

V THE DIGITALIZATION PROCESS

On November 21, ANEM organized in Belgrade a round table on the topic of cooperation between different actors in dealing with the challenges of the digitalization process. The round table was attended by the representatives of the Ministry of Trade and Telecommunications, regulatory bodies, the Public Company "Broadcasting Equipment and Communications" (ETV), PSBs and commercial broadcasters. After the event, ANEM sent to all relevant stakeholders its written recommendations for further implementation of the process of digital switchover from analogue to digital broadcasting of program, based on the identified shortcomings and problems in hitherto realization of the process and with consideration of the discussion at the event. In the said document, ANEM requested from the competent authorities to implement the digital switchover process in cooperation with the broadcasters and not without their participation. ANEM also said that the project of the distribution network ought to be made as soon as possible, in consultation with the broadcasters, while simultaneously considering the possibility of issuing licenses for additional analog coverage, where there was visible interest by the broadcasters, until digitalization kicked off. One of the recommendations is to regulate, by the set of media laws, the drafting of which is underway, among other things, the provision of media services on other distribution platforms (cable, satellite and other forms of broadcasting). The laws should contain concepts that will regulate the license issuance system in a platform-neutral manner, as well as that will see the regulatory bodies get the legal authority to convert the terrestrial analog licenses into multiplex access license. ANEM also insists on the creation of conditions for commercial multiplexes and the liberalization of the market in the field of digital terrestrial broadcasting, as well as in other technologies. One of the recommendations was addressed to the competent regulatory bodies to consider the possibility to extend the licenses, pursuant to the Broadcasting Law, as well as to clearly lay down the criteria for extension. While determining the costs of digital signal broadcasting, it was recommended that the prices that the Public Company ETV charged be based on the actual costs and not on the market model; that the media service providers be informed as soon as possible about the position of regional head-ends and the manner and form of signal transfer so that they could plan their costs; as well as to be informed about coverage zones as soon as possible and if such zones were extended, to be relieved from paying extra fees, since the extension of the zones was a consequence of digitalization and not of their request. ANEM also demanded a new analysis of the market of media content distribution be performed by RATEL as soon as feasible. If ineffective competition on this market is established, ANEM said, ETV should be declared an operator with substantial market strength and proper regulatory obligations should be prescribed in line with the Law on Electronic Communications. Finally, one of the proposal was to consider the

possibility to use the revenues from the sale of the digital dividend for the needs of covering the costs of setting up the multiplexing and distribution network, namely to establish a Fund that would contribute to a more even allocation of digitalization costs, in order to avoid the latter to be borne solely by the media service providers (currently broadcasters). These recommendations are the first concrete articulation of the positions and the requests of commercial broadcasters in the digitalization process. Except the initial assessments that the proposals are indeed concrete, the competent authorities are yet to pronounce themselves on them.