



STATEMENT

PROPOSALS BY THE BROADCASTING COMMISSION FOR REFORMING JAMAICA'S ELECTRONIC MEDIA POLICY, LAWS AND REGULATIONS

**Presented by Dr Hopeton Dunn,
Chairman, Broadcasting Commission of Jamaica**

Colleagues of the Media,

Welcome to this News Conference and thank you for joining us.

The Broadcasting Commission is acutely aware that in the emerging global digital media landscape, there must be forward looking policies and regulations locally. This is especially the case if the electronic media sector in Jamaica is to grow and develop both as viable businesses and as vital contributors to national development.

It is against this background that in August 2009, the Commission engaged the Canadian research company Nordicity Consulting Group to work closely with us to conduct research and make recommendations for updating and modernizing Jamaica's Electronic Media Policy.

This policy, as you may know, had not been substantially reformed or re-structured for close to a decade, during which there have been dramatic changes in both technology and in media ownership patterns here and all over the world.

The Process

An inclusive process was undertaken by Nordicity, in conformity with the Broadcasting Commission's requirement. This included active consultations with the owners and managers of the Jamaican media industry, including our broadcast and cable licensees. This took place over the period December 2009 to February 2010, and further consultations with these licensees were held through focus group sessions in March 2010. There was also a presentation and discussion on the key findings and recommendations at a regional policy forum hosted by the Broadcasting Commission in July of this year.

Last month, the Commission submitted the consultant's Final Report to the government, as independently commissioned, with a view to the recommendations being released for further public consultation. It is hoped that there will be early refinement of these recommendations, with a view to them being considered by the legislature, as part of Jamaica's new electronic media legislation.

Content of the Nordicity Media Policy Report

In furtherance of public discussion, a copy of the full report and background documentation are being made available today to the media with the full concurrence of government.

The recommendations are wide ranging and cover:

- **A revised Definition of Broadcasting**
- **Issues of the Financial Viability of the Electronic Media Industry Equitable market-based Licence Fees for all licensees**
- **Funding of the Regulator**
- **Recognition and Support of Priority Local Programming Content**
- **Proposals on regulating Foreign Ownership**
- **Safeguards against Concentration of Ownership**

- **Promotion of a Diversity of Voices, including Independent Programmes Providers and Producers**

The new Media Policy Report also addresses

- **Broadcasting Content Standards**
- **Transmission Standards**
- **Promotion of Media Access Services for the Disabled**
- **National and Regional Transition to Digital Broadcasting**
- **Media Operations during Emergencies and Disasters, and**
- **Regulatory Governance and Dispute Resolution**

The recommendations in these areas from the Nordicity Group have been made after extensive local consultations and with the benefit of international benchmarking. They seek to bring Jamaica's Media Policies and Laws into conformity with modern global standards and reformed policies.

The following main aspects of the recommendations deserve special attention here, given their particular importance to the industry and to the wider Jamaican public.

1. *Transmission Standards and Digital Transition.*

The Media Policy Report endorses and reaffirms to government that Jamaica should continue to embark on a process of Switchover from older analogue broadcasting equipment to the emerging Digital and Internet-linked technologies. This process was already embarked upon under the leadership of a broad-based National Steering Committee. This committee consists of industry representatives, the consumer affairs sector, persons with disabilities, industry regulators and the Government. It has the responsibility of planning and implementing Jamaica's switch-over from analogue to digital broadcasting.

I take the opportunity to report here that at its last meeting, held just a few days ago, the National Steering Committee decided that every effort should be made to expedite this digital switchover, which some licensees in Jamaica, particularly in the cable sector, have already embarked upon.

Given the considerable investment implications of a complete transition, especially in the broadcasting side, the meeting decided to recommend to government and industry that this Switchover process be completed nationally within three to five years, ahead of what is called Analogue Switchoff by 2015.

Decisions on the technical standard to be formally adopted by Jamaica await consultations with our Caribbean partners, a process that is already underway, with leadership from the Broadcasting Commission and the International Telecommunications Union, the ITU.

2. *Equitable Market-based Licence Fees For all Players.*

The Media Policy Report highlights the fact that the broadcasting side of the industry does not now contribute to the cost of regulation, and that only Subscriber Television Operators now do so. It noted that in this respect a **structural inequity** exists between regulated players across the industry, and this contributes to an uneven competitive environment.

The Report therefore recommends that the licence fee regime extends to all licensees, and that in doing so government and the regulator should consider the viability of all the players.

There are now 28 radio stations in operation in Jamaica, 18 of them island wide. There are also three (3) free to air television stations, all privately operated. At the present time, none of these licensed entities make any contribution to the considerable cost of their regulation.

This is despite the fact that a significant portion of resources by the regulator is expended on broadcasting issues, such as protecting them against spectrum interference, conducting content standards investigations, monitoring copyright compliance, overseeing technical output and monitoring national geographical coverage levels.

In these circumstances, it is simply inequitable and unjustifiable to continue with an arrangement which places the burden of the cost of this regulation entirely on the cable sector.

Moreover, it is accepted worldwide that in order to be independent, the broadcasting regulator must be able to function free from financial imbalance, interference or pressure from political or economic forces.

One vital element to ensuring its independence is a secure, diverse and consistent means of funding for the regulatory body. This is achieved when the cost of regulation is borne by each component of the sector that is being regulated. This is supported by evidence from other reputable regulatory bodies globally, including in South Africa, the UK, Trinidad and Tobago, Australia, among many others.

The Broadcasting Commission has taken note of recent public statements that a recommendation has been made to government that broadcasters be required to pay 5% of gross revenues as a tax on their operations.

However, this is clearly erroneous and misleading against the background we have here presented. While making it clear that radio and television broadcasters should not be exempt from licence fees, as now obtains, the Media Policy Report **does not specify any level of contribution** to be paid by broadcasters. It simply points out that cable operators in Jamaica unfairly bear the full cost of regulation, and that all regulated

entities including broadcasters, should contribute to the cost of regulation, as happens all over the world.

3. *Recognition and support of Priority Indigenous Programming Content.*

The Media Policy Report also recommends that indigenous content must be protected, promoted and where possible, supported. The policy calls for a framework that will foster the production and exhibition of high-quality public service programming, available to all Jamaicans.

It is to be noted, that the facilitation of funding for indigenous content, by regulators, is a well established practice internationally. In the case of Jamaica, the Broadcasting Commission has already proposed to government that there should be a local Content Production Fund, which will be supported by a percentage of revenues from substituted advertising by cable operators, an amount from the annual licence fees collected by the Broadcasting Commission and also from the fines collected from proposed new financial sanctions.

Such a fund is of vital importance to supporting both independent programmes productions as well as productions by established broadcasters that meet the criteria to be set by an arm's length Advisory Committee, mainly of industry representatives.

4. Pending Interim Legislative Changes

Turning to other elements in the landscape and forthcoming plans for the sector, you should also know that we are in an advanced stage in discussions concerning regulatory amendments now before government after extensive consultations starting in 2008. We are encouraged by the assurance of the Minister of Information that these changes, requiring Parliamentary approval, will be speeded up in the forthcoming period.

These include the introduction of financial sanctions for breaches of the regulations, new regulations that make payola a criminal offence, including the imposition of fines for the corrupt practice of accepting pay and personal benefits for the provision of public airplay of music. The new regulations also cover provisions which protect the well-being of children and other persons who are victims of, or witnesses to crime.

Closing Remarks

In closing, I re-affirm that the Broadcasting Commission is committed to an inclusive and consultative process, as it charts a course for comprehensive reform and further modernisation, growth and development of the electronic media sector in Jamaica. Thank you!