

Ministerie van Onderwijs, Cultuur en
Wetenschap

>Return address Postbus 16375 NL-2500 BJ The Hague

The Speaker of the Dutch House of Representatives
PO Box 20018
2500 EA THE HAGUE, THE NETHERLANDS

**Media and Creative
Industries**
IPC 3400
Rijnstraat 50
The Hague
PO Box 16375
NL-2500 BJ The Hague
www.rijksoverheid.nl

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When the present Government's term of office started, I announced that the media section of the coalition agreement would be detailed in three stages.¹ The first stage involved modernising the system by reducing the number of broadcasting organisations (from 21 to 8) to make it more compact, responsive and efficient. In the second stage, several financial measures were introduced, e.g. the budget for regional broadcasting organisations was transferred from the provinces to the State and an additional spending cut of € 50 million (on top of the cuts of € 200 million made during the first government of Prime Minister Mark Rutte) was applied.²

It is now time for the third and final stage (for the time being): determining the direction required to prepare public service broadcasting for the future. The Government asked the Council for Culture (hereafter: "the Council") to assess the situation.³

In its recommendation *Time is Open [De Tijd Staat Open]*, the Council states in no uncertain terms that public media organisations must change in order to remain relevant and to maintain their influence. According to the Council, time is running out because the population is ageing and young people are difficult to reach, even though public service broadcasting should be for all Dutch inhabitants. Furthermore, administrative divisions and relationships within the system are holding back sorely needed changes to public service broadcasting.⁴ The media sector is developing rapidly and the changes are having a huge impact. Technical advances and the Internet boom have resulted in an almost unlimited media supply. People have the opportunity to watch and listen to whatever they want to whenever they wish. These developments are impacting the legitimacy of

¹ House of Representatives, session year 2012-2013, 33 400, no. 29.

² In order to cushion the effects of the spending cuts, I have asked the public service broadcasting organisations and the STER to increase self-generated revenues. I recently informed the House about the strategic plan of public service broadcasting organisations and the STER radio and television advertising foundation in the Letter to Parliament about increasing the self-generated revenues of public service broadcasting organisations [*Kamerbrief over verhoging eigen inkomsten publieke omroep*] (24 September 2014). This plan is the detailing of the BCG investigation that was sent to the House in September 2013.

³ I sent you the strategic plan for the Foresight Study [*Toekomstverkenning*] in June 2013. House of Representatives, session year 2012-2013, parliamentary paper 32827, no. 49. Request for advice: House of Representatives, session year 2013-2014, 32 827, no. 59.

⁴ Council for Culture, "Time is Open", 2014.

public service broadcasting and demand a critical assessment of national, regional and local public service broadcasters and the way in which they can best perform their public role. In combination with the spending cuts being applied to the media budget, this is the reason why the government is focusing on a more future-proof public service media system.

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From the responses I have received to the recommendation, and the discussions I have held, it is clear that ideas about the precise direction to be taken differ, but there is broad awareness of the pressing need for change, including among national, regional and local public service broadcasters.⁵

I realise that the previous stages have demanded much of public service broadcasters, the broadcasting organisations and their staff. The first spending cuts have been implemented, new broadcasting organisations have emerged and programming has been spared as much as possible, which is in itself deserving of praise.

In order to be future-proof, however, public service broadcasters cannot afford to wait until late 2020, when the next concession period expires. The Government shares the Council's sense of urgency and is putting forward proposals in this document for measures to be introduced within the concession period starting in 2016. The aim is to create a public service broadcasting organisation that attracts people with a distinctly *public service* programming that clearly marks it out from other media providers. It must be a decisive organisation in which creative competition is key and in which the Netherlands Public Broadcasting [NPO] organisation and broadcasters work together on the basis of a single vision. In their joint response to the Council's recommendation, the NPO and the broadcasting organisations endorse this direction and the proposed speed of change.⁶ It is good to note that, particularly at a time like this, the NPO and the broadcasters have joined forces.

The media landscape in a time of change

The media landscape – television, radio, newspapers and the Internet – is experiencing a dynamic period characterised by a succession of rapid changes. In recent years, increasing Internet speed and the convergence of platforms have had a huge impact on the production, distribution and use of media.⁷ Things can sometimes move very quickly. For instance, tablets were introduced only four years ago, but they have now influenced our media use dramatically and we can hardly do without them. The unpredictability of developments is forcing parties to adjust to new situations all the time. Roughly speaking, we can distinguish four areas in which the consequences of those changes are immediately evident: media use (the public), the composition of the media market (suppliers), the circulation method (distribution) and the available supply (content).

⁵ NPO Management Board and Board of Broadcasters, "Creative, open and decisive: that's possible now" [*Creatief, open en slagvaardig: dat kan nu*], June 2014; The Future of Regional Public Service Broadcasting [*Toekomstvenster op de regionale omroep*]; OLON *Vision Plan*.

⁶ NPO Management Board and Board of Broadcasters, "Creative, open and decisive: that's possible now", June 2014.

⁷ Together with the Minister of Economic Affairs, I produced a vision document relating to Internet in December 2013, which is currently being used as a basis to prepare an agenda for the future. House of Representatives, session year 2013/2014, 26 643, no. 300.

Changing media use – The widespread use of tablets and smartphones and the rise of mobile Internet (via WiFi, 3G or 4G) have provided the public with access to media in any place at any time. More than two-thirds of the Dutch population has a smartphone. Media use via tablets is expanding rapidly.⁸ We are continuously in contact with our surroundings. We share, comment on and process content and follow family and friends on Facebook. We see important events and read news on Twitter or the news app of the Netherlands Broadcasting Foundation [NOS], NU.nl or Telegraaf news sites immediately on our smartphones. User-generated content is also playing an increasingly important role. We glance at YouTube clips on our way to work. Watching television is still important, but viewing trends are shifting visibly.⁹ This is certainly the case for young people, where delayed viewing (often via Internet) already accounts for almost 30 percent of the total viewing time. The changes are forcing media parties to keep looking for new ways to reach the public via new platforms.

Changing media market – The number of media market competitors in the Netherlands is increasing rapidly. Digitisation, globalisation and convergence mean that the media landscape continues to expand. In the past three years, large international parties have appeared on the Dutch market, such as HBO, Netflix and AMC Networks. Other suppliers, such as FOX, are extending their activities. This is hardly surprising, given the excellent Dutch digital infrastructure and a population that is open to new services *and* is willing to pay for them. Traditional media businesses on the Dutch market are being faced by increasing competition from financially strong international companies. As a result of their size and financial power, international media companies are able to innovate rapidly and consolidate their position in the market. New ownership concentrations, vertical integration and consolidation are the order of the day. For instance, the American Time Warner company recently purchased the Dutch production company Eyeworks. IDTV was acquired by the British media company ALL3MEDIA some time ago. Cable operators are investing in content providers, such as the joint venture of Ziggo with the American pay network HBO. The interest of Liberty Global in the UK semi-public broadcaster ITV and the heralded acquisition of Ziggo are also examples of this development. That is impacting possibilities to acquire rights to programmes and influencing the international orientation of production companies and distributors, which is very relevant for a small language region and specific media market such as the Netherlands.

