Address on behalf of Ingrid Deltenre, Director General of the European Broadcasting Union (EBU) by David Lewis, Head of EBU Member Relations and Special Assistance

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"The Pivotal Role of Public Service Media in Europe"

There is no question about it; well-functioning public service media are guarantors of social inclusivity and cohesion. They occupy and shape the 'public space'. They encourage and provide a platform for a national dialogue, opening windows through which citizens can gain a deeper understanding of the socio-political realities of the society in which they live. At their best, they broaden knowledge and put diverging views in perspective, thereby enriching people's experience and empowering them to participate in society.

The EBU hopes that today will come to be seen as a major step in launching a long-term strategy to recognize and secure the pivotal role of public service media in Europe.

Even at a time of enormous media fragmentation, European PSM are still, in many countries, held up by the majority as guiding lights whose insights and information can be trusted, and should be sought. This is why, on average, Europe's PSM continue to enjoy a stable and very respectable audience share, of about 28%. And why their average reach per week, especially in times of important national events, or crisis, is far higher than that.

Just last month the EBU had a lengthy discussion with European Commission President Jose Barroso on why sustainable independent public service media are so important. I am glad to report that he agreed with our views wholeheartedly.

For those of you who don't know us, what is the EBU?

Briefly, we are an association composed of and serving 85 national broadcasters in 56 countries. Our Europe is far larger than the European Union, reaching to the eastern Mediterranean and into northern Africa.

The EBU's 350 staff in Geneva – and in operational offices in Moscow, Washington, New York and Singapore, and in our representational office in Brussels - offer legal, technical and operational services, quality programming in both radio and television, and promotion of the values and importance of public service in the media. Some of you may have heard of the Eurovision Song Contest. ... But I promise you, that is just the tip of the iceberg.

We were founded in 1950, serving mainly Western European broadcasters – although the national broadcaster in former Yugoslavia was a full Member from the very start. In 1993, after

the collapse of the Soviet Union, we embraced the national broadcasters of all the countries formerly in the Soviet bloc. (They had belonged to the Prague-based OIRT.)

As far as we could – and notably through assistance from our Legal Department – we helped those broadcasters to transform themselves (or at least put themselves on the road to transforming themselves) from state broadcasters to public service broadcasters. The EBU's distinguished former Vice-President, Boris Bergant – who I am delighted is with us her today – also played a large role in facilitating this.

Every week, via the Eurovision News Exchange, the EBU distributes to its Members news contributions from all over the world – including of course stories highlighting developments within the EU institutions. It is via their public broadcasters that Europeans can inform themselves about the decision-makers and their decisions that affect daily lives right across the bloc.

But the role of public service media goes far beyond simply the provision of information.

It has become a truism that "content is king", and public broadcasters should also be a creative force, driving and leading innovation in programme making, finding and fostering new talent, pushing boundaries, challenging expectations and daring to inspire.

So what is the EBU doing in support of Europe's public service broadcasters? I'll mention just a few highlights.

In radio, the Euroradio service exchanges a choice of approximately 4,000 high-quality performances yearly, including live events, concerts, opera, jazz and festivals.

The Eurovision News Exchange I have already mentioned exchanges more than 100 news items daily between broadcasters.

EBU active Members count 237 correspondents in Brussels alone, often using the EBU's technical and network services to get the news home. (The public service media have far more correspondents in Brussels than our commercial competitors.)

And next year the EBU will organise a European cinema week, showing the finest examples of European cinema production on Television screens across Europe.

Every year public service broadcasters invest about 10 billion Euros in diverse, original European content. On average, about 65% of PSM programming consists of self-made and commissioned productions. But it is their unique position that means that PSM are able to invest in programme genres that would otherwise be underserved, such as children's programmes - including kids' news; drama; cultural programmes; documentaries and educational formats.

So PSM are – or can be, if adequately supported – truly pivotal to guarding and promoting the culture of each individual country.

The EBU is a staunch supporter of the so-called 'dual system', mentioned in an earlier session, and known to some as the 'European broadcasting model'. Competition between public and commercial broadcasters is healthy; it encourages inventiveness and originality, and incentivizes efficiency. It is therefore to the benefit of the audience.

But this is only possible if the public service broadcasters are given the means to fulfil their pivotal role in society.

The situation is made even more difficult by the arrival of new technology and new competitors, including the Googles of the world. It is paramount that public service broadcasters evolve and embrace new technology to meet growing audience demands for access to content whenever and wherever. We have a duty to be at the forefront of new multimedia, multiplatform developments, ushering Europe into the digital age, as many EBU Members have done in countries that have committed to a digital switchover.

Perhaps the greatest challenge faced by public service broadcasters is funding. In times of financial hardship it is all too easy for governments to use their public broadcasters' revenue streams as a political football. In some countries, such as France and Spain, the debate has revolved around the elimination of advertising, while in many others, cutting the licence fee has been leapt upon as a quick-fix saving for a nation in crisis.

But money spent on a good public service broadcaster is not a cost, but an investment. The activities of properly-funded public service broadcasters have a significant posistive impact on the economies of their countries. To take the example of the BBC, its privilege of licence fee funding makes the BBC a major player in the UK's creative industries, and the BBC in turn has a responsibility to ensure that its investment in the economy works as a force for good – supporting jobs and businesses across the UK.

In 2008 the BBC commissioned a study to explore the economic impact of the BBC on the national economy, which found that the economic benefits of the BBC were far-reaching, and delivered tangible value to digital and creative businesses across the UK, which in turn spill over into the wider economy.

In total this contribution was calculated to generate 9bn Euros of economic value, which means that at least two pounds of economic value is generated by every pound of the licence fee. Many private sector jobs are sustained by the BBC and every region of the UK benefits.

Unfortunately, like the BBC, many public service broadcasters in Europe are today facing deep budget cuts.

And in many parts of Europe, the viability and independence of PSM are threatened by governmental interventions in their organization, either through direct meddling in management or by imposing limitations to their remits. So in many parts of Central and Eastern Europe, in particular, the problems of political interference and underfunding compound each other.

It is extremely telling that all European countries that score highly in terms of freedom of expression and the media also boast strong independent sustainable public service media. Countries suffering from weak government-controlled state media tend to have poor records on other basic freedoms.

Some of the EBU's Members, also in this region, are struggling to operate on annual budgets of less than 10 million Euros. (By comparison, the giants of Germany, Britain and France each have billions of Euros at their disposal every 12 months.) But these chronically underfunded PSM face a double dilemma: they are in dire need of modernising their infrastructures and training staff at a time when they are facing the high additional costs of digitization and the preservation of audiovisual archives.

Often, staff and national administrations are unprepared for the rapidly changing media environment. Public service media are left weakened and vulnerable to outside influences, which can compromise their independence.

Two years ago, the EBU recognized that the situation of its Members in several European countries, notably in this region, was deteriorating. Financially. Technically. Also politically, with a number of governments changing their legal and regulatory frameworks in ways that would increase dependence on political favour.

In response, the EBU established a project based on solidarity between the more and less fortunate of our Members, hose specific aim was to check this creeping deterioration by offering guidance and support to these broadcasters under threat in protecting and maintaining their independence and ensuring their sustainability.

At this point I should like to break my remarks to pass the word to Boris Bergant, whom I mentioned earlier.

Boris knows this region extremely well, from the inside. And he has been working with us very hard as a consultant on our project.

I should like to ask him for a perspective on what has happened in the region over the past 20 years. What he sees as the key difficulties. What he has been doing for the cause of PSM recently. And perhaps in conversation with some of the directors general around the table – although of course they will be telling us about the issues of concern to them also in the next session.

Thank you!