the 2006-2008 period.

5.2 TELEVISION ACTIVITIES

5.2.1 Developing three national operators of polythematic profile that cover the sparsely populated and the border regions of the country.

This consideration suggests:
- Adopting basic contest criteria, guaranteeing financial independence of the project and exercising of the public functions of the new national television operator.
- Licensing a third national television operator while allocating the necessary radio frequency channels;

The technical parameters of the powerful TV stations are defined and coordinated at international level, while for part of the low-powered transmitters it is necessary to re-plan the specter in order to eliminate certain existing interferences.

The frequency planning for a third national operator suggests some changes in the parameters of some already existing television stations. At least 10 high-powered and 50 low-powered relay stations are projected to be used to cover at least 85% of the territory of the country;
Optimization of the necessary frequencies for a third national TV network, including the following steps:

- planning frequency;
- testing electromagnetic compliance;
- monitoring the planned radio frequency specter in the specified areas by the Regulatory Communications Committee;
- coordination with the International Telecommunication Union on the issue of unused frequencies;
- preparing and decision-making by the Regulatory Communications Committee in order for the parameters of the already working operators to be changed;

5.2.2 Developing the Bulgarian National Television as a public operator

- optimum development of "Kanal 1" in terms of range and audiences;
- developing further the "Bulgaria" satellite channel;
- developing regional television centers – in terms of range, audiences and programme length;
- freeing VHF-I and VHF-II radio bands from existing television transmissions according to ITU recommendations (International Telecommunication Union);
- re-planning of the Bulgarian National Television's presently existing transmission network in northeastern Bulgaria and freeing 5th TV channel according to the license requirements provided for the Bulgarian National Television and according to the agreement signed with the Republic of Romania;

5.2.3 Developing regional operators at the direct enterprise voiced by the persons concerned in compliance with article 116 of the Law on Radio and Television, depending on the radio frequency specter available;

- the state of the radio frequency specter in the 470 – 862 MHz UHF band allows allocating up to 3 channels for local TV reception in almost all the towns and villages in the country. Considering the above:
  - Licensing regional television operators by contest in the towns, where persons work under paragraph 16 from the Preceding and Concluding Provisions of the Law on Telecommunications, in maximum compliance with the radio frequency specter projected for a new national operator, but not later than six months within the date of the adoption of the Strategy;
  - In the future planning it is possible to have 6-8 more regional TV telecommunication networks provided, for each of which a free frequency channel should be allocated in order to locate powerful transmitters with 6 to 8 transmission points, mainly in the border regions.
  - It is possible to allocate one radio-frequency channel for low-powered relay stations for the needs of the Bulgarian National Television's regional networks. In the other populated regions such an opportunity will be possible after freeing the 43rd and 47th TV channels transmissions, which are used for national defense and national security needs of the state.

5.2.4 Projected for 2005: Inspection of the television activities status on a nationwide scale

The findings of the inspection should be taken into account in drafting the changes and amendments to the Law on Radio and Television, in connection with the need of gearing Bulgarian media legislation to EU standards and is a logical consequence of the European Convention on Transborder Television and the “Television Without Borders” Directive.
The development of the radio activities, depending on the findings of the inspection, could be reconsidered and changed in the 2006 - 2008 period.

**6. SECOND STAGE  2006 – 2008**

**6.1 RADIO ACTIVITIES**

**6.1.1 Holding a contest procedure for licensing a third national operator, by using free radio frequencies and if needed - partial re-planning of the radio specter already in use;**

The motives for announcing the contest in the specified period are based on the estimates that the radio activities in Bulgaria, compared to the television activities, are far better developed and better "media mapped" on the territory of the country;

**6.1.2 Planning a pilot project concerning frequency allocations for digital on-land radio broadcasting (T-DAB);**

**6.1.3 Achieving coordination between the neighboring countries as regards the frequency ranges defined for digital on-land radio broadcasting (T-DAB);**

**6.1.4 Developing highway radio on 3 axes: one "north-south" and the other two – "east-west".**

Highway radio networks in the following directions are being considered:

- Sofia – Varna (Black Sea biggest Bulgarian port) with extension to Rousse (Danubean biggest Bulgarian port),
- Sofia – Bourgas (Black Sea second biggest Bulgarian port) with extension to Svilengrad (border check point between Bulgaria, Turkey and Greece),
- Vidin (big Bulgarian Danubean port) – Kulata (border check point between Bulgaria and Greece).

**6.1.5 Upgrading the radio activities after conducting a national audit planned for the year 2005.**

**6.2 TELEVISION ACTIVITIES**

**6.2.1 Planning and launching a pilot project for digital television (T-DVB) in one or several regions on the territory of the country;**

**6.2.2 Developing a national plan for digital television of a mixed type and re-planning the Stockholm frequency plan from 1961.**

**6.2.3 Further developing a third national operator on the basis of:**

- freed radio frequency specter in the UHF band used for defense and national security needs;
- making use of additional frequency channels (freeing UHF channels between 61st and 69th) in order to expand the frequency bands for digital, on-land TV and radio broadcasting;

**6.2.4 Providing conditions for access to digital broadcasting for the national public television – BNT (the Bulgarian National Television);**

**6.2.5 Developing the regional networks of the Bulgarian National Television by low-powered relay TV stations after freeing from transmissions the UHF band reserved for defense and national security needs.**
6.2.6 Upgrading the radio activities after conducting a national audit planned for the year 2005.

7. REGULATORY FRAMEWORK

7.1 BODIES

7.1.1 Development

- Institutional strengthening of the Council for Electronic Media (CEM) through expanding and strengthening the role of monitoring in terms of scale and territorial range, launching regional monitoring, projected digitalization of the monitoring, enhancing the professional qualifications of the members of the Council for Electronic Media.

- Institutional strengthening of the Regulatory Communications Committee (RCC) through expanding and strengthening the role of monitoring in terms of scale and territorial range, introducing a new registration procedure for the telecommunication operators, broadcasting their programmes via cable, enhancing the professional qualifications of the members of the Council for Electronic Media.

- Establishing sustainable cooperation practice between the Council for Electronic Media (CEM) and the Regulatory Communications Committee (RCC) as regards the regulation of programme and communication activities of television operators.

- Working out rulebook for the structure and the activities of the Executive Mass Media Bureau with the Ministry of Transport and Communications. The Bureau serves as a link between the Bulgarian institutions and non-governmental organizations on one hand and their analogous European structures on the other. Optimum coordination of the work of the Council for Electronic Media and the Regulatory Communications Committee with the Executive Mass Media Bureau.

7.2 Terms:

7.2.1 National radio operator is an operator that builds, maintains and uses a telecommunication network ensuring high quality radio signal reception of at least 85 % of the territory of the country in compliance with ITU-R-412 recommendation and broadcasts its own programme.

7.2.2 Regional radio operator is an operator that builds, maintains and uses a telecommunication network ensuring high quality radio signal reception in one or several neighboring regions, in compliance with ITU-R-412 recommendation and broadcasts its own programme.

7.2.3 Local radio operator is an operator that builds, maintains and uses a telecommunication network ensuring high quality radio signal reception in one or several neighboring towns or villages in compliance with ITU-R-412 recommendation and broadcasts its own programme.

7.2.4 Highway radio operator is an operator that builds a telecommunication network, ensuring high quality radio signal reception along the highway route and within 5 km in compliance with ITU-R-412 recommendation, operates on two radio frequencies or uses another synchronous principle and broadcasts its own programme.

7.2.5 National television operator is an operator that builds, maintains and uses a telecommunication network, ensuring high quality television signal reception of at least 85 % of the territory of the country in compliance with ITU-R-412 recommendation and broadcasts its own programme.

7.2.6 Regional television operator is an operator that builds, maintains and uses a telecommunication network, ensuring high quality television signal reception in
one or several neighboring areas in compliance with ITU-R-412 recommendation and broadcasts its own programme.

7.2.7 **Local television operator** is an operator that builds, maintains and uses a telecommunication network ensuring high quality television signal reception in one or several neighboring populated areas, in compliance with ITU-R-412 recommendation and broadcasts its own programme.

