

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

MONTENEGRO

The **Broadcasting Law** stipulates the method of distribution of funds from TV subscription and fees for vehicle receivers, which are distributed in the following manner: 75% to republic public broadcasting services (RTV CG), 10% each to the Funds of the Agency for Assistance to Local Public Broadcasting Services and Commercial Stations, and 5% to the Broadcasting Agency. The Agency carries out (or ought to carry out according to the Law) distribution of money from the funds for assistance to public services and commercial stations each six months based on a public competition.

An additional type of income to broadcasting services is also the income from the budget of the republic or local authorities for program contents significant for development of science and education, development of culture, information for persons with impaired hearing and information in the languages of national minorities. The Law allows that, of the funds are not sufficient for functioning of public services, the missing funds may be allocated from the budgets of the republic or local authorities provided that the loss has not resulted from overspending and misspending.

The Law allows to foreigners to establish commercial stations, without limitations; whereas it forbids them any share in the ownership of public services. Article 38 stipulates the data a potential broadcaster is to submit to the Council to participate in the public competition for granting of frequencies; thus, in paragraph 5, it requires data on the capital owners and methods of funding also to be submitted.

This Law stipulates separation of broadcasting equipment and transmitters from the once state television and establishment of a separate organization called BROADCASTING CENTER, for whose financing it stipulates funds from services of transmission and broadcasting of broadcasting signals, leasing of primary network to cable distribution systems, leasing of infrastructure to «entities in accordance with the law», and offering of expert services.

The financial obligations of broadcasters (the exact amount of fees for licenses) are not specified by the Law; the Law, however, INSTRUCTS the Agency to adopt Detailed Regulations on Fees and to specify the exact amounts when opening a public competition for granting of frequencies. The exact amounts of fines for various violations of the Law are specified (descriptively) by this Law.

Article 21 of the Law lists the tasks of the Broadcasting Agency Council. Thus, in paragraph 1, point 7, it specifies that the Council shall pass Detailed Regulations on the amount, method of fixing and payment of fees for licenses for transmission and broadcasting of broadcasting signals as well as for construction and use of distribution systems. In point 9, it specifies that the Council shall pass detailed rules on sanctions for broadcasters that do not abide by the Law. Article 31, where elements of a broadcasting license are listed, also mentions the amount of the fee for broadcasting. Article 37, listing what the public competition for granting of broadcasting licenses is to comprise, mentions the amount of the fees in paragraph 3, point 5, which implies that the exact amount will be fixed at the time the competition is open. Articles 47 through to 52 stipulate the existence of monetary fines and revocation of licenses, without specifying the amount and without explicit mention of cases of unlicensed broadcasting. Articles 53 through to 55 list the financial obligations of broadcasters, again without any mention of exact amounts.

However, Article 117 stipulates monetary fines in the amount of twenty times to fifty times the minimum wage in the Republic for a series of violations, the one for legal entities broadcasting program without a license being among them (paragraph 1, point 2).

Article 125 specifies that legal entities, broadcasting without a license at the time of passing of the Law, are obliged to stop broadcasting program within three months from the constitution of the Council, which does not exclude their right to participate in the public competition for granting of broadcasting licenses.

The Law on RTCG repeats the methods of funding already explained in the Broadcasting Law; and, in terms of relations with the Broadcasting Agency Council, clarifies that the Republic budget provides for payment of services of program transmission and broadcasting, which is confirmed each year by a contract between the Broadcasting Agency Council and a regulatory

body in charge of public information, on behalf of the Montenegrin government within 30 days from the date of passing of the Law on the Budget of Montenegro for the given year. In the event of impossibility to reach agreement concerning the provisions of the contract between the Government and the Broadcasting Agency Council, the interim decision is made by the Broadcasting Agency.