Changing distribution methods – Programmes are being increasingly distributed via the open Internet rather than via conventional broadcasting networks. Moreover, the traditional distinction between content suppliers and distributors is disappearing rapidly, so that the media and telecommunication sectors are becoming more and more intertwined. Distributors have evolved into multimedia companies (package suppliers) that purchase and distribute content directly without involving broadcasters. A similar development is taking place with regard to production companies, television networks and broadcasters. Parties such as public service broadcasters and Netflix are distributing content to viewers over-the-top. The traditional broadcasting distribution network is no longer involved. In this way, Netflix is not only a direct competitor of Dutch public service and

⁸ *GfK Trends in Digital Media*, 13 December 2013: In the meantime, 67% of Dutch inhabitants have a smartphone and 53% a tablet. Media use on tablets is rising. A third sometimes reads a newspaper on a tablet and quarter regularly uses it to view TV. In late 2012 these figures were 21% and 16%, respectively.

⁹ Sonck, N., S. Pennekamp and F. Kok (2014). *Media:tijd 2014*. Amsterdam/The Hague: NLO, NOM, SKO / SCP: The average Dutch inhabitant spends almost 3.5 hours a day on media as a main activity and in combination with other activities, we spend a total time on media per day of more than 8.5 hours.

commercial broadcasters, but also of Dutch distributors and production companies. As a result of digitisation, there is more scope for transmitting services, so that distribution scarcity is becoming less and less of a problem. In the case of linear television, transmission by the package supplier will remain vital for the time being.¹⁰ However, there is an increasing demand for mobile broadband, so that terrestrial distribution is being pressurised, which will require a statutory review of this use.¹¹

Changing supply – The public has an unprecedented choice of drama series, documentaries, films, radio programmes, websites, game shows, news reports, live sport, concerts, etc. Media organisations are having to become more and more distinctive with unique content because of the increase in supply and sales channels. That requires a comprehensive outlook involving the distribution of the supply using the right platforms, the best business models and programmes that stand out in an overcrowded market. A much-voiced concern is that the high-quality Dutch supply is being compromised because it is no longer available or, worse still, is no longer being produced at all. Others point to the new opportunities and possibilities for cooperation, including between public service broadcasting and international parties. The series Lilyhammer, which is a joint venture between Norwegian public service broadcasting and Netflix, is a good example, and the international success of Danish public service broadcasting with series such as Borgen and The Killing is also cited frequently.

The future of a public media system

The developments referred to above place a question mark over the future of public service broadcasting. People have so much choice. Even commercial broadcasters are producing content with a public character. Examples include science programmes on Discovery Channel or programmes such as RTL's SynDROOM and Tourette on Tour. Aren't public service values – even without the involvement of public media organisations – already sufficiently represented in the current media supply? Don't the many private suppliers offer a multiform, varied and high-quality media range that offers a balanced image of society and reflects a diversity of convictions, opinions and interests?¹² Is there still a need for public service broadcasting?

The Government believes there is a continuing interest in having a public media system. The increasing supply does, however, have an impact on how the public role is carried out. On the one hand, the importance of public service broadcasting has increased when it comes to providing a reliable news service in an abundance of information. On the other hand, public service broadcasters must be more aware of the information supply that is already available. The Government is putting forward four main arguments for the existence of a public media system.¹³

¹⁰ See my letter about the distribution of television services. House of Representatives, session year 2013/2014, 33 426, no. 44. As regards the supply of linear television packages, I will be implementing the Segers-Huizing motion this autumn about the à la carte menu, which centres on the issue of whether television channels can be supplied in smaller packages or individually. I will inform you by letter about the results before the Christmas recess.

¹¹ The Minister of Economic Affairs will inform the House in early 2015 about his intentions relating to the future of the DVB-T licences after 2017.

¹² Media Act 2008, Section 2.1.

¹³ See also 'Is there still a place for public service television. Effects of the changing economics of broadcasting.' Ed. Robert Picard and Paolo Siciliano, September 2013

Firstly, despite the substantial media supply, there is still content that never reaches the market or reaches it only in small quantities and that nevertheless services a public interest. These are mainly informative and cultural programmes, as well as high-quality drama or educational programmes for children and adults. These are areas that are generally less interesting for media market competitors that depend on advertising revenues, particularly because of the high production costs and the specific target group for these types of programmes. This barrier is reinforced by the limited earning capacity in a small language region such as the Netherlands.

Secondly, public service broadcasting is a standard-bearer for culture in the Netherlands. It has the task of making series, films, programmes and other content that reflect the cultural diversity of society and it therefore helps to shape that identity. Public service broadcasting acts as a podium for debate and culture, contributes to topical discussions and highlights similarities and differences in our society. It reports events of national importance, such as the King's Day celebrations and sporting events. Public service broadcasting also proves its worth when disasters occur. As the supply of international media is increasing, the task of public service broadcasting is perhaps even more essential. It creates media content in the Dutch language, based on Dutch culture for all age groups. In this way, public service broadcasting plays a unifying role in our society.

Thirdly, it is vital to have a media supply that people can rely on. It is not always easy for citizens to determine the quality, source and dependability of the media supply on the market. It is important to have an information source that people know is independent. Independent of interference from public authorities, companies and interest groups, or as the Council puts it: "An independent and reliable broadcaster makes an important, continuous and stable contribution to what the committee refers to as the public environment or the public domain."¹⁴ The public media service also contributes in a broad sense to the quality of the journalistic information supply. By means of news, opinion and debate based on various perspectives and by carrying out journalistic investigations, it acts as a watchdog in society. Especially at a time when an increasing number of tasks are performed by local authorities, critical journalism has a vital role to play in regions. By in-depth reporting and maintaining high standards, public service broadcasting establishes benchmarks for reliable quality journalism.¹⁵ The NOS and RTL news programmes stimulate and strengthen one another.

Fourthly, public service broadcasters are able to detail and provide an opportunity for innovative programme ideas without direct pressure from the market. They can also take risks. For instance, new programme formats can be tried out for a longer period, even if the public response is disappointing at first. Media market competitors can also benefit from these innovations. Public service broadcasters can play a pioneering role and successful concepts, such as new formats or ways of interacting with the public, can also be copied by media market competitors. As the Council stated, public broadcasters can help to strengthen the market and have a standard-setting influence when it comes to innovation.¹⁶

Taken as a whole, the Government concludes that the added value of public service broadcasting is created along two lines. On the one hand, via the *role* that public service broadcasters fulfil in providing media relating to information,

¹⁴ Council for Culture, "Time is Open", 2014.