7.3 **LICENSING AND REGISTRATION**

7.3.1 **Development**
- conducting the licensing procedure in accordance with the requirements of the Law on Radio and Television and the Law on Telecommunications, and the requirements included in the **Strategy** above mentioned;
- preserving the bound licensing procedure, conducted by the Council for Electronic Media and the Regulatory Communications Committee;
- preserving the leading role of the Council for Electronic Media in the field of licensing;
- conducting the licensing procedure through a contest except in the cases specified in the Law on Radio and Television and the Law on Telecommunications;
- adopting publicly announced sustainable criteria for the programme activity:
  - for national programmes – polythematic profile and public function, experience in radio and television activities, amount and transparency of investment, business prospects.
  - for regional and local programmes – regional purpose of communication, experience in radio and television activities and business prospects.
- Adopting a publicly announced criteria for telecommunications activity:
  - optimum covering of the reception area;
  - technical security for realization of telecommunication activities;
- financial opportunities to carry out the activities;
  - guarantees for keeping the safety and ecological requirements for operation;
  - experience in radio broadcasting
- preserving liberal registration procedure for the operators transmitting via satellite or cable

7.4 **MONITORING**

7.4.1 **Development**
- Developing and promoting the role of monitoring, conducted by the Council for Electronic Media, over radio and television operators' programmes, observing keeping the provisions of the Law on Radio and Television concerning: *advertising and sponsorship, programme features, written in the license, protection of the rights of consumers, observing technical standards, rules for media covering in conditions of elections*;
- Launching the regional monitoring conducted by the Council for Electronic Media, over radio and television operators' programmes, observing keeping the provisions of the Law on Radio and Television – building up suitable material base, creating modern technological opportunities and training experts with the appropriate qualification;
- To be completed by 2006 – digitalization of radio and television monitoring, conducted by the Council for Electronic Media;
- Gearing the Law on Radio and Television and the Law on Telecommunications to other laws as regards validity of material evidence gathered by the Council for Electronic Media and the Regulatory Communications Committee in conducting monitoring of the activities of radio and television operators in executing their supervisory functions before judicial bodies;
- Developing the monitoring conducted by the Regulatory Communications Committee, for observing the provisions of the Law on Telecommunications;

Establishing efficient cooperation practice between the Council for Electronic Media and the Regulatory Communications Committee in conducting monitoring of the activities of radio and television operators, as well as their equal treatment in terms of supervision.
Annex 7

THE COUNCIL FOR ELECTRONIC MEDIA: ONE YEAR LATER
(27 November 2001 – 27 November 2002)

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1. BEGINNING

The Council for Electronic Media (CEM) took office in a period of intensive preparations for Bulgaria’s accession to the European Union. Bulgarian media legislation was harmonised with the basic principles of the acquis communautaire. The Republic of Bulgaria signed and the National Assembly ratified the European Convention on Transfrontier Television, which has become part of Bulgarian media legislation. The Radio and Television Act (RTA) was harmonised with the “Television Without Frontiers” Directive, which allowed the Republic of Bulgaria to close the chapter on “Audiovisual Policy.” Practices in Bulgaria’s media sphere are also in compliance with certain protocols and resolutions of the Council of Europe and the European Commission concerning media development in the conditions of globalisation.

The constitution of the CEM required prompt adoption of main rules of organisation and procedure. At the very beginning of its term of office, the Council considered and adopted a new structure and staffing schedule, performed a certification of all employees, elaborated its Rules of Organisation and Procedure, and prepared and held competitions for the vacant tenured positions in its Radio Monitoring, Television Monitoring, Licensing and Registration, Legal, and Administrative departments.

The Council considered and adopted a report on the state and prospects of development of the Radio Monitoring and Television Monitoring departments, and Rules of ascertainment of administrative infractions of the Radio and Television Act and imposition of administrative penalties according to the procedure established by the Administrative Infractions and Penalties Act, which Rules have given experts more leeway in drawing up and serving written statements.

In accordance with the provisions of the RTA, the new regulatory authority also started conducting registration of operators broadcasting by cable. Today, one year later, registration is being conducted successfully.

- The CEM had several important tasks on its agenda: holding a competition for Director General of the Bulgarian National Television, licensing radio and television operators in the separate regions, and introducing new registration requirements for operators broadcasting by cable. In July the National Assembly amended and supplemented the Radio and Television Act, thereby authorising the CEM and the Communications Regulation Commission (CRC) to elaborate a Strategy for Development of Radio and Television Broadcasting by Terrestrial Transmitter.
• The CEM has opened out its operation to professional organisations in the media sphere and the civic sector, and to society as a whole. Hearing the opinion of the professional guild contributes greatly to the development of media regulation. Regulation is a public activity, and it is part of Bulgaria’s path towards civil society and the European integration process.

• The CEM works in close liaison with the National Assembly’s Media Committee – at the latter’s request the Council has given several expert opinions on the introduction of a new effective mechanism of financing of the two public-service media and on the licensing of a separate parliamentary channel on the Bulgarian National Radio; the CEM has moved an amendment to Article 102 of the RTA concerning the criteria and terms of the Rate Schedule of Licensing and Registration fees; a motion on an amendment to Article 105 authorising the Bulgarian National Television (BNT) and the Bulgarian National Radio (BNR) to receive broadcasting licences without auction or tender; a motion on the need of particularising the RTA provisions concerning revocation of radio and television broadcasting licences; motions on problems established by the Council in the course of implementation of the effective media law.

• The CEM regularly informs the media by means of its decisions and opinions. The Council’s public meetings, weekly press releases, discussions, news conferences, website, online discussion forum, articles and interviews demonstrate the regulatory authority’s respect for society and the media as the latter’s corrective.

• The CEM’s work is open to the public – the Council conducts public meetings on important public issues, gives news conferences and has a spokesperson.

• The CEM has made major progress on the elaboration of professional standards. It has considered and adopted a series of opinions and decisions specifying concrete media standards. The CEM’s work is also grounded on the opinions adopted by the National Council for Radio and Television (NCRT), which are an integral part of regulation.

• The CEM has published six issues of its Newsletter (five in Bulgarian and one in English), which carries the Council’s decisions and covers its day-to-day operation. Issues 6 and 7 of the CEM Newsletter in Bulgarian, and four issues in Bulgarian and English, are currently in preparation for publication.

• The CEM has published in separate brochures the Radio and Television Act, the Telecommunications Act, and the European Convention on Transfrontier Television, as well as a brochure with opinions and decisions of the NCRT and CEM from 2000-2002.

In its first year in office the CEM has:

• held 92 meetings, some of which were open to journalists. The Council has adopted 144 decisions, of which 71 by absolute majority, 20 by eight votes for, 25 by seven votes, 14 by six votes, and just four by five votes. This means that 49.3% of all CEM decisions have been taken by absolute majority, and 50.7% by qualified and simple majority. The Council has adopted 16 opinions and decisions on professional standards. In this period the Council has also adopted 154 official decisions. Or in one year the CEM has adopted a total 298 decisions.

Comparison. From 30 November 2000 to 13 November 2001 the NCRT held 82 meetings, and from 1 January 2001 to 13 November 2001 it adopted 296 decisions. In this period the NCRT published seven issues of the Newsletter in Bulgarian and four in English.

In addition, the CEM has:

• prepared a project on institutional strengthening of the CEM under the Phare Programme via the Ministry of Culture;

• designed a project on new software which will secure the launch of regional radio monitoring;

• adopted a CEM opinion on the launch of regional monitoring, on a subsidy from Bulgarian financial institutions;

• launched its own website.
2. MONITORING

Supervision over public-service and commercial operators
A total of 20,490 hours of transmission time have been monitored by the Radio Monitoring and Television Monitoring departments in the last year.

