



AMARC Europe - World Association of Community Radio Broadcasters
AMARC Europe – Association Mondiale des Radios Communautaires
AMARC Europa – Asociacion Mundial de Radios Comunitarias

Bruxelles, 13 June 2012

To the attention of :

KRRiT, Krajowa Rada Radiofonii i Telewizji: Departament Strategii,
Skwer Ks. Kard. S. Wyszyńskiego 9, 01-015 Warszawa

Re : Zaproszenie do konsultacji w sprawie wybranych kierunków zmian prawa medialnego

From : AMARC Europe, Association Mondiale des Radiodiffuseurs Communautaires
Rue de la Linière 11, 1060 Bruxelles

Dear Madam/Sir

The European branch of World Association of Community Radio Broadcasters, AMARC, welcomes the initiative of the *Krajowa Rada Radiofonii i Telewizji* to receive comments on planned changes about the Media Law currently operating in Poland.

AMARC Europe, is the regional branch of the World Association of Community Radio Broadcasters. Through service to members, networking and project implementation, the World Association of Community Radio Broadcasters, brings together a network of more than 4,000 community radios, Federations and community media stakeholders in more than 115 countries. The main global impact of AMARC since its creation in 1983, has been to accompany and support the establishment of a world wide community radio sector that has democratized the media sector. AMARC advocates for the right to communicate at the international, national, local and neighbourhood levels and defends and promotes the interests of the community radio movement through solidarity, networking and Cooperation

The following comments and recommendations, represent not only the point of view of our organisation, but also the current status of the Community Media Sector as it has been acknowledged by different International Institutions and in particular by the European Parliament, the Council of Europe and Unesco. Besides, the document will focus its observations on some best practices regulatory models already existing in Europe.

AMARC Europe offers any help with advocacy and expertise and welcomes its feedback to this letter.

Mariano Sanchez
AMARC Europe, President

Francesco Diasio
AMARC Europe, Secretary General



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Definition of Community Media: which kind of organizations should be able to ask for community broadcaster status

AMARC Europe has been working in collaboration with European institutions and other European Fora to raise the profile of community media across Europe and, in recent documents, the social value of the sector has been reaffirmed by the *Declaration of the Committee of Ministers on the role of community media in the promotion of the social cohesion and the intercultural dialogue*¹, adopted by the Council of Europe on 11 February 2009, and the *Resolution of 25 September 2008 of the European Parliament on Community Media in Europe (2008/2011 (INI))*².

Community radio and television broadcasters are private entities with public interest objectives, managed by various types of non-profit social organizations. Their fundamental characteristic is the participation of the community in ownership as well as programming, management, operation, financing, and evaluation. Community media are independent and non-governmental media that do not engage in religious proselytism, and are not owned, controlled by or otherwise linked to political parties or commercial entities. They give voice to different communities and encourage social cohesion, diversity, creativity and participation. The sector is diverse and operates differently across the EU.

The legal status of CM is important to the development of CM organisations. A recognised legal status enables CM organisations to engage with regulatory authorities, funding partners as well as advertisers, thus contributing to their sustainable development. Organisations can be registered as various legal entities (associations, foundations, cooperatives, NGOs etc..)

The general rule for issuing licenses and allocation of broadcast frequencies for community media must take into account the nature and specificities of the sector in order to guarantee their effective and non-discriminatory participation.

Recommendation 1

To expand the list of organizations that can apply for the community broadcaster license to all kind of non for profit organisations fitting with the principles of public interest broadcasting, independence from political parties, accountability, and participation. These organizations should promote social development, human rights, cultural and linguistic diversity, pluralism of information and opinion, democratic values, social communication, peaceful coexistence and the strengthening of their social and cultural identities.

¹ <https://wcd.coe.int/ViewDoc.jsp?id=1409919>

² <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P6-TA-2008-0459&language=EN>



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Support measures for the sector: Which kind of reductions could be applied to community broadcasters.

