

DSO in central and SE Europe: Lessons and Recommendations

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Factors influencing DSO

- Size and structure of TV market
- Dependence on terrestrial television
- Specifics of the legislation
- Technical aspects
- Geomorphology
- Climatic conditions
- Sociodemographic factors

Critical success factors

- Good planning

Technical and procedural

- Communication

Inclusive, constant, targeted awareness raising

- Help scheme

Vulnerable groups (STB purchase, installation, tuning)

Broadcasters (simulcasting)



Planning the digital switchover

- EU, CoE, EBU, OSCE:
 - Transition strategy needed
- Problems:
 - Abstract, lacking operative content
 - Unrealistic target dates for ASO
- **Recommendations:**
 - Permanent monitoring of DSO progress
 - Strategy revised and updated regularly

Spectrum allocation

- Good frequency plan is essential
- Frequency rights to MUX operators should be allocated separately from ‘analogue’ frequency rights – but special attention to ‘historical’ broadcasters
- In some countries broadcasters operated without ‘digital’ frequency rights – a transparent path for possible legalisation required
- International agreements on frequency use should be respected (GE06)

Selection of multiplex operators

- The role of MUX operators should be clearly separated from those of programme providers to prevent vertical concentration and bottlenecks
- NRAs have the main role in selection of MUX operators (manage public tenders)
- Beauty contest vs. auction; main selection criteria should be stipulated in legislation to prevent the arbitrariness / discrimination
- Special rules for PBS possible (*ex lege* frequency rights, must-carry obligations)

Selection of content providers

- Platform and content licences should be kept separate
- Content licences similar as in analogue broadcasting (without frequency rights)
- 2 regulatory approaches:
 - Channels selected by MUX operator (IT, AT, HU)
 - Channels selected by NRA (SLO, HR)
- Must carry rules (PSB, IT: independent channels)

Content obligations

- Content focus in MUX operator selection (beauty contest): e.g. emphasis on local content (AT: Austria-related content), or in channels selection (SLO: in-house production)
- Must-carry rules for PSB, local channels, services for disabled users, etc.
- It is the quality of the content and not the quantity of content or the quality of the picture that really matters.

Relations: broadcasters – operators

- Only few transmission facilities: risk of concentration and access obstacles
 - MUX operators should offer fair, transparent and non-discriminatory conditions to all broadcasters;
 - NRA should act in case of market failure,
- *SLO: ex ante regulation via the relevant market 18*
- HR, RS, ME: transmission facility operator spun off from PSB

Help schemes and measures

- To speed up the transition, motivate consumers to switch, and achieve critical mass of viewers
- Measures: provision of STBs or vouchers for users; tax reduction, frequency fee reduction, subsidies for BC
- Falling prices, increased availability of DTV end-user equipment – general subsidies less relevant
- Organising practical support and assistance schemes (installation, tuning)
- Put in place a call centre (FAQ, pre-recorded messages, hotline for direct answering)
- Practical video-clips with instructions

Post-DSO TV distribution in Slovenia

- DTT with cca 16% market share the only one offering FTA television services:
 - 8 channels currently available nationally:
 - 3 public, 4 commercial generalist, 1 music +
 - 3 regional and 6 local channels
- Subscription based services > 80% of the market
- But: CATV constrained by network reach; further adoption of IPTV depends on DSL/FTTH network development; SATV/DTH marginal; implementing LTE
- Recently increased interest of specialized, niche channels

Role of regulators in digital environment

- Mission the same (safeguarding public interest, diversity, variety, freedom of expression, fair competition ...)
- But digital environment puts at stake
 - Cultural and societal aims (changing uses, business models, regulatory arbitrage)
 - Industrial / economic objectives (lack of level playing field due to a number of not regulated services)
 - Pluralism, diversity
- And old systems and practices not fit for purpose

Role of regulators in digital environment

- The role should be redefined so to better match the challenges of digital media ecosystem
- Strengthen digital capacities and knowledge
- Introduce new approaches: not only protect, but also inform, encourage and help
- Address the role of intermediaries as new gatekeepers and develop suitable remedies
- Explore the ways to influence media quality, accountability and accessibility of various content rather than merely measuring quantity

Thanks!