Compliance with the RTA provisions regulating advertising, sponsorship and pluralism of viewpoints are the main spheres subject to specialised monitoring of public-service operators. Due to the shortage of technical resources and the circumstance that the regulatory authority is still in the course of institutional building, the CEM monitors mainly the national operators, as well as operators broadcasting in Sofia. The Strategy for CEM development provides for the establishment of regional offices monitoring local and regional operators. A project on institutional strengthening of the regulatory authority, which also provides measures related to regional monitoring, is currently in preparation. The CEM will apply for funding for this project to the European Union’s Phare Programme.

The monitoring of private operators in the period in question has indicated new tendencies towards redistribution of the media sphere and convergence of various by format and style radio stations through joint programmes.

In the last year 124 written statements on ascertained violations of the RTA have been drawn up – 27 against radio operators and 97 against television operators. Another 25 written statements are pending. The majority are related to violations of requirements under Chapter Four of the RTA concerning advertising and sponsorship. On their basis the CEM has issued 56 penalty decrees for violations of the RTA.

The CEM has also received a request by the first private national television operator (bTV) for alteration of the terms in its broadcasting licence. The CEM conducted two meetings with the bTV management and, following monitoring, specified the terms in the licence concerning news and children’s broadcasts. In October the CEM conducted another round of monitoring of bTV’s compliance with its broadcasting licence, and resolved to conduct annual monitoring of compliance with the mandatory provisions in the licence and the RTA on appointment of transmission time to European and Bulgarian works.

The Radio and Television Act is closely related to the Copyright and Neighbouring Rights Act (CNRA). In compliance with the RTA provisions requiring the CEM to give opinions on amendments to provisions related to the media environment, the Council reached consensus on a provision in the CNRA which allows authors to choose whether to protect their rights individually or via an organisation.

Monitoring under the Radio and Television Act
One of the CEM’s main functions is to exercise supervision over the activities of radio and television operators as to compliance with the RTA. Advertising, sponsorship, media behaviour during elections, and pluralism of viewpoints in current affairs broadcasts of public-service operators are subject to supervision by the regulatory body.

The Radio Monitoring and Television Monitoring departments exercise constant supervision as to compliance with the RTA in the broadcasts of all radio and television operators operating in Sofia. In the reviewed period, a total of approximately 20,490 hours of transmission time have been monitored – of which 5,210 hours of radio and 15,280 hours of television broadcasts. In the said period, the Radio Monitoring and Television Monitoring departments have submitted 200 memoranda and draft opinions concerning the implementation of the RTA.

Comparison. In 2001 the experts of the NCRT’s Radio and Television Monitoring departments monitored approximately 16,000 hours of radio and television transmission time.

Due to a shortage of technical, financial and human resources, monitoring is limited mainly to operators broadcasting in Sofia. With some exceptions, the activities of radio and television operators broadcasting in the different regions are not monitored. This divides operators into Sofia
operators and others in respect to monitoring, and de facto sets double standards in the regulation process.

The CEM has considered a report examining different variants of the future launch of regional monitoring, one of which is establishment and technical support of seven regional offices in charge of regional monitoring. On the basis of this report, the CEM will apply for a subsidy from Bulgarian financial institutions.

The launch of regional monitoring is a very important step in the CEM’s work, which will secure identical standards of supervision over all radio and television operators in Bulgaria. Other variants of receiving a subsidy and purchase of software for the launch of regional monitoring are also being considered. In addition, the CEM is preparing projects with which it will apply for a subsidy to some European media organisations.

**Monitoring as to compliance with broadcasting licences**

In one year the CEM has conducted 12 monitorings – nine of radio programmes and three of television programmes:

- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of the BNR’s Horizont Service;
- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of the BNR’s Hristo Botev Service;
- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of the BNR’s Radio Stara Zagora;
- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of Radio NET;
- monitoring as to compliance with the requirements in the broadcasting licence of Jazz FM Radio;
- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of Radio Mila, Sofia;
- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of Radio Praktika, Sofia;
- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of Radio Maya, Bourgas;
- fortnight-long monitoring as to compliance with the requirements in the broadcasting licence of Radio Glarous, Bourgas;
- one-month programme monitoring of the BNT’s Kanal 1;
- one-month monitoring as to compliance with the requirements in the broadcasting licence of bTV;
- one-month monitoring as to compliance with the requirements in the broadcasting licence of bTV.

The monitoring imposed on Radio NET and Jazz FM Radio as to compliance with their licences ended with the issue of a CEM mandatory direction to Radio NET on compliance with the territorial scope of its licence.

Nine specialised monitorings were also conducted – five of radio programmes and four of television programmes:

- specialised one-month monitoring of the broadcast Nedelya 150 of the BNR’s Horizont Service;
- specialised one-week monitoring of the programme of the BNR’s Radio Stara Zagora;
- specialised fortnight-long monitoring of the programme of Radio FM+;
- specialised monitoring of the programme of Darik Radio;
- focus monitoring as to compliance with the requirements in the broadcasting licence of the BNR’s Radio Varna;
- specialised monitoring of the broadcast Golata Istina [The Naked Truth] of MSat;
• one-month specialised monitoring of the broadcast Aktualno [Current Affairs] of the BNT;
• one-month specialised monitoring of the broadcast Ekip 4 [Crew 4] of the BNT;
• specialised monitoring of the broadcast Vsyaka Nedelya [Every Sunday] of the BNT;
• specialised one-month monitoring of the broadcast Vsyaka Nedelya [Every Sunday] of the BNT.

Or in one year the Radio Monitoring and Television Monitoring departments have conducted a total 21 monitorings of programmes of radio and television operators.

Comparison. In 2001 the NCRT conducted 16 monitorings as to compliance with the broadcasting parameters in the licences of: Balkan News Corporation, Eurocom – Plovdiv, Union Television, MSat, Demo TV, Agarta TV, Mihailov TV – Vratsa, Fanti G-Iliya Yordanov – Vidin, Gabrovo Kabel, Rila TV – Kyustendil, Diana Kabel – Yambol, Elit Media, Videosat 95 – Veliko Turnovo, Telekabel – Pazardjik, Varna Kabel – Varna, and Onyx Folk.

In 2001 the NCRT’s Radio and Television Monitoring departments conducted two monitorings of election campaigns in the parliamentary and the presidential elections. During the parliamentary elections the news and current affairs broadcasts of 14 television stations and ten radio stations were monitored as to compliance with the RTA, the principles of political pluralism and professional standards. With the help of external experts, the monitoring covered a total 26 television and 21 radio stations.

During the presidential elections the NCRT monitored the news and current affairs broadcasts of 14 television and eight radio stations as to compliance with the RTA, the principles of political pluralism and professional standards.

Sanctions
In the last year 127 written statements on ascertained violations of the RTA have been drawn up – 27 against radio operators and 100 against television operators. Another 25 written statements are pending. The majority of violations are of the provisions of Chapter Four of the RTA: Advertising, Radio and Tele-Shopping, and Sponsorship.

Comparison. In 2001 the NCRT drew up 21 written statements on ascertained violations of the RTA.

Prevention
The CEM’s efforts as a regulatory authority are focused on prevention, i.e. encouraging operators to comply with and respect the law of their own accord. Two public discussions related to prevention were held: on copyright and neighbouring rights and their observance within the meaning of the RTA and the CNRA, and a working meeting of CEM experts and Sofia judges on physical evidence and the process of written statement drafting in the implementation of the RTA. The staff members of the Radio Monitoring and Television Monitoring departments appeared in court as written statement drafters and witnesses in proceedings over written statements drawn up by the NCRT and the CEM, and penalty decrees.

3. COMPETITIVE PROCEDURES

A. Election of a BNT Director General
After on 5 December 2001 the CEM resolved that the then BNT Director General Lilyana Popova was ineligible for this position under the new statutory provisions and removed her from office along with the entire Management Board of the BNT, the Council initiated a competitive procedure for the election of a new Director General. By a decision dated 5 December 2001, the regulatory authority appointed Engr. Kiril Gotsev acting manager. The terms of the competitive procedure and especially the criteria were deliberated for more than two months. This was a permanent item on the agenda of 15 meetings of the CEM.