Generally speaking, CM initiatives tend to be managed on a voluntary basis, with an average of three paid employees. Staff costs generally make up the highest part of the budget, with a 54% average. Overheads (including copyrights) rank second, with rent or building costs accounting for another large part. Transmission and technical costs form the third largest part of a budget. The sector delivers a range of public interest contributions that cannot be achieved solely by relying on market forces. Therefore, policy makers and regulator authorities sometimes implement supportive measures for the sector. Such policies are not only related to public funding but to a variety of measures that influence the sector throughout its development.

At the European level, the Declaration of the Council of Europe, among other things, stresses its Members States about the desirability of:

“recognising the social value of community media and examining the possibility of committing funds at national, regional and local level to support the sector, directly and indirectly, while duly taking into account competition aspects ”

On the other hand, the European Parliament Resolution calls on Member States:

“to support community media more actively in order to ensure media pluralism” and “stresses the role that may be played by local, regional and national authorities in supporting and promoting community media by providing suitable infrastructure”.

Reductions and exemptions are thus related to the sustainability of this non profit media sector and its major challenges. Countries like France, Ireland, UK, Belgium (Wallonie) are best practices models in this field.

1 Establishment: It is desirable to adopt public policies that exempt community media, in whole or in part, from the payment of fees and taxes, including license fees, in ways consistent with their characteristics and public mission. This should happen in an analogue as well as digital environment. Digital technology is an opportunity as well as a challenge for CM. However, there is a growing concern among the sector that switch-over policies of most Member States do not take CM into account in especially in regards to some high initial costs that many CM organisations cannot afford. Supportive public measures and reductions should be taken into account together with must carry rules.

2 Growth for sustainable structures: It is desirable to adopt public policies that exempt community media, in whole or in part, from the payment of fees and taxes related to employment policies for youngsters and adults in order to support the lifelong learning schemes and the integration of disadvantaged groups that they put in place. On the other hand, it is desirable to establish a fair remuneration mechanism related to the non profit nature of community radios as it happens in many jurisdictions in regards to the right of authors (copyright) fees

Recommendation 2

It is desirable to adopt public policies and a set of measures, direct or indirect, which can be supportive for the establishment and growth of the sector. In particular, exemptions (in whole or in part) should take into consideration licensing fees, digital switch over costs, employment policies and rights of authors royalties.



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Public tasks implemented by community broadcasters: Community Media Contributions in the Public Interest

Community media is now a major part of the broadcasting landscape which engages and reaches many millions of people across Europe: these media are an essential contributor to freedom of expression and access to information. The Declaration of the Committee of Ministers of the Council of Europe on the role of community media in promoting social cohesion and intercultural dialogue (11 February 2009) stresses that community media serve needs which are not met by public service and commercial media. CM's contributions regarding public interest can be of cultural, political, social and economic nature and depend on each organisation's individual intentions and abilities. Of course, it is important to understand that public interest benefits and tasks of CM are perceived differently in each country of the EU. Among the public tasks implemented by community media, regulatory authorities should encourage:

1 - Media Pluralism and Diversity

CM help to strengthen media pluralism and diversity: They provide alternative perspectives on issues that lie at the heart of a given community. They are therefore a significant component of participatory democracy in modern society.

2 - Cross-Cultural-Dialogue

CM help to strengthen the identities of specific communities of interest while at the same time enables members of those communities to engage with other groups of society. They therefore play a key role in fostering tolerance and pluralism in society. There are generally three types of communities that CM can serve: communities of interest, geographical communities and cultural communities.

3 - Social Inclusion and Local Empowerment

CM can be an effective means to enable disadvantaged members of a community to become active participants in society and to engage in debates concerning issues that are important to them. Engaging participants in the creative process of media production includes articulating such issues for a wider community.

4 - Media Literacy, Skills Development and lifelong learning Education

CM provide skills in a range of different contexts. First, CM raise media literacy rates among participants as they help to demystify the process of media production. The sector has also often been the training ground for media professionals as it provides its volunteers with the creative, practical and technical skills needed to succeed in a highly competitive media industry. Additionally, the sector reaches out to people that are sometimes not within the natural reach of further education institutions. Here, it equips participants with soft skills - such as communication, planning and team working skills - as well as aiding them in developing their ICT-literacy skills.