¹⁵ Stephen Cushion, "The Democratic Value of News: Why Public Service Media Matter", 2012.

¹⁶ Saskia Welschen, "Legitimacy and brief of the public media service" from the report of the Council for Culture, "Time is Open", 2014.

culture and education. It produces programmes that are of public importance. On the other hand, via the *form* in which this takes place, because the media supply is balanced, multiform, varied and of high quality. It creates a supply that represents the public and therefore provides an image of society and reflects the diversity of convictions, opinions and interests. The combination of the roles and the way in which they are carried out represent the public value of public service broadcasting.

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Changes to the public media system are unavoidable

The fact that a public media system has a future does not mean that broadcasters can continue along their present course. The impact of the developments described above prevents that. Moreover, the Council has outlined a striking image of a system under threat. A public media service that is still enjoying success, but which is certainly not prepared for the challenges of the future. There are, of course, many positive aspects and public service broadcasting offers a broad range of exceptional programmes. These are varied, they are viewed by both a wide cross-section of the public and smaller target groups and the quality and reliability are internationally acknowledged.¹⁷ However, this does not disguise the fact that national and regional public broadcasters are having great difficulty in keeping up with developments.

Despite the recent updating of national public service broadcasting, the system still has many flaws. Public service broadcasting is not distinctive enough in an overcrowded choice of media. It has not succeeded in attracting younger generations. The individual interests of broadcasters still take precedence over interesting joint programming. In the regions, innovation is difficult to introduce because of thirteen independent broadcasters who do not always cooperate effectively. The involvement of the public, transparency and public accountability also leave much to be desired and innovation and talent development are not given the right priority. In other words, without a change of direction and a clearer focus, the future of public service broadcasting appears bleak.

Choices must be made regarding programming and the organisation of public service broadcasting. The Council has stated in no uncertain terms that if we fail to act, the future will be grim: a public service broadcasting organisation that gradually loses its legitimacy and its audience, which cannot respond to changes and which will eventually be unable to perform its public role.

Main outlines of the Government's vision

The Government wishes to have a public media system with a strong focus on public programming, which is more distinctive and which represents public values. Public service broadcasting must be more in tune with the public and must impact the lives of Dutch inhabitants. That will be possible only if public service broadcasters respond effectively to all the changes in the media sector and if scope is available for innovation and creativity. The Government is proposing the following vision for the future of public service broadcasting.

1. Towards a distinctive public service broadcasting organisation

At present, the statutory service remit fails to provide public service broadcasting with sufficient direction. As a result, it is generally not distinctive

¹⁷ Public service broadcasters regularly win domestic and international prizes for their programmes, particularly TV programmes for young people.

enough, there is too much overlap with commercial channels and doubts are regularly expressed about the public content of the programmes.

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The Government is tightening the statutory service remit and is requesting the NPO to develop substantive instruments to focus on achieving public values and maintaining the quality of the news service.

2. Increasing multiformity and creative competition

Quality and creative competition must be key in the programme choices of public service broadcasting. This is not yet the case at present. Statutory guarantees too often still prevent the right programme choices from being made. Furthermore, a great deal of creativity outside the public system remains unexploited because external parties have access only via the broadcasting organisations, even though they can enlarge the multiformity of the programming.

The Government is extending creative competition and multiformity within the system by granting external parties direct access to public service broadcasting and by scrapping a number of guarantees in the Dutch Media Act [Mediawet].

3. More uniformity and recognisability within public service broadcasting

The current situation demands a powerful public service broadcasting organisation that seizes opportunities and takes up challenges dynamically. This uniformity is difficult to achieve in the current system. In addition, there is no clear strategy about the way in which public service broadcasting as a whole can best connect to the public, using which content and which platforms.

The Government is increasing the capacity of the NPO to determine and monitor the direction of public service broadcasting.

4. More cooperation within and with the regions

The regional news service is under pressure due to reduced reach, an ageing public and a vulnerable financial situation. A more effective organisation and better integration with national public service broadcasters offer the best prospects for a powerful regional public media service.

The Government is focusing on a more effective and efficient organisation of regional broadcasting and more cooperation within the regions and with the national public service broadcasting organisation.

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The increase in the quantity of media content means that the public can choose from an almost unlimited media supply, not only on the television channels of NPO, RTL or SBS, but also, for instance, via YouTube, Facebook, Duptert or Netflix. Radio is no longer listened to exclusively over the airwaves, but increasingly via Internet or a music service such as Spotify. In this overcrowded media market, public service broadcasting must provide a distinctive media supply with added value for the public. At present, the public character of parts of the programming may be questioned. In the case of public service broadcasting, the emphasis must be placed on programmes that inform, which contribute to education or which touch on our cultural identity. The overlap with commercial channels can be restricted even further. Public service broadcasters must be more aware of their environment and the media supply produced elsewhere.¹⁸ They have the task of reaching a broad public by means of programmes that appeal to such a public or that focus on more specific or smaller target groups. However, the programme range *must always* be distinctive, high-quality and in line with the public character of the broadcasting organisation. That applies to all programmes within the range, but particularly to the news service.

Narrowing down the remit – The current public media organisations remit provides hardly any guidance as to what public service broadcasters should or should not do.¹⁹ The Council has indicated this and is advocating the updating of the public service remit. Moreover, innovation and talent development should play a more central role.

More specific programme choices must result in distinctive programming that offers added public value to all sections of the population. For this purpose, public service broadcasters have already set five priorities: journalism, Dutch-language drama and documentaries, children's programmes, knowledge and culture, and events. Although this is a good start, the Government has concluded that the statutory service remit is not in line with these priorities. The scope of that service remit is so wide that it covers almost all genres or programmes. The service remit has insufficient urgency and offers too little guidance, even though this is precisely what is needed in order to make more specific choices within public service broadcasting. That is why the Government is amending the statutory service remit.²⁰

The core aspect is supplying media relating to information, culture and education. This is very much in line with the five priorities set by public service broadcasters themselves. There must always be a clear public objective that justifies the use of taxpayers' money for programmes. That is not evident in the case of some programmes intended only for pleasure and amusement. That certainly does not mean that entertainment is off-limits from now on. It can sometimes be an effective means of highlighting, for instance, culture or education. This is evident in the children's programmes made by public service broadcasters. They use drama and comedy to entertain, but always based on a clear educational profile. Amusement is a means in this respect and not an end in itself. The Government believes that public values and the extent to which the media supply is distinctive should be indicative when making programming choices. The media supply should

¹⁸ NDP Nieuwsmedia believes the public service broadcasters should take account of media already available, as is evident from their response to the advice of the Council for Culture.

¹⁹ The Commercial Broadcasting Association [*Vereniging voor Commerciële Omroep*] reach the same conclusion in their memorandum "Towards a future-proof public service media assignment" [*Naar een toekomstbestendige publieke mediaopdracht*].