The competition proper was conducted in three stages, with clearly formulated rules and broad publicity.
On 21 February 2002, following the expiration of the term for submitting applications during which
the CEM received the documents of 11 candidates, the Council disqualified three candidates by a
reasoned decision. The reasons cited in the decisions were: “Absence of in-depth analysis of the
state of the BNT until now… as well as lack of mechanisms of formation and realisation of the
programme priorities, as well as of personal visions about the development of the BNT
programme.”

Following a vote on 21 February 2002, only three candidates were allowed to participate in the final
round – “interview in public with the CEM on the concept proposals.” This decision was based on
the preliminarily announced rules, according to which only candidates who got more than five votes
by secret ballot qualified for the final round. The interviews were conducted in the BTA Bulgarian
News Agency Hall on 4 March 2002, with the three candidates speaking in succession in an order
determined by lot.

At its regular public meeting on 5 March 2002, the CEM elected Kiril Gotev BNT Director
General by five votes. On 26 March 2002 the new Management Board of the BNT was endorsed.

B. Regional Competitive Procedures

The CEM is conducting, in conditions of public openness, preparations for the holding of regional
radio and television competitive procedures. The new provision in the RTA on bound licensing
necessitated the establishment of a working group of members of the CEM and the CRC, which has
directed meetings on a weekly basis. The CEM has adopted Rules of Procedure on the holding of
future competitive procedures, which were also discussed with nongovernmental media
organisations. Following the adoption of an Act to Amend and Supplement the Radio and
Television Act (prom. State Gazette No. 77/2002), §6, paragraph 1 reads that “new competitive
procedures shall be initiated following the adoption by the National Assembly of the strategy for
development of radio and television broadcasting by terrestrial transmitter.” This has postponed
the issuance of licences by the CEM and the CRC until the adoption of the Strategy by the National
Assembly.

4. REGISTRATION AND LICENSING

The Communications Regulation Commission was constituted three months after the CEM took
office, and in April 2002 the two regulatory authorities started joint work on bound licensing. After
the National Assembly adopts the Strategy for Development of Radio and Television Broadcasting,
licensing must start in seven towns in which there are operators broadcasting under Paragraph 14 of
the Telecommunications Act.

Regarding licensing, the CEM has created all necessary conditions for the performance of this core
activity – 31 enquiries about the availability of unallocated frequencies in particular towns have
been submitted to the CRC on the initiative of the Council or of interested persons and on the
basis of pronounced judgements of the Supreme Administrative Court (SAC).

The RTA stipulates that a competitive procedure shall be initiated at the request of the interested
person or on the initiative of the CEM.

At the request of interested persons the CEM initiated in April-July 2002 competitive procedures
for radio broadcasting in the following towns: Haskovo, Kyustendil, Doupnitsa, Gotse Delchev,
Pazlog, Samokov, Petrich, Nova Zagora, Velingrad and Svilengrad.

On the initiative of the CEM competitive procedures were initiated in mid-April 2002 for
television broadcasting in the towns of Pleven, Bourgas, Shoumen, Dobrich, Kazanluk, Sopot
and Sofia; and for radio broadcasting in the towns of Pazardjik, Pernik, Lovech and Montana.

Supreme Administrative Court judgements have revoked NCRT decisions from 2001 on the
issuance of an individual licence for radio broadcasting in the following towns: Vidin, Kyustendil,
Pleven, Vratsa, Shoumen, Stara Zagora and Plovdiv. The reasons cited by the SAC are that
since the NCRT had not announced the methods by which the applicants for licences would be
evaluate, the procedure was prejudiced and therefore the decisions of the NCRT must be revoked.
The SAC returned the respective case files to the CEM so that the latter would pronounce on the
submitted licence applications with due consideration for the Court’s instructions and the
amendments to the RTA.
In compliance with the SAC instructions, the CEM issued decisions on the initiation of a
competitive procedure for interested persons in the following towns: Vratsa, Shoumen, Vidin,
Kyustendil, Pleven (Radio Vesselina), Plovdiv (Dikoff EOOD) and Stara Zagora (ET BIP –
Nikolai Yanchovitchin).
The National Assembly adopted a resolution on an amendment to the RTA (prom. State Gazette,
No. 77/2002) authorising the CEM and the CRC to elaborate a Strategy for Development of Radio
and Television Broadcasting. According to §6 of the Act to Amend and Supplement the Radio and
Television Act, new competitive procedures shall be initiated, and pending competitive procedures
shall be finalised after the adoption of the Strategy by the National Assembly. Which means that the
terms within which the CRC had to issue decisions on the available unallocated frequencies and to
present those decisions to the CEM under Article 116, paragraph 4 of the RTA, have stopped
running and will resume running upon the adoption of the Strategy by the National Assembly.
The SAC has also revoked Council of Ministers decisions on the issuance of individual licences for
the use of existing telecommunication networks for broadcasting by terrestrial transmitter and/or for
construction, maintenance and operation of new networks of this type in the following towns: Sofia,
Plovdiv, Blagoevgrad, Bourgas and Varna (judgement of a three-judge panel, which has not
taken effect). Those cases have been referred to the CRC which, jointly with the CEM, according to
the provisions of §74, paragraph 2 of the Act to Amend and Supplement the Telecommunications
Act (prom. State Gazette, No. 112/2001), will finalise the pending competitive procedures initiated
in 2001, with due consideration for the SAC instructions regarding the interpretation and
implementation of the law.
The question arises as to how can competitive procedures, initiated under revoked provisions in
both the RTA and the Telecommunications Act, be finalised. The new provisions in the two acts,
enforced at the end of 2001, provide for a completely different licensing procedure.
The CEM has issued 17 decisions at the request of interested persons on initiation of a
competitive procedure, which have been presented to the CRC (those decisions include the seven
judgements of the SAC).

**The CEM has issued 14 decisions on its own initiative** on the initiation of a competitive
procedure, which have likewise been presented to the CRC.
Following the adoption of the Strategy by the National Assembly and if the CRC makes favourable
decisions on the availability of unallocated frequencies in the respective towns, the CEM will have
to hold 30 competitive procedures for the issuance of individual radio and television broadcasting
licences.
The CRC has given a grace period for broadcasting until the end of February 2003 (for settlement
and completion of their advertising contracts) to the television operators whose licences under §14
of the Telecommunications Act expired in August 2002: 7 Dni – Sofia, Miziya TV – Pleven,
Alexander TV – Dobrich, Municipal TV – Shoumen, Ivalio TV – Kazanluk, and Stefani TV –
Sopot. On grounds of unpaid licensing fees, in November 2002 the CRC took off the air Alexander
TV – Dobrich.
The telecommunications operation licences under §14 of the Telecommunications Act of the
following operators expired at the end of November 2002: Rhodopi TV – Kourdjali, Odessos TV –
Beloslav, Popovo TV and Haskovo TV.

**Comparison.** From November 2000 to November 2001 the NCRT held competitive
procedures for licences for radio broadcasting in 18 towns and one competitive procedure
for television broadcasting with national coverage. The State Telecommunications
Commission (STC) issued 144 radio broadcasting licences on the decision of the NCRT, and
76 telecommunications operation licences. The STC issued three national television
broadcasting licences on the decision of the NCRT – to NTV, Mef Holding and Media
Broadcasting Services – and one telecommunications licence for TV broadcasting, to NTV.
The CEM has adopted the rules of procedure and has finalised all criteria and conditions of the future competitive procedures. If there is a positive reply from the CRC regarding the availability of unallocated frequencies and following the adoption of the Strategy, the CEM must promptly hold 30 competitive procedures for radio and television broadcasting licences. This will be a major challenge for media regulation in principle.

The problem is how much technical time will be needed to start the licensing procedure. The CEM has adopted rules of procedure which conform with the effective RTA, and they provide for a term of four and a half months. The likely adoption of the Strategy at the beginning of next year will postpone the competitive procedures until July-August 2003. This will delay licensing by about two years, which will have quite an adverse effect on the development of the media sector.

