

OVERVIEW OF FUNDING METHODS AND FINANCIAL OBLIGATIONS OF BROADCASTERS AS SET BY MEDIA LAWS

CROATIA

Croatian **Law on Electronic Media** does not mention funding of broadcasters explicitly but only indirectly in the chapter dealing with non-profit television programs, where it stipulates that the profit from their operation can be used only for improvement of own operation and that the salaries of employees in non-profit radio and TV stations cannot exceed the salaries of employees in other public institutions of the republic. Also, it limits their allowed advertising time to three minutes per hour.

The provisions of the Law dealing with the broadcaster funding indirectly constitute comprehensive instructions and limitations for broadcasting of advertisements and methods of sponsoring shows, those being the main sources of income of commercial broadcasters. Incidentally, Croatian Law does not distinguish between commercial broadcasters and public services - all provisions of the Law generally apply to all broadcasters.

The Law does not stipulate the exact amount of the fee for concession (it being fixed by the Council for Electronic Media), but does stipulate the amounts which broadcasters are bound to pay in the event of operating contrary to the Law.

Article 62 of this Law specifies terms and conditions of the public competition for granting of concessions (the term is used in the Law); thus, Article 6, where constituent elements of the concession decision are listed, also mentions the level and area of concession, as well as the amount and method of its payment, without fixing the exact amount to be paid. Article 64 specifies that the amount and method of payment of concession (as well as the amount and method of payment of fees for participation in the public competition) are to be determined by the Council.

Article 70, paragraph 1, stipulates a monetary fine in the amount of one million kunas combined with temporary confiscation of equipment for legal entities for a series of offenses (24) listed specifically; the first of them being indeed unauthorized broadcasting of program without licenses: «if it broadcasts program without being entered into the court register as a broadcaster or if does not comply with other conditions stipulated by the Law.» For the same offenses, paragraph 2 stipulates a concurrent fine in the amount of 100,000 kunas for the responsible person «in the legal entity violating regulations». Article 71 stipulates fines ranging from 100,000 kunas (EUR 13,800) for legal entities through to 20,000 kunas (EUR 2,616) for responsible persons for a series of smaller offenses.

A special **Law on Croatian Radio Television** lists all sources and methods of financing in Articles 53 and the following ones.

The main source is the income from TV subscription. Each owner of a Tv set in Croatia is obliged to pay a subscription in the amount of 1.5% of the average net salary in this country. The entire TV subscription is at the disposal of HRT except for 3% , which it has to pay into the account of the «fund for promotion of pluralism in media ».

Other sources of income are the following: production and/or publishing of advertisements, production and sale of audiovisual programs (shows, series, films, etc.), other program services (web pages, teletexts, etc), production and sale of sound and picture carriers, organization of concerts and other events, and so on. In a profit is made, the profit may be spent for improvement of operations «in accordance with regulations and the HRT Statute ».