²⁰ Section 2.1 of the Media Act 2008.

reflect the multiformity of the Netherlands and its great diversity when it comes to beliefs, opinions and interests. Public service broadcasters should make programmes for all Dutch inhabitants, and those programmes should be of high quality and independent.

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Innovation is required in order to make the media supply distinctive. Public service broadcasters should be innovative by testing new formats, giving talented programme makers opportunities and thinking of new ways of ensuring that the media supply reaches the public. Far more than commercial parties, public service broadcasting organisations can afford to take risks and be innovative because they are publicly funded. As a result, they also act as drivers in the sector. The innovative role is described more prominently in the main elements of the service remit, as recommended by the Council in its recommendation *Time is Open*. The Government is also emphasising that public service broadcasters should focus on talent development. This aspect certainly requires extra attention now that the Dutch Cultural Media Fund [*Mediafonds*] is no longer available. When tackling this issue, public service broadcasters must work together with other parties in the audiovisual sector.²¹

Distinctive on all platforms – The service remit emphasises that public service broadcasting must be active on all platforms. To perform its public role effectively, the media supply must be in those places where the public is and where it is moving to. This is increasingly the Internet and on-demand supply, certainly in the case of younger generations and events and festivals such as *Serious Request*, the *Uitmarkt* or *Lowlands*. That is why public service broadcasters should be active and able to perform on all platforms. This means that programmes must not be made only for NPO 1, 2 and 3 and the public radio channels, but also specifically for the on-demand environment. This requires a continuous assessment of the correct distribution method for each programme and for each target group.

Media market competitors such as *NDP Nieuwsmedia* and commercial broadcasters are asking critical questions about the scope of the public service remit and the impact of the public service activities on market initiatives. However, public service broadcasters are operating in a market in which many parties are active, so that media market competitors are influenced by that which public service broadcasters are making and distributing. I believe that public service broadcasters in particular should have a market strengthening role. That is possible if the media supply is distinctive and innovations emerge that media market competitors cannot or cannot yet take responsibility for. This Government feels the need to adjust the remit so that it provides more guidance as to where the core priorities of public service broadcasters should be. However, limiting the public service media remit when it comes to exploiting new platforms and services would obstruct public service broadcasters when it comes to performing their task of attracting the public.

This does not mean that public service broadcasters are free to randomly undertake and develop anything they wish. The Netherlands has a new services assessment, which is similar to the public value test in the UK. This assessment obliges public service broadcasters to explain in detail what a new service contributes to the performance of the public service brief. In other words, what is the public value compared with other media supply? Public service broadcasters

²¹ The letter 'Space for talent in cultural policy' [*Ruimte voor talent in het cultuurbeleid*] of Jet Bussemaker, the Dutch Minister of Education, Culture and Science, announces an investigation into talent development in the audiovisual sector. House of Representatives, session year 2012-2013, 32820, no. 110.

must explain the intended objective, the needs of the public, the relationship with the other media supply, the existing supply on the market and the methods of distribution and financing. This takes place according to an extensive public and transparent procedure agreed with the European Commission. Media market competitors are invited to express their opinions orally and in writing. The Council for Culture and the Dutch Media Authority [*Commissariaat voor de Media*] (hereafter: "the Media Authority") also offer advice. In this procedure, the public value is assessed on the basis of the substantiation of the public service broadcasting organisation and the written and oral contributions of the media market competitors and the advice of the Council for Culture and the Media Authority. If the public interest does not outweigh the disproportionate adverse consequences for the market, the new service cannot be introduced or introduced only in amended form.

Stricter substantive assessment by public service broadcasters – Public service broadcasters must be *personally* responsible for monitoring and accounting for the implementation of the narrower service remit. By narrowing the service remit, the Government provides extra guidance for broadcasters without prejudicing their independence. It does not provide ready-made answers to questions about which programmes do or do not fall within the remit of the public role. After all, this is not in line with the independent position that public service broadcasters have in the Netherlands. By taking the statutory brief as a starting point and on the basis of the objectives in the concession policy plan and the performance agreements, it is up to the public service broadcasters to make programme choices in the workplace. I want public service broadcasters to convert the brief and the objectives into an assessment framework for these choices, so they can assess more effectively whether the media supply is distinctive and can explain what public values the supply represents.

In the case of every programme, broadcasters and the NPO must assess – each on the basis of their own role – whether that programme makes a sufficient contribution to fulfilling the public role. I can imagine that for this purpose, the NPO will continue to apply the quality assessment card [*kwaliteitskaart*] used to assess the public value of programmes, including such aspects as reliability, variation, innovation and quality. The Government finds it important in the assessment framework to consider whether a programme is distinctive and whether it provides public added value. I support the NPO's intention to oblige programme makers to clearly state the public added value of a programme in advance and to make this a condition for broadcasting. It is the NPO's duty to assess the programming as a whole in line with the public role. The Government would like the NPO to explain in the concession policy plan and in its accountability documents how this substantive assessment will be effected.

More public accountability – The Government would like public service broadcasters to be more accountable to the public, both before and after the choices they make. Public service broadcasters must invest in public participation and relationships with bodies and organisations relevant to them. That is an important recommendation in the Council's recommendation. That applies not only to broadcasters, who do so at present mainly with their members, but also to the NPO as a whole. That is possible if programme makers involve the public more in determining the substantive, programmatic priorities, such as in the concession policy plan. These choices can be made in a more interactive way.

Accounting for actions should also involve greater transparency regarding the substantive choices of public service broadcasters. The public should also be given more opportunity to respond directly: a place where people can express an opinion regarding the quality and public value of a programme. Not just after the event, but also during the programme or television season. Results of public

surveys, such as the NPO report card, should be shared and should influence future programming. The NPO Supervisory Board will be explicitly charged with monitoring public accountability. The Government is asking the NPO to explain in the concession policy plan how it intends to facilitate the greater involvement of the public and to structure public accountability.

The way in which various public groups are involved in the creation of religious and ethical programmes will require greater attention following the cancellation of financing for what are referred to as 2.42 broadcasters.²² In a multiform public service broadcasting organisation in particular, it is vital that input is received from and about various religious and ethical movements. This is not possible without the involvement of the supporters of such movements. I would like this matter to receive specific attention during the periodic visitation of the public service broadcasting organisation, which will take place in 2019.²³

Finally, public accountability should also include openness and transparency regarding the costs of public service broadcasting. As far as I am concerned, secrecy about, for instance, the costs of rights to show football matches, is no longer relevant.²⁴ Being accountable is an important basic principle for a public organisation. As already stated, I will consult with the NOS and NPO regarding this matter to reach clear agreements for the future.