Registration requirements are a new type of activity regulated by the amendment to the RTA (prom. State Gazette, No. 96/2001), which contributes to the guaranteed constitutional right of citizens (Article 41 of the Constitution) to seek, receive and disseminate information. It also complies with the right to free business enterprise enshrined in the Constitution. Registration requirements are a step towards deregulation of the media sphere. They facilitate operators who want to conduct radio or television broadcasting by means of technical devices other than terrestrial transmitters. The RTA provides an expeditious 14-day procedure for the issuance of a registration certificate, which is simpler than the licensing procedure.

Registrations issued according to the procedure established by the RTA are of an indeterminate term of validity and do not impose any restrictions related to the territorial scope of broadcasting of the programme service. The CEM may deny registration solely if the submitted programme documents conflict with the provisions of the RTA, or if the irregularities in the documents submitted by the applicant are not cured within the time limit as appointed. In the event of systematic violations the CEM may strike off the violator’s registration.

The CEM has reregistered for pursuit of radio and television broadcasting activities all operating 186 operators broadcasting by cable. The CEM, acting proprio motu, has issued certificates of registration to 76 operators (59 television and 17 radio stations); the Council has also issued 22 new certificates of registration, dealing with all submitted applications within the time limit as appointed.

The amendment to Article 102 and Article 102a of the RTA on the criteria and terms of licensing fees provides the legal basis for the adoption by the Council of Ministers of the Rate Schedule of Fees elaborated by the CEM. According to the Constitution, fees are government claims which are regulated by statute. That is why the Rate Schedule of Licensing and Registration Fees must be in conformity with the law, otherwise the concrete results of licensing and registration will be challenged at the SAC on grounds of legal non-conformity.

Here is what the CEM has done in this sphere to date:

- it has drafted a Rate Schedule of Licensing and Registration Fees;
- conducted two public discussions on the Rate Schedule of Fees and the introduction of the new registration requirements with operators broadcasting by cable and with professional organisations;
- drafted an amendment to articles 102 and 102a of the RTA on the criteria and terms on which the Rate Schedule of Licensing and Registration Fees must be based;
- confirmed to the STC the licences of 31 radio operators;
- drafted radio and television broadcasting licences for commercial and public-service operators;
- designed application forms for registration and extension of the term of licences of radio and television operators;
- drafted a project on alteration and supplementation of the licences of radio and television operators;
- designed application forms for alteration of the identification data in the licences of radio and television operators;
• designed the format of the registration certificates;
• issued seven decisions and opinions each on the implementation of §14 and §16 of the Telecommunications Act;
• issued five refusals to operators in connection with the procedure under Article 116 of the RTA;
• issued refusals and gave opinions on the issuance of telecommunications licences under Article 116 of the RTA to: Nova Televiziya – purvi chasen kanal [New Television – First Private Channel] AD, Media Broadcasting Services AD, Mef Holding AD, Radio City, and Radio Maya – Burgas;
• elaborated a procedure for registration of operators broadcasting by cable;
• drafted CEM decisions on registration of: Esset TV, Orbel TV, Radio Arena and Quantum Vision;
• prepared alterations of 25 licences of radio and TV operators;
• adopted alterations of the BNT licences for regional television centres;
• adopted decisions on the alteration of the licences of the BNR’s Horizont and Hristo Botev programme services;
• adopted an alteration of the licences of Radio Tangra, Radio Syvat, and Nova-M Agency;
• adopted decisions on alteration of the broadcasting licence of Radio Maya;
• prepared criteria and terms and finalised the Rules of Procedure of competitive procedures for television broadcasting by terrestrial transmitter;
• adopted a decision on the issuance of a licence to Radio Turgovishte;
• adopted a decision against alteration of the transmission time of Radio City.

In the sphere of licensing and registration, approximately 300 memoranda and draft opinions and correspondence with operators have been considered at CEM meetings. More than 200 documentary units, submitted by the CRC at the request of the CEM, have been recorded.

5. DECISIONS AND OPINIONS

Issuance by the CEM of mandatory directions to radio and television operators on compliance with their licences is regulated by the RTA. The Act imposes identical rules for all radio and television operators, which the CEM is obligated to apply. In the first year of its operation the CEM has issued 144 decisions, the more important ones of which are the following:
• decision and compulsory direction of the CEM to the BNT on compliance with the new requirements of Article 7, indent 6 of the RTA, namely to “reflect the diversity of ideas and convictions in society by means of a pluralism of viewpoints in each one of the news and current affairs broadcasts on political and business subjects”; 
• decision of the CEM and mandatory direction to bTV on termination of the broadcasting of the World Wrestling Federation’s Raw and Smack Down on weekend afternoons;
• mandatory direction to Radio NET regarding the broadcasting of a “joint broadcast” with Jazz FM Radio to comply unconditionally with the territorial scope of broadcasting as defined in its licence;
• decision of the CEM that “pluralism of viewpoints in each one of the news and current affairs broadcasts on political and business subjects shall be regarded as part of the programme line of the respective broadcast”; 
• decision of the CEM that “the announcements made by radio and television operators in connection with their own programme or subsidiary services provided by them, as well as to any public service announcements and charity appeals which are inserted in the programme services free of charge and which, according to Article 81 of the RTA, are not subject to the restrictions pursuant to Article 74, paragraph 2 and Article 86 of the RTA, may mention the name of the sponsor or his trademark”; 
• decision of the CEM that “restrictions pursuant to Article 74, paragraph 2 and Article 86 of the RTA shall not apply to self-promotion of the operator’s own programmes and to self-promotion
of own services. The restrictions pursuant to Article 74, paragraph 2 and Article 86 of the RTA shall apply, in addition to advertising, to self-promotion of own products’;

- decision on election of Kiril Gotsev as BNT Director General;
- decision on election of members of the Management Board of the BNT;
- decision on election of a member of the Management Board of the BNR.

The regulatory authority has given opinions on some media cases:

- opinion that a “documentary,” which cannot be interrupted for advertising according to Article 83, paragraph 2 of the RTA, “is a complete authored audiovisual work conceptualising social reality on political and/or business subjects”;
- opinion of the CEM on the legal conformity of the term “joint broadcast” by two or more radio and/or television operators within the meaning of the RTA;
- opinion on the possibility of production and broadcasting of an original entertainment broadcast whose main object is advertising;
- opinion on alteration of the programme parameters in individual radio and television broadcasting licences;
- opinion on the methods of conducting monitoring as to compliance with the programme parameters contained in the radio and television broadcasting licences;
- opinion on some alterations in the programme parameters contained in the radio and television broadcasting licences;
- opinion on the crediting of producers of products and services at the end of the news broadcasts of television operators;
- opinion on interruption of one broadcast by another broadcast;
- opinion on the possibility of advertising and sponsorship in the so-called clock in the programme service of television operators;
- opinion on the possible capacities for the broadcasting of the National Assembly’s parliamentary channel by the BNR;
- opinion which accepts the results of the conducted one-month monitoring of the BNR’s broadcast Nedelya 150, “in the course of which facts constituting violations of the provisions of the RTA have not been established”;
- expert opinions on subscription fees at the request of the National Assembly’s Media Committee;
- opinion on a supplement to Ordinance 13 issued by the Minister of Health, on the terms and procedure for approval of advertising for medicinal products;
- declaration on the monitoring conducted by the CEM, which “can in no case be considered a form of censorship,” therefore “the managing bodies of the operators – irrespective of whether they are public-service such as the BNR and the BNT, or commercial – need not adjust their programming policy to external factors, including the monitoring conducted by the CEM in its capacity as regulatory authority.”

6. PUBLIC DISCUSSIONS
The CEM has invited representatives of nongovernmental media organisations, the civic sector and the National Assembly’s Media Committee to participate in discussions on certain borderline media cases which require the opinion and judgement of the professional community.