5 - Local Public Service Interest Delivery

In some countries - particularly in the UK and Ireland - CM provide a link between local communities and local public services. It is believed that CM can make citizens more aware of existing public services and that they can likewise help public services to better cater to the needs of the community. Local public service institutions (from local government to educational institutions) can collaborate with CM organisations to engage with the local community.

6 - Promotion of Local Creative Potential

CM acts as a catalyst for local creativity and give resident artists and creative entrepreneurs a platform for testing new ideas and concepts with an audience. In this context, the local audience is a test-bed for alternative content that cannot be conveyed in the mass media.

Recommendation 3

Regulatory authorities should acknowledge the Community Media contribution to public interest. These general principles should be translated into concrete editorial approaches and tasks for broadcasters: promoting local information, information on local public services, educational programs, creative and inclusive ideas, transparency of local institutions, promotion of resident artists, preservation of cultural identity and cross cultural dialogue.



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Community broadcasters and commercial advertisements. The Financial Context

Community media have the right to ensure their financial sustainability, independence and development through resources such as donations, sponsorships, commercial and public advertising, and any other legitimate means.

Throughout the EU, CM operate in a mixed economy. This means that CM organisations rely on different financial resources that are long-term as well as project-based - from private as well as public sources. In most countries where the sector is recognised by law, it benefits in some form from public support. This is justified by the sector's contribution to the public interest as outlined previously. Though in some countries regulation promotes high flexibility and entrepreneurship from CM organisations, others adopt policies that lead the sector to operate in a more stable and institutionalised model.

The following lists different financial revenues that are currently identified:

1 - Advertisement revenue: In at least 15 EU Member States, CM are allowed to use advertisements as a source of revenue. In some of these countries CM must adhere to stricter advertisement regulations than private media. In five cases a revenue cap which made sure to only allow for a certain amount of revenue to be based on advertisements (e.g. UK: 50% of yearly budget, Italy 5% of « on air time », Hungary 10% of « on air time »...) could be identified. However, advertising revenues tend to remain below this threshold. The reason for this is twofold: Either, it is because the CM do not want to operate on the basis of advertising due to ethical reasons – many organisations perceive themselves as operating outside the media market. In addition, many advertisers find the reach and quality of programming not attractive enough. In some cases, Community Broadcasters have therefore broadened their programme to attract more advertisement.

2 - Membership fees, sponsorship and support in kind: Many CM organisations rely on local financial support from listeners and local institutions. CM often organise local fundraising rallies to raise awareness among the community and win support (e.g. Radio Popolare in Milan raises around 1,5 Millions Euro every year thanks to its 150.000 daily listeners)

3 - Split of public service broadcasting licence fee: This is one of the most common mechanisms to support Community Broadcasting. Different models exist throughout Europe. In Germany, for example, most regional media regulators receive a share of the collected licence fee and are obliged to support media literacy and CM with part of this money.

4 - Split of private broadcasters' advertising revenue: the French Community Radio fund (FSER – Fond de Soutien à l'Expression Radiophonique) is financed by a share of a levy on private broadcasters' advertising revenues.

5 - Indirect public funding: Many CM organisations manage to benefit from support schemes that do not primarily target the sector, such as employment support schemes or social inclusion programmes. These indirect sources of funding tend to be mostly used by organisations that receive low levels of ongoing operational support.

CASE STUDIES

Advertising plays a different role in each country: while it is an accepted source of revenue in some countries (e.g. UK, Ireland, Italy), other countries' laws do not allow CM to broadcast advertisements.

In **Sweden**, the sector operates at local level and is primarily financed through civil society organisations and local interest groups.

in **France** Community Radios benefit from continuous and high-level public support compared to most other countries (FSER)

in the **UK** and **Ireland** advertising are allowed, but project funding linked to social objectives is most common.

In **Italy** advertising are allowed (5% of air time) and no public funds are devoted to CM. Some CM do not want to operate on the basis of advertising due to ethical reasons and operates with membership fees and subscriptions. Many stations operate with a mix of both financial resources.

In **Netherlands** there are support mechanisms in place that operate at local level, where local bodies administer grants for local initiatives.



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Recommendation 4

Community media have the right to ensure their financial sustainability, independence and development through resources such as donations, sponsorships, commercial and public advertising, and any other legitimate means. Regulatory authorities should put in place mechanisms and a set of measures allowing advertisements (with a revenue cap), as well as other public mechanisms in order to guarantee the sustainability of the sector



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Should community media be forced to pass all or part of their income from commercial advertisements for their non-profit activities.

Community media have the right to ensure their financial sustainability, independence and development through resources such as donations, sponsorships, commercial and public advertising, and any other legitimate means. Being a “non for profit” organisation, all such resources should be entirely reinvested into the operations of the station and the achievement of its goals and objectives. Community broadcasters should present regular reports to their communities by making public and transparent the management of their resources.

Relying on market forces may redirect some initiatives from seeking to fulfil specific objectives that are in the public interest, to appealing to a broader audience by broadcasting more mainstream programming. On the other hand, a wider audience also implies that remaining public interest programming reaches more listeners and potentially has more of an impact. Moreover, operating in a commercial environment may equip activists with skills that can also be used in fundraising or station management and therefore add to the sustainability of CM.

Transparent and accountable mechanisms – be they with regards to attracting private finance or public resources - should be implemented to target the financial needs of the sector as well as support the development of capacities.

Recommendation 5

Being a “non for profit” organisation, all the financial resources of community media outlets should be entirely reinvested into the operations of the station and the achievement of its goals and objectives. Community broadcasters should present regular reports to their communities by making public and transparent the management of their resources.



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Annex: Need for Transparent and Accountable Regulation

Next to the lack of specific laws, there is also a lack of underlying regulations regarding CM in many EU Member States. The existence of transparent processes and evaluation criteria to award and manage CM's access to radio spectrum, for example, varies throughout the EU. While some Member State's take CM into account in their regulatory framework (e.g. UK, France, Germany, etc.), most media regulators have not implemented processes and, for example, criteria to distinguish a CM service. They can therefore not adequately engage with the sector.

One reason for the overall neglect of the sector may be that policy makers do not feel that CM contribute enough to the public interest. For instance, only a few regulatory authorities employ people with expert knowledge regarding CM (Belgium CSA has a very good experience in this field). Additionally, the issue of CM is not well embedded in national parliamentary circles. The well-being of the sector is therefore as dependent on CM's profile among policy makers as on the availability of funding or advertising revenue.

Many of regulations that would benefit the sector need to be implemented at Member State level:

- Regulations in the EU telecommunications regulatory package include measures regarding non-discriminatory spectrum allocation and general interest objectives for the establishment of "Must Carry" rules. Yet, the inclusion of CM in such measures depends on Member States.
- EU audiovisual regulation acknowledges that media pluralism and diversity are preconditions for democracy in the EU. The European Commission has highlighted the importance of media literacy to foster active citizenship. Nevertheless, it has to be noted that media policy remains a responsibility of national authorities and that the EU is quite limited in its involvement with this field.
- There are a number of EU policies relating to freedom of speech, racial equality and the non-discrimination of minorities that are of relevance to CM. Consultations revealed that the EU might be able to actively support the sector in these areas without impeding on the rights of Member States.
- The Committee on Culture notes the importance of local creativity as well as the role of local culture in fostering social cohesion and innovation. The Committee is leading policy changes that may positively influence the CM sector.
- The EU institutions increasingly wish to enter into a dialogue with local and regional communities regarding important EU issues. The local nature of many CM organisations provides the Union with an opportunity to promote public dialogue on European issues via CM services.