Strengthening the journalistic task – Aiming for high-quality, stricter substantive assessment and greater public accountability applies to *all* the media supply, but particularly to the news service. Guaranteeing a reliable and continuous news service is one of the most important reasons for having a public service broadcasting organisation. This role is of such importance that its continuation must be guaranteed and the highest possible quality should always be aimed for. That is why the NOS news service was spared spending cuts. Because of the huge importance of an effective news service, which is underlined even more by the current abundance of information, public service broadcasting organisations must be a reliable, sound and relevant source.

The remit aims to encourage public service broadcasters to adopt high-quality standards and to innovate. For instance, news can be consumed differently at various time of day. The American ABC News has developed an app that adapts itself to changing news requirements throughout the day. These range from many short messages in the morning, to more explanation and photos in the afternoon and round-up videos in the evening. In Belgium the VRT Flemish public broadcasting company has an all-day Flanders News live centre.²⁵ Consequently, aiming for quality also means discovering innovative ways of communicating news to the public. Ways that are in line with the changing media landscape and the individual characteristics of all the various media screens.

In order to set standards, public service broadcasters must be more critical of their own news service and be more open to criticism from third parties. They should invite viewers and listeners to share their questions and complaints about news reports more frequently. It is not possible to respond, for instance, to news

²² The term '2.42 broadcasters' refers to the Section 2.42 of the Media Act dealing with religious denominations and spiritual associations that currently supply media.

²³ Letter to the Senate about religious and ethical programming. Senate, session year 2013–2014, no. 33 541, 17 December 2013.

²⁴ Unless the interests of third parties are damaged as a result. See also my answers to Parliamentary questions from MP Ton Elias (VVD) about rights to highlights for *eredivisie* football. House of Representatives, session year 2013–2014, Appendix no. 1730.

²⁵ <http://deredactie.be/cm/vrtnieuws/Livecenter>

reports on the NOS website and dialogue with viewers is avoided on the Facebook page. Furthermore, there should be more accountability regarding the way in which journalistic quality is monitored in the broadest sense within public service broadcasting. What happens to the responses of viewers? Does the NPO provide such viewers with any feedback? The BBC regularly discusses its choices with the public on social media. There are many opportunities open to public service broadcasters for better accountability, from an active social media strategy to the appointment of a public broadcasting ombudsman. It is vital that public service broadcasters draw the public's attention more often to their complaints procedures and actively seek contact with viewers and listeners, including public consultations.

I believe it is important for public service broadcasters to maintain high journalistic standards, to be self-critical and to measure themselves against the best journalistic organisations in the world. That means always applying the principle of hearing both sides of the argument and ensuring that independence is guaranteed, by separating substantive responsibilities from administrative and financial responsibilities. Keeping up with the speed of current news must not be at the expense of reliability. Public service broadcasting does not have to be the first, but it should always try to be the best. I therefore appreciate the NOS' intention to have the multiformity of public service news assessed by an independent party.

Public service broadcasters should provide a better indication of the journalistic standards being maintained, they should explain how these standards are guaranteed and indicate the way in which critical questions from the public are dealt with. They should be transparent and accountable to the public for the journalistic choices they make. The quality of the journalistic information provision must therefore be an important focus of attention during the next periodic visitation of the public service broadcasting organisation.

2. Increasing multiformity and creative competition

Narrowing down the remit and better monitoring are not sufficient to arrive at optimal programming. At present, the creative process still suffers too much from the administrative relationships within the system. The sum of the programmes that broadcasters make on the basis of their own missions does not automatically result in optimal programming. Programming is characterised by excessive compromise, with individual interests and administrative agreements being too dominant. Programming should be based on creative competition and quality and not on administrative relationships. Clear-cut decisions are required regarding the composition of the media supply covering all platforms. The NPO and the broadcasting organisations have acknowledged this themselves.²⁶

Increasing access to the system – The media system will be accessible to parties other than the current broadcasting organisations. The Government welcomes this important principle in the Council's recommendation. This accessibility will renew the system and ensure greater multiformity and creativity. It will boost entrepreneurship and provide opportunities for more innovation in public service broadcasting organisations. In the current system, programming depends on the programmatic identity and choices of broadcasters. This will ensure multiformity. However, the fact that parties outside the system can contribute to programming only via the broadcasting organisations limits the supply and does not always

²⁶ NPO Management Board and Board of Broadcasters, "Creative, open and decisive: that's possible now", June 2014.

result in the most optimal programming. It also fails to exploit the creativity of many programme makers. Although broadcasting organisations are already cooperating, some more than others, the Government wishes to increase multiformity and creativity. Programme makers, other media companies, social and cultural institutions can provide new voices. Talented programme makers will have far more opportunities and public service broadcasters can use them to strengthen the creative industry. In the past few months, many programme makers have indicated their support. Just like the Council, they point out that parties other than broadcasting organisations also produce content with public values. Increasing accessibility can strengthen the innovative power and creativity of public service broadcasters *and* programme makers themselves.²⁷ I am delighted that the NPO and the broadcasting organisations wish to cooperate more with other programme makers and to arrive at a joint proposal to bring this about.²⁸

From 2016, the NPO itself will have the opportunity to assess and commission programme proposals. This will apply to aspects where public service broadcasters are currently experiencing difficulties and ideas from outside parties can strengthen the media supply, such as reaching younger people.²⁹ Needless to say, these must be programmes with a public character that are in line with the mission and task of public service broadcasting. For this reason, the NPO will be drawing up conditions with which external parties must comply. The extra scope for external parties must act as a testing ground for public service broadcasters. A place where innovative programme concepts and talented programme makers are given opportunities. It will be a service desk for programme makers with innovative ideas and for young programme makers, such as those who currently have to turn to the Dutch Cultural Media Fund for financing.

I am asking the NPO to work this out in greater detail. However, I wish to point out the most important arrangements: programme makers can submit their proposals to the NPO, either on their own initiative or at the request of the NPO (e.g. with a tender). Of the total programme budget, 50% is guaranteed for broadcasting organisations. This budget guarantee will safeguard the propagation of the mission and sound operation. The NPO can use the other part of the budget for creative competition between external programme makers and the broadcasting organisations. This means that up to 50% of the total programme budget will be available to external parties.³⁰ When selecting proposals, it must be very clear that creative competition is involved, with quality and public value always being the main considerations.³¹

The NPO will reach agreements with the external party about the contents, costs and use of programme concepts. The implementation will be handled by the NTR, the independent Dutch public service broadcaster, or, if there is interest for such, by an existing broadcasting organisation. The NPO will not be given a

²⁷ This is evident from the responses to the Council's advice from NDP Nieuwsmedia, the Onafhankelijke Televisie Producenten (OTP), Film Producenten Nederland (FPN), Documentaire Producenten Nederland (DPN), Vereniging Nederlandse Animatie Producenten (VNAP) and the Filmfonds.

²⁸ NPO Management Board and Board of Broadcasters, "Creative, open and decisive: that's possible now", June 2014.