The CEM has held a total of 11 public discussions:

- on licensing and registration fees and the pending registration of operators broadcasting by cable;
- on observance of copyright and neighbouring rights by radio and television operators within the meaning of the RTA and the CNRA – two discussions;
- on MSat’s broadcast Golata Istina [The Naked Truth];
- on bTV’s daytime broadcasts of the World Wrestling Federation’s Raw and Smack Down;
• on the meaning of the term “joint broadcast” by two and/or more radio and television operators within the meaning of the RTA – two discussions;
• on the meaning of the term “documentary” within the meaning of the RTA;
• on the key priorities in the development of radio and television broadcasting activities, which should be formulated in the Strategy – four discussions.

The CEM is in constant dialogue with radio and television operators and media organisations. The regulatory authority has held several meetings with the management of the BNT and of the BNR. It has also met with the Board of Directors of the Association of Bulgarian Broadcasters (ABBRO), with Musicauthor and Filmauthor, with the Ministry of Culture’s Copyright and Neighbouring Rights Directorate, the Media Observatory and the Civic Association for Public-Service Television.

In regard to the future competitive procedures, the CEM has reached consensus with the ABBRO and the Bulgarian Media Coalition (BMC) on the “entry” and terms of licensing. Consensus has also been reached with the professional community on the key priorities in the Strategy for Development of Radio and Television Broadcasting by Terrestrial Transmitter.

7. WORKING MEETINGS. INTERNET FORUM
In the last year the CEM has held a series of working meetings with different institutions and organisations from the media sector. Here are the most important ones:
• participation in the Ministry of Culture’s Working Group 20, on Culture and Audiovisual Policy;
• meeting with the BNT acting management in connection with a report on its first three months in office;
• meeting with the editorial board of the BNT’s News Directorate;
• meetings with the BNT acting management in connection with a report on its first three months in office;
• meetings with the bTV Managing Director regarding certain alterations in the broadcasting licence and guaranteeing the right of reply in a satirical TV show;
• meeting with the Chairperson of New Television’s Board of Directors regarding compliance with the RTA;
• meetings with the BNR management in connection with a report on its first six months in office;
• working meeting with the Radio NET management regarding a request for alteration of the programme parameters in its broadcasting licence;
• meeting with ABBRO representatives regarding the Rate Schedule of Licensing and Registration Fees;
• meetings with representatives of the BMC, ABBRO and other media organisations in connection with the future competitive procedures for radio and television broadcasting;
• meeting regarding compliance with copyright, at the Ministry of Culture;
• regular working meetings of the CEM and the CRC preparing competitive procedures for radio and television broadcasting by terrestrial transmitter;
• working meetings of the CEM and the CRC elaborating the Strategy for Development of Radio and Television Broadcasting by Terrestrial Transmitter;
• working meetings with the Executive Director of Musicauthor;
• working meeting with the HBO representative in Bulgaria;
• working meeting with the Executive Director of the Bulgarian Sports Totalizator;
• working meetings with representatives of 7 Dni TV, Evropa, Diema+ and MSat regarding observance of copyright by operators broadcasting by cable;
• working meeting with representatives of the 7 Dni TV management;
• working meeting with representatives of MSat – Varna, Radio Dobroudja – Dobrich, Radio FM+ - Varna and Regional Television Centre – Varna;
• participation in a seminar on “Financing of Public-Service Media,” organised on the initiative of the Operational Bureau on Mass Media at the Ministry of Transport and Communications, and the National Assembly’s Media Committee;
• participation in a seminar on “The Digital Transition of Radio and Television in the Bulgarian Internet Environment” organised on the initiative of the CEM and sponsored by the EU;
• design and maintenance of an Internet forum featuring opinions, views and documents related to the Strategy for Development of Radio and Television Broadcasting;
• design and maintenance of a CEM website.

8. ACTIVITIES RELATED TO ARTICLE 32

• Motions on the procedure of collection and the amount of subscription fees for the BNR and the BNT. Radio and Television Fund.
The main problem before the Bulgarian model of public-service financing is the absence of an effective mechanism of collecting fees for radio and television services. According to the RTA, in 2003 the BNT and the BNR must get 50% of their financing from fees which will replace the national budget subsidy, with the proportion of fees in their financing gradually increasing in the next few years. For various reasons, the mechanism of charging fees on the basis of each registered electricity meter has proven ineffective.
The CEM considers that registration of households on a territorial basis seems more effective. Bulgaria has a well-organised territorial infrastructure and system of payment of local taxes and fees. The mechanisms of paying local taxes and fees correspond by periodicity to the mechanism of paying radio and television fees – on a monthly, quarterly or annual basis. The mechanism of collecting radio and television fees via the tax administration on a territorial basis must also be regulated by the Local Taxes and Fees Act. Thus, it will not be necessary to establish a specialised administration and to incur additional costs.

• Motions on the procedure of collection and the amount of licensing and registration fees
In compliance with the RTA provisions, the CEM has drafted a Rate Schedule of Licensing and Registration Fees which the Council must collect according to Article 102, paragraph 2 of the RTA. The Rate Schedule was drafted on the basis of the methods and criteria applied in the Rate Schedule of Fees collected by the STC, adopted by Council of Ministers Decree 268 dated 23 November 2001, due to the fact that the RTA does not provide concrete indicators and parameters for individualisation of charges. The rates of fees were reduced by 25%. The said Rate Schedule was adopted by CEM Decision 015-00-51 dated 28 February 2002. The Draft Rate Schedule, Decision 015-00-51 and a legal opinion were sent to Mr. Dimitur Kalchev, Deputy Prime Minister and Minister of State Administration – by letter registered under Outgoing ? 01-07-04 from 4 March 2002.
In reply, the CEM received a letter (registered under Incoming ? 01-07-08 from 22 March 2002) with an enclosed legal opinion of the Council of Ministers’ Legal Directorate, which notes the absence in the RTA of criteria of determining the rate of fees. The Directorate’s legal opinion is that fees should correspond to the material, technical and administrative costs of licensing and registration, without being pegged to the number of registered residents serviced by the operator, the territorial scope, type and volume of activites.
By Letter ? 01-03-25 from 18 April 2002, the CEM sent the National Assembly’s Media Committee a motion on an amendment to Article 102 of the RTA. By Decision 15-00-101 dated 17 April 2002, the CEM adopted a new Draft Rate Schedule which meets the requirements of the Council of Ministers’ Legal Directorate – the fees in it are cost-related. The draft is supplemented by a financial justification.
By Letter ? 01-07-08 from 17 April 2002, the CEM sent the Council of Ministers the Draft Rate Schedule of Radio and Television Broadcasting Fees and CEM Decision 15-00-101 dated 17 April 2002.
The CEM referred this problem on another two occasions to the competent authorities of the Council of Ministers, the National Audit Office and the National Assembly’s Media Committee – by Letter ? 01-07-11 from 8 August 2002 and Letter ? 01-07-16 from 18 September 2002. It has not received any reply to date.

The absence of an effective Rate Schedule of Fees confronts the CEM with the following problems:

- **impeded reregistration of operators creating and broadcasting programmes by cable and/or by satellite, effected in accordance with §53, paragraph 1 of the Supplementary Provision of the RTA.** Reregistration certificates cannot be served on the operators, because collection of control (annual) fees is impossible unless there is an effective Rate Schedule;

- **the new registration certificates of operators creating and broadcasting programmes by cable and/or by satellite cannot be served either,** because collection of initial and control (annual) registration fees is impossible unless there is an effective Rate Schedule – which makes the launch of the programme service legally non-conforming by reason of a non-served registration certificate;

- **problematic holding of competitive procedures for creation and broadcasting of radio and television programmes by terrestrial transmitter;**

- **the CEM budget cannot be utilised** – it has been calculated on the basis of an expected BGN 105,000 in revenues from fees;

- **the absence of an effective Rate Schedule deprives the national budget of serious revenues.**

This situation *de facto* places operators in the zone of the grey economy, and the responsibility for that ultimately rests with the Council of Ministers. Throughout 2002 the CEM has done everything possible to resolve this important issue, therefore it neither is nor can be held liable for the unaccountable delay of the adoption of the Rate Schedule of Licensing and Registration Fees.

- Motions on amendments and supplements to the RTA, including on RTA harmonisation with the *acquis*

On the basis of its work and the established in practice omissions and problematic provisions in the effective RTA, the CEM made a detailed analysis and formulated a concrete motion on groups of problems, which it sent to the National Assembly’s Media Committee in September. The Council also elaborated an Opinion on the principles of the newly proposed Radio and Television Bill.

- Elaboration of a *Strategy for Development of Radio and Television Broadcasting*;

- Participation in meetings of the National Assembly’s Media Committee.

9. **BUDGET AND ADMINISTRATION**

The adopted staffing schedule for 2002 provides for **65 tenured staff members**, including **nine members of the CEM**. The administrative-technical personnel are structured in the following departments: Licensing and Registration; Radio Monitoring; Television Monitoring; Legal; Analyses; Technical Resources; Administrative and Information Services; and Finance, Estate Management and Human Resources.

- **REVENUES**

The CEM’s 2002 budget provides for BGN 105,000 in revenues from fees according to Article 102, paragraph 2 of the RTA concerning registration and licensing fees due from radio and television operators.

By Judgements 2064 and 2065 dated 5 March 2002, 5016 dated 28 May 2002 and 5018 dated 28 April 2002, the SAC awarded BGN 600 in litigation costs to the CEM, due from Radio Contact Bulgaria EOOD; and by Judgement 1076 dated 7 February 2002, BGN 205 due from Ring SV AD. These are shown as revenue from own sources under §28–02: *fines, sanctions, damages, penalty interests, indemnities and deficits.*
By a CEM decision on the awarding of a public procurement contract through direct negotiation, proceeds from the sale of tender dossiers to the amount of BGN 180 are shown under §36-19, *other tax revenues.*

**EXPENDITURES**

From 1 January 2002 to 15 September 2002, the CEM spent in the course of its operation BGN 581,819, or 68.22% of the approved annual limit of expenditures, including:

<table>
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<th>Personnel salaries and remuneration</th>
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<td>- CEM members</td>
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<td>- Administrative-technical personnel</td>
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<td>Other remuneration and payments</td>
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<td>Maintenance costs</td>
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<tr>
<td>Capital expenditures</td>
<td>BGN 71,164</td>
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Part of the capital expenditures were on repair of the fifth floor of the CEM office, which was completed one month ahead of schedule.

**OFF-BUDGET ACCOUNT. RADIO AND TELEVISION FUND**

According to §10, paragraph 1 of the 2002 National Budget of the Republic of Bulgaria Act, the Radio and Television Fund off-budget account was closed as from 1 January 2002. The available surplus by 31 December 2001 to the amount of **BGN 276,181** was transferred to the CEM budget, with the equivalent automatically subtracted from the 2002 national budget subsidy of the CEM.

**10. STRATEGY FOR DEVELOPMENT OF RADIO AND TELEVISION BROADCASTING BY TERRESTRIAL TRANSMITTER**

By a resolution (*State Gazette*, No. 77/2002), the National Assembly authorised the CEM and the CRC to elaborate within a term of three months a *Strategy for Development of Radio and Television Broadcasting by Terrestrial Transmitter*, due to be adopted by the National Assembly. The Strategy identifies a **main purpose, key purposes and key priorities**:

- **The main purpose** is effective utilisation of the limited resources – the radio frequency spectrum – in protection of the public interest and free enterprise, and with maximum consideration for the existing media structures.
- **The key purposes** are: realisation of the right to information of every Bulgarian citizen; protection of the national interests and needs of the audience in border regions; achieving a diverse media environment – by scope, format and addressee; ensuring regionalisation and specialisation of radio and television broadcasting in conformity with the needs of the audience; preserving the national identity of Bulgarian society; creating favourable conditions for pluralism of the media environment and real competition.
- **The key priorities** are: development of national radio and television communication, development of the national operators BNT and BNR, development of regional and local radio and television broadcasting.


The preparation and elaboration of the Strategy included the following activities:

- Working variants of the Strategy and supplementary documents were discussed at **15 meetings of the CEM** from 29 July to 11 November 2002;
- **28 working meetings between the CEM and the CRC** were held to discuss the purposes and the key priorities of the Strategy;
• On 15 August the CEM launched an Internet forum for opinions, views and discussions on the Strategy. In three months the forum presented different ideas and viewpoints on the discussed subject;
• Four public discussions were held with nongovernmental media organisations, and one with representatives of the National Assembly’s Media Committee;
• The Strategy elaborated by the CEM and the CRC gained the professional community’s approval – opinions in writing with critical remarks, expressing a positive attitude to this document, were given by the Bulgarian Media Coalition, the Association of Bulgarian Radio and Television Operators, the Association of Bulgarian Cable Operators, the Union of Bulgarian Journalists, the BNR and the BNT. The public discussion held on 11 November 2002 showed that the professional community supports the key priorities in the development of the media sector in the next six years, as evidenced by the verbatim records;
• The Strategy for Development of Radio and Television Broadcasting was officially submitted by the chairpersons of the CEM and the CRC (in hard and soft copy) to the National Assembly Chairman Prof. Ognyan Gerdjikov on 12 November 2002 – one day before the deadline set by the National Assembly – and registered by the National Assembly’s record-keeping office under Incoming § 230-00-35 from 13 November 2002;
• Copies of the Strategy (in hard or soft copy) have been presented to the President of the Republic and the Prime Minister, the parliamentary floor leaders, the members of the National Assembly’s Media Committee, the editors-in-chief of the leading electronic and print media, and the nongovernmental media organisations.

The question of when the Strategy will be adopted is of crucial importance, as the licensing procedure can start only after its adoption. Through the Strategy the CEM and the CRC uphold the need of licensing a third national radio operator and a third national television operator, which will lead to a more optimal structure of the media sector, stronger competition and, hopefully, higher-quality radio and television programmes. The Strategy endorses the local and regional principle in the development of radio and television broadcasting, as well as the idea of unified regulation.

11. JUDICIAL REVIEW
The CEM has issued 144 decisions to date, of which only 12 have been appealed. Since the beginning of 2002, 16 cases have been instituted against CEM decisions. Only four of them have been lost in the SAC (related to the removal of Lilyana Popova from office as BNT Director General). The CEM has won the two cases over the appeals of Dimitur Tsonev and Naiden Andreev against the CEM decision to elect Kiril Gotsev BNT Director General.

A three-judge panel of the SAC has upheld the CEM decisions to refuse telecommunications licences for national television broadcasting on the grounds of already issued broadcasting licences to NTV, Mef Holding and Media Broadcasting Services, as well as the decision on Radoslav Glavchev’s appeal against the election of a BNT Director General. A three-judge panel of the SAC has also upheld the CEM decision issuing directions to bTV about the broadcasts Raw and Smack Down.

Iliana Benovska’s case against CEM in connection with tacit refusal has been dismissed. Vesselin Stoykov’s case has been suspended. Proceedings before a three-judge panel of the SAC on appeals by Union Television, Agency Nova-M and the BNT are pending.

Comparison. In 2001, 54 cases were instituted against NCRT decisions related to appeals concerning issuance of an individual licence for national television operator, individual licences for regional radio broadcasting, and against the election of the BNR Director General and Management Board. Of them the NCRT lost two cases over the election of the Director General and endorsement of the Management Board of the BNR, and 26 were dismissed by reason of withdrawal of the appeals of the operators. Twenty-six cases over NCRT decisions to refuse individual radio broadcasting licences were heard in 2001. A three-judge panel of the SAC pronounced judgements upholding the NCRT decisions. In 2002, 12 cassation cases were instituted before a five-judge panel of the SAC,
of them one judgement of the Court upheld an NCRT decision, and the SAC revoked the NCRT decisions in another seven cases, returning the case files to the CEM with instructions to complete the procedure while complying with the amendments to the RTA. Another four cases have been heard by the SAC, and judgements are pending. The remaining four cases have not been appealed and the decisions have taken effect.

The CEM has issued 56 penalty decrees to radio and television operators for violations – of them 14 have come into force, 38 have been appealed in court, the term of appeal against four has not expired yet, and one has been revoked. The national budget has received BGN 24,000 from enforced penalty decrees. The CEM has terminated 51 penalty decrees, judging that there are insufficient legal grounds for their issuance.

Comparison. In 2001 the NCRT issued a total 22 penalty decrees, of which 12 were appealed, nine were revoked, two were upheld and 12 were enforced. Proceedings are pending on one case related to the NCRT’s administrative penal operation.

In one year the CEM’s Legal Department has submitted 135 memoranda and 61 opinions on various problems of regulation. More than 100 letters to different courts, contracts, annexes, etc., have been prepared.

The increase in court appeals against decisions of the regulatory authority is an indicator of the development of civil society and of the higher self-confidence of radio and television operators working in the conditions of growing competition and a media market which follows common rules. Operators challenge the CEM’s administrative penal operation because the RTA is very strict – it provides for revocation of the licence following two enforced penalty decrees for one and the same violation. From now on the public must accept that the court is an important regulator in the life of civil society, and that the number of cases is indicative of, inter alia, the development of Bulgarian media.

The problem is not in the number of court cases instituted against the CEM, but in the decisions revoked by the court on grounds of legal non-conformity. In one year the SAC has revoked two decisions of the CEM: Decision 15-00-02/5.12.2001 on removal of the Director General and Management Board of the BNT, and Decision 15-00-24/18.1.2002 on the possibility of mentioning the name of the sponsor or his trademark in announcements made by radio and television operators in connection with their own programme.

The CEM has won the cases over the appeals of Dimitur Tsonev and Naiden Andreev against the election of Kiril Gotsev as BNT Director General.

12. INTERNATIONAL CONTACTS. HARMONOGRAAMME

CEM members have taken an active part in various media forums held in Bulgaria and abroad:

- seminar on models of financing of public-service media, organised on the initiative of the Operational Bureau on Mass Media at the Ministry of Transport and Communications;
- seminar on the principles of independent journalism, held on the initiative of the Bulgarian Media Observatory;
- international conference on “Public-Service Media in the Service of Society” in Budapest;
- Forum for Dialogue of the Baltic Media Centre in Copenhagen;
- meeting of the Standing Committee on Transfrontier Television in Strasbourg;
- meeting of the European Platform of Regulatory Authorities (EPRA) in Brussels;
- participation in the international conference on “How to Embrace the Values of the New Society” in Romania;
- participation in a conference on “The Role of the Media in the Changing World” in Moldova;
- participation in a working meeting on “Regional Regulation and Self-Regulation” in Albania;
- participation in a regular meeting of EPRA in Slovenia;
- working meeting with Elisabeth Rousse Junberg from the European Commission and presentation of the different types of activities of the CEM;
- regular updating of the infrastructural card of the CEM in the National Harmonogramme of the European Commission;
• preparation of the CEM documentation and participation in the meetings of Working Group 20, on Culture and Audiovisual Policy;
• organisation of a joint seminar with the European Media Institute on Internet development and digital television in Bulgaria.

13. REGULATION AND MYTHS
The idea of media regulation is not accepted and understood by Bulgarian society at large, and it is frequently regarded as interference in the programming activities of operators. There are no traditions and practices of media regulation, and there is an obvious shortage of experts in this sphere.

Society has quickly produced its own myths about the CEM and regulation, which thrive on the deficiency of knowledge and experience in this new media sphere, on the failure to understand the meaning and need of development of media legislation, and on unfamiliarity with the basic principles and functions of regulation as a process.

Here are some of those myths:
• The CEM as a regulatory authority impedes the development of the market because it exercises censorship over the activities of radio and television operators. Wrong.

The CEM has conducted 21 monitorings of separate broadcasts of radio and television operators, none of which has served as an argument for terminating a particular broadcast or removing a particular journalist.

As a core activity of the regulator, monitoring imposes common norms and rules on the development of the media market, which are enshrined in the RTA and are compulsory for all operators. Monitoring is of benefit to the market as a whole and to individual operators, which are obliged to abide by the RTA. Good regulation means a strong, well-structured and well-functioning media market. The regulatory authority is not an enemy of the media sector – it is its partner.

• The CEM’s regulatory function is usurped by the court, because the decisions of the regulatory authority are challenged in court. Wrong.

The decisions of the CEM are not challenged more than the decisions of the NCRT or any other regulatory authority in Europe. Court appeals against CEM decisions are a normal practice which shows that regulation in Bulgaria is exercised in the conditions of liberal democracy.

• The CEM intends to legalise unlicensed radio and television operators without holding a competitive procedure. Wrong.

The latest amendments to the RTA have introduced bound licensing, which is effected jointly by the CEM and the CRC. This makes certain instances of status quo ante legally non-conforming – the holding of one licence (a broadcasting or telecommunications licence) does not presume automatic receipt of the other. Licences may be issued only by competitive procedure.

The RTA does not provide for the issuance of telecommunications licences to radio or television operators on the grounds of already issued broadcasting licences, and that is why the CEM refuses to satisfy the requests of individual operators in this respect.

• The CEM proposes a ten-fold increase of the future subscription fees for public-service operators, which will practically rise to BGN 60-80 a year. Wrong.

In all expert opinions of the CEM given to the National Assembly’s Media Committee, the regulatory authority strictly abides by the amount of the subscription fee as determined by the RTA – namely, 0.6% of the national minimum wage.

The CEM proposes a model of collecting fees by the mechanism of collecting local taxes and fees, because Bulgaria has strong local government and a well-developed municipal administration. This mechanism is in conformity with the European tendencies and is legally justified.

Introduction of an effective mechanism of financing of the BNR and the BNT is an important condition for their independence from the state authorities and their development as public-service media. At the same time, a main lever in the formation of the public-service character of a medium is its programming policy and the presence in its programme of broadcasts which guarantee the public interest.
14. FUTURE TASKS

- **holding of competitive procedures for television broadcasting by terrestrial transmitter** (in
the event of a positive reply by the CRC) in the towns of **Sofia, Pleven, Bourgas, Shoumen,**
**Dobrich, Kazanluk and Sopot**; and for radio broadcasting by terrestrial transmitter in the
towns of **Pazardjik, Pernik, Lovech, Montana, Silistra, Gabrovo and Razgrad**. The CEM
has received a positive reply by the CRC as to the availability of unallocated television
frequencies in the towns of **Bourgas, Kazanluk and Sopot**;
- **finalisation of the competitive procedures for radio broadcasting** in the towns of **Vratsa,**
**Shoumen, Vidin, Stara Zagora, Plovdiv, Kyustendil and Pleven** following SAC judgements;
- **adoption of publicly announced criteria of programming activities:** for **national**
programme services – polythematic profile and public-service function, experience in radio
and television broadcasting, amount and transparency of investments, and business prospects;
for **regional and local programme services** – regional orientation of communication,
experience in radio and television broadcasting, and business prospects;
- **further development of registration requirements** concerning operators broadcasting by
cable;
- **institutional strengthening of the CEM**. By broadening and increasing the role of monitoring
over operation and territorial scope, launching regional monitoring, forthcoming digitalisation
of monitoring, improving the qualifications of CEM experts;
- **participation in a national programme on monitoring of broadcasts for infants and minors**
jointly with the Ministry of Education and Science and the nongovernmental sector;
- **establishment of a joint practice of the CEM and the CRC in monitoring activities of radio**
and television operators and their equal treatment in regard to supervision;
- **elaboration of Rules of Organisation and Procedure of the Operational Bureau on Mass**
Media at the **Ministry of Transport and Communications**, which ensures liaison between
Bulgaria’s institutions and nongovernmental sector, and the respective European structures.
Optimal coordination of CEM activities with the **Operational Bureau**;
- **creation and maintenance of a data base** on licensing and registration of radio and television
operators;
- **development of dialogue between the CEM and the professional community and civic**
sector;
- **initiative and participation of CEM members in media forums in Bulgaria and abroad**