²⁹ The target for increasing the reach among young people has not been attained for years. See NPO Review [*Terugblik NPO*].

³⁰ This concerns the programme strengthening budget of the NPO, as laid down in the Act of 6 November 2013 to amend the Media Act 2008 in order to modernise the national public service broadcasting system. Bulletin of Acts and Decrees, volume 2013, 454.

³¹ The Central Works Council of the public service broadcasting organisation has argued strongly in favour of this point in its response to the advice.

broadcasting licence, as suggested by the Council, as this would involve creating a new broadcasting organisation. That is undesirable, as it is contrary to the policy introduced by the Government of reducing the number of players within public broadcasting. When structuring its proposal, I want the NPO to avoid creating unnecessary bureaucracy and to focus on governance within public service broadcasting.

The new accessibility is an important measure to improve the media system.³² It will make a huge difference to both programme makers and the public. Programme makers with new ideas will have far easier access to public service broadcasting. This will present opportunities to the sector, and the programme of public service broadcasters will be more innovative, varied and more distinctive thanks to the contributions of external parties. As a result, public service broadcasting will become more relevant to even more Dutch inhabitants.

Greater programming flexibility – Public service programming is handled jointly by broadcasting organisations and the NPO. However, rules and relationships within the system mean that programmes cannot always be selected that result in the best programming. Broadcasting time and allocation guarantees are still excessively obstructing the process. Programmes are sometimes selected simply to meet the formal claim of a broadcasting organisation.

The NPO and broadcasting organisations have proposed scrapping this statutory entitlement to a minimum number of broadcasting hours on radio and television.³³ The guarantees impact the quality of the programming and thwart the structure of the schedule. Competition should relate to quality and not to broadcasting volume and transmission allocations. At a time when the public is using an increasing number of digital platforms, guarantees relating to traditional linear channels are outmoded. It is expected that sooner or later, broadcasting organisations will regularly be producing specific on-demand media, coordinated by the NPO. For this reason, this Government is scrapping the broadcasting and allocation guarantees from the Dutch Media Act. Sound management and a reasonable representation of broadcasting organisations will continue to be ensured by the budget guarantee.

Development of a guidance function – Another means of allowing the public to see and hear the best media supply is by referral. The Council describes this as the guidance function of public service broadcasting. Public service broadcasters could do this more emphatically by actively searching for and transmitting the best domestic and foreign programmes. In this case, public service broadcasters will also have to review the domestic and foreign supply that is already available to the public in the Netherlands. Why does the BNN-VARA broadcasting organisation purchase the Graham Norton Show, even though this programme is already available to all Dutch inhabitants on Comedy Central? The added value of public service broadcasting is in offering new programmes, not in using taxpayers' money to purchase programmes that are already available to a large audience. However, public service broadcasters can refer more often in programmes or on digital platforms to what else is being produced. This could include programmes made by regional and local broadcasters or foreign public service broadcasters. I will ask the NPO to coordinate this process, so that the public service

³² This will not replace the existing access to the system. Newcomers still have the possibility every five years to be admitted to the system as candidate broadcasters. However, they must entrust the media supply to a recognised broadcasting organisation or the NTR so that the number of broadcasting organisations does not increase. Media Act 2008, Section 2.26.

³³ NPO Management Board and Board of Broadcasters, "Creative, open and decisive: that's possible now", June 2014.

broadcasting organisation acts as a guide when it comes to an interesting public media supply. That will help the public to navigate more easily in an overcrowded media landscape.

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Encouraging cooperation – The Council is calling on broadcasters to increase cooperation with social and cultural organisations and with private media organisations. I am supporting this call by the Council. Cooperation can contribute to the quality of the journalistic offering, the link with society and strengthening the creative sector. The possibilities for cooperation have been extended in recent times. The Media Authority has relaxed its policy rules and statutory measures have been introduced to make it easier to experiment with cooperation projects.³⁴ Nevertheless, the statutory prohibition of servitude is still considered by various parties as an obstacle to meaningful cooperation.³⁵ On the other hand, this rule safeguards the public, non-commercial character of public service broadcasting. That is one of the main pillars supporting the public broadcasting system, which also ensures that the system complies with European law frameworks with regard to state support and competition. The servitude prohibition also prevents public service broadcasting from subjecting commercial parties to unfair competition. In their response to the Council's recommendation, commercial broadcasters rightly refer to the importance of this fact.

Scrapping or amending the servitude prohibition is therefore irrelevant. Moreover, there is more possible within the confines of the servitude prohibition than the parties think. This is evident, for instance, from recent cooperation between the L1 regional broadcasting organisation and the Dagblad De Limburger newspaper. Adequate information about the relaxed statutory frameworks and the policy rules of the Media Authority contribute to a better exploitation of the possibilities for cooperation. I have now spoken to the Media Authority about the importance of supplying specific information and supporting parties in this matter. The Media Authority will be making efforts in this respect in the upcoming period. In cooperation with the Media Authority and the parties involved, I also want to investigate where scope exists and what practical solutions are possible to make cooperation easier.

3. More uniformity and recognisability within public service broadcasting

Without a powerful public service broadcasting organisation that seizes opportunities and takes up challenges dynamically, public service broadcasters cannot perform their public role effectively. In the current system, uniformity is difficult to achieve. As the Council points out: "a lot of what Hilversum did and does is seen by outsiders as *too little, too late*".³⁶ There are tensions in the system between the interests of broadcasting organisations and those of public service broadcasting as a whole. Broadcasting organisations make programmes based on their mission and for their own target group. This results, on the one

³⁴ Introduction as of 1 January 2014 of Section 2.132, subsections four to six, inclusive, of the Media Act 2008 and Regulations of the State Secretary of Education, Culture and Science of 26 August 2014, no. WJZ-665627, relating to the amendment of the Media Regulations 2008 in connection with the adoption of further rules for the application of Section 2.132, subsections four to six, inclusive, of the Media Act 2008 (Bulletin of Acts and Decrees, volume 2014, no. 24741, published on 3 September 2014).

³⁵ This means that third parties cannot achieve a more than normal profit or another competitive advantage from a joint venture with a public service media institution. Media Authority, "Public-private partnerships," <http://www.cvdm.nl/praktisch/publiek-private-samenwerking/>.

³⁶ Council for Culture, "Time is Open", 2014.

hand, in a splendid and varied media supply and a huge desire on the part of programme makers and broadcasters to make their programmes and to supply them to the public as well as possible. On the other hand, it means that there is no clear strategy about the way in which public service broadcasting as a whole can best connect to the public, using which content and which platforms. The Council also points out that a joint vision is needed in order to perform the public role to best effect.

The debate between the NPO and the VPRO broadcasting organisation about 'an uncoordinated media supply' clearly demonstrates these tensions. The NPO asked the VPRO to cease VPRO Vrijplaats, VPROTV and Smaakmakers on VPRO.nl because these were not in line with the joint distribution strategy, while the VPRO saw them as an innovative means of getting its media supply to the public. Instead of looking for a joint solution that was most in line with the strategy, they conducted debates in the media about the future of the websites and services of a broadcasting organisation.³⁷ These types of debates and differences of opinion within the system damage the quality of the programming and thwart joint initiatives. It detracts from the core task of broadcasting organisations and what they are best at: providing a high-quality media supply. As a result, public service broadcasters not only lose viewers and listeners, they also miss opportunities that could contribute to strengthening programming.

Strengthening the control of the NPO – Experience has shown that greater collectivity does not take place automatically. That is why the Government is increasing the NPO's possibilities to determine and monitor the joint direction of public service broadcasting.³⁸

The introduction of genre coordinators is an important step in improving the programming of public service broadcasters. Genre coordinators are responsible for performing the public role in their genre, in other words for everything that is made, commissioned and transmitted. This should take place on the basis of a clear vision of the content and the way in which the public can best be reached. This vision must be created with the programme makers of the broadcasting organisations and on the basis of adequate information about and contact with the public. Broadcasting time guarantees are no longer a problem and there is plenty of scope to fill gaps in the media supply of broadcasters with input from external parties. It's all about the best programme, at the best time, on the best platform. I am asking the NPO to detail how the genre coordinators can be embedded from an organisational point of view as of 2016. I also want the NPO to critically examine the relationship with the position of network coordinators. Strengthening of control by the NPO requires an adjustment to the current checks and balances within the system.

The joint strategy of public service broadcasters will be set out every five years in the concession policy plan. This plan constitutes the basis for the work of the genre coordinators, for internal agreements and for the pledges made by public service broadcasters to the public. However, the way in which this plan is currently drawn up is illogical. Broadcasting organisations first submit their own applications for recognition. Only after this has taken place is the concession policy plan drawn up with the joint strategy, which has to take account of the

³⁷ <http://www.volkskrant.nl/vk/nl/2664/Nieuws/article/detail/3573236/2014/01/07/VPRO-moet-stoppen-met-VPROTV-en-Smaakmakers.dhtml> .

³⁸ When the proposals put forward in this document are detailed, proper account will be taken in consultation with the Minister for Housing and the Central Government Sector of the starting points in the Autonomous Public Authorities Framework Act [*Kaderwet zelfstandige bestuursorganen*] and the privatisation and spin-off policy of the Government.

plans of the broadcasting organisations. The joint vision, however, should provide the framework for the plans of broadcasting organisations. In the future, this process will be reversed. The broadcasting organisations must contribute as effectively as possible to the joint vision of public service broadcasting. This can be improved if the broadcasting organisations are more distinctive than at present, so that they can contribute to the total structure based on their own mission and strength. I am pleased that the broadcasting organisations and the management board have already announced this.³⁹

Greater focus on efficiency – The focus on efficiency within public service broadcasting must be improved.⁴⁰ The current NPO brief to promote efficiency within the system is still not specific enough to be effective. The NPO is not involved from the beginning and has no insight into the decision-making process of individual broadcasting organisations with important programmatic, organisational or financial consequences. And because of the NPO's brief, broadcasting organisations often challenge the involvement of the NPO. The NPO must be involved in this decision-making process more closely and at an earlier stage, particularly because of its task to safeguard joint interests.

To improve this situation, the relevant task and powers of the NPO must be tightened.⁴¹ They will be extended to include the effective spending of public resources, so that efficiency can actually be achieved. When this is detailed, by means of, for instance, binding arrangements, attention can be focused on prior assessment or permission by the NPO of or for investments in real estate and facilities or important programmatic plans. A balance must be created between the need for more control by the NPO and the programmatic autonomy of broadcasters. The NPO exercises budgetary control per programme using the money-on-target system [*geld-op-schema-systeem*]. After this budget has been determined, it is neither desirable nor necessary for the NPO to exercise control of the choices of the broadcasters. However, the NPO must at all times be able to examine the financial information of broadcasting organisations, such as the budget and underlying financial plans. After all, we are dealing with public funds that are jointly spent and accounted for. The NPO needs this information to determine adequate benchmarks for programme schedules and to allocate the budget using the money-on-target system. The NPO can also use information as a basis for entering into discussions with broadcasters regarding the efficient spending of their funds. The NPO can therefore intervene in the case of investments in real estate, facilities and major or long-term programmatic plans. When it comes to the detailed substantiation of the programming, the NPO can exercise better control of efficiency by having adequate benchmarks and by entering into discussions with broadcasting organisations.

Central management of programme rights – The greater the availability of public service media supply via Internet, the more important it is to have a flexible and joint distribution strategy. Proper agreements about rights are indispensable. It used to be simple: you had rights to transmit on television and possibly a number of repeats. Nowadays, you have to negotiate rights for *Uitzending Gemist*, *NLziet*,

³⁹ NPO Management Board and Board of Broadcasters, "Creative, open and decisive: that's possible now", June 2014.

⁴⁰ Effectiveness: the implementation of policy is such that the best possible result is achieved with as few resources as possible. From the Netherlands Court of Audit, "Strategy of the Netherlands Court of Audit 2010-2015" [*Strategie Algemene Rekenkamer 2010-2015*], 2010.

⁴¹ As announced in the answers to Parliamentary question from MP Ton Elias (VVD) about rights to highlights for *eredivisie* football. House of Representatives, session year 2013-2014, Appendix no. 1730.

broadcasting content on digital channels and perhaps even events. At present, there are still substantial differences in the results of negotiations of broadcasters with programme makers and entitled parties. This situation must be improved, as BCG also concludes in its report on the increase in self-generated revenues of public service broadcasters.⁴² The possibility for public service broadcasters to be successful internationally is evidence by the series *Parade's End*, a collaboration between the BBC, VRT and HBO. This is not possible without an effective strategy and proper agreements relating to rights.

The NPO and broadcasters have also concluded that there are benefits to be obtained, and they will be collectively acquiring and exploiting programme rights from 2016.⁴³ The Government is proposing giving the NPO responsibility for managing and acquiring programme rights. The NPO will conduct negotiations together with the broadcasters, based on model contracts which include a minimum number of rights to be acquired. These contracts may be deviated from only in special cases. These contracts will include not only agreements about acquiring rights for the public exploitation of programmes, i.e. for linear transmissions on radio and television, on-demand supply in *Uitzending Gemist* or transmission on digital theme channels, but also agreements about the way more self-generated revenues can subsequently be obtained. For instance, by the sale of programmes to foreign broadcasters, the sale of DVDs or digital downloads. This also applies to a certain extent to programmes supplied in *NLziet*, but that is less clear-cut, as I have explained in answers to Parliamentary questions.⁴⁴ For making content available for use in education or by cultural institutions, such as the Netherlands Institute for Sound and Vision [*Nederlands Instituut voor Beeld en Geluid*], specific agreements should be concluded. Finally, decisions must be taken about how programmes can remain available if they are no longer actively used for transmission or sale. These agreements are necessary to ensure that the media supply is not stored away unnecessarily. Needless to say, account must be taken of any copyright payments owed.

The Government is requesting public service broadcasters to increase their self-generated revenues. BBC Worldwide, the private division of the BBC, supports the BBC's public role by providing as much self-generated revenue as possible using the content of the BBC. It has been very successful in doing so. In 2013/2014, more than 200 million euros was paid to the BBC for the purpose of making new programmes.⁴⁵ Given our language, the market for Dutch content is far smaller. Nevertheless, there are more possibilities than are currently being exploited. For instance, there is a great deal of international interest for the formats of public service broadcasters. That is why a private-law entity is being set up that will perform the same task for Netherlands Public Broadcasting. The setting up of such an entity is also in line with the plan of action for increasing the self-generated revenues of the NPO and the Dutch Radio and Television Advertising Foundation [*STER*].⁴⁶ To support the NPO, consideration will have to be given as to how this entity can best be structured, with the independent position of public service broadcasting and the relationship of the entity to the NPO, the broadcasters and the *STER* being, of course, important points of attention.

⁴² BCG, "Investigation into the possibilities for increasing the revenues of national public service broadcasters" [*Onderzoek naar mogelijkheden voor verhogen inkomsten van de landelijke publieke omroep*], September 2013.

⁴³ NPO Management Board and Board of Broadcasters, "Creative, open and decisive: that's possible now", June 2014.

⁴⁴ House of Representatives, session year 2013-2014, Appendix no. 579.

⁴⁵ BBC Annual review 2013-2014, <http://www.bbcworldwide.com/annual-review/annual-review-2014.aspx>

⁴⁶ See also in this context the letter to Parliament about increasing the self-generated revenues of public service broadcasters, which I sent to the House on 24 September 2014.

All revenues generated will be for the benefit of public service broadcasting as a whole, and no longer for individual broadcasters. The fact that a certain programme generates more revenue may not automatically be the result of higher quality, public value or the importance of the programme for the programming. Some programme genres are, after all, easier to exploit, because they appeal to a specific public or deal with an international theme. All broadcasters contribute based on their own specialisation, which is why these revenues will be used to improve the programming across the board.

Robust checks and balances – The measures being proposed by this Government will result in a different balance between the broadcasting organisations and the NPO. Broadcasting organisations will be able to focus more on their core task, i.e. providing the public service media supply. The NPO will have more opportunities to set out and implement the joint strategy. Some tasks will shift to the NPO instead of being implemented by the broadcasting organisations. This will make it easier to respond flexibly to all changes in the media landscape, but it is also more efficient to work together. Needless to say, these changing relationships will require a critical review of the checks and balances in the broadcasting system, particularly because of the many new responsibilities being acquired by the NPO. The idea that the new situation will result in a substantive monopoly at one organisation or by several persons is inconceivable. This could be ensured by the temporary appointment of genre coordinators.⁴⁷ Another solution is organising counterweights within or outside the system. With this in mind, I am proposing repositioning the NPO's Supervisory Board. The Board will be requested to monitor not only the way in which the NPO performs its public role, but also the way in which public service broadcasting as a whole does so. This will involve public accountability. This is in line with the measures proposed by the NPO and the broadcasting organisations. When the measures are detailed, specific attention will be given to the more important role for the NPO and the corresponding checks and balances.

Embedding the functions of the Dutch Cultural Media Fund and religious and ethical programming – As of 1 January 2017, the Dutch Cultural Media Fund budget will be a victim of the spending cuts. The fund will be discontinued as of that date. The NPO has already announced that it will ringfence funds and focus on Dutch documentaries, drama and other cultural media productions, which was the media supply initially financed by the Media Fund.⁴⁸ The NPO will ringfence € 16.6 million for this purpose.⁴⁹ I am delighted that the NPO is prioritising cultural programming. Public service broadcasting is the largest producer or co-producer of culture and the largest cultural platform in the Netherlands and therefore plays a vital role in the cultural sector. Its cultural programming reaches more and other groups of Dutch inhabitants than cultural institutions in the Netherlands.

The responses I have received from parties show that there are still concerns about the termination of the Media Fund.⁵⁰ The Media Fund also boosts development requests and experiments that do not have to result directly in a

⁴⁷ For example, by analogy with the way in which deans function at a university.

⁴⁸ As requested in the Van Dam *et al* motion about the details of the spending cuts. House of Representatives, session year 2013-2014, 33 664, no. 24.

⁴⁹ The NPO has requested advice about the way in which these tasks can best be performed: Aad Stoop, "How Dutch public service broadcasters can safeguard the development and production of high-quality drama and documentaries" [*Hoe de Nederlandse Publieke Omroep de ontwikkeling en productie van hoogwaardig drama en documentaire kan borgen*], 2013.

⁵⁰ In their responses to the Council's advice, various parties, including the Film Fund, OTP, FPN, DPN and VNAP, have requested a focus on the development function of the Media Fund (e.g. innovation and talent development).

programme, documentary or film, while up until now, the NPO has only financed productions that can be broadcast. The Government attaches great importance to this development function. Public service broadcasters should focus more on innovation and offer more opportunities to talented people. Broadcasters should seize this challenge and be prepared to take risks in order to provide opportunities for innovative and exciting ideas. The genre coordinators should include this aspect in their own disciplines as part of their assignment.

The boundaries within the audiovisual sector are becoming more and more blurred, and this also applies to the cultural media supply. The distinction between a film or a multipart series is becoming increasingly smaller for the public and makers are also experimenting with various types of media. The parties in the audiovisual sector should therefore cooperate as far as possible in order to provide the greatest possible boost to the entire sector. I am calling on public service broadcasters to reach agreements with the Netherlands Film Fund [*Nederlands Filmfonds*] and the CoBo Fund [*Co-productiefonds Binnenlandse Omroep*] about the development and production of cultural content. They can also seek cooperation with parties such as the Film and Television Academy, Binger and Eye.⁵¹ I am asking the NPO to detail in the 2016-2020 concession policy plan how the function of the Media Fund will be structured within public service broadcasting, including the role relating to talent development and innovation.

Religious and spiritual associations that currently have broadcasting time – 2.42 broadcasters – will cease to receive funding as of 1 January 2016. The NPO has already promised to reserve a minimum budget for this programming.⁵² I consider it important that in the next concession period, the NPO ensures a proper and balanced embedding of religious and ethical programmes in the total programming. The NTR is preparing a strategic plan for this purpose. A number of denominations and associations have been incorporated into a broadcasting organisation (IKON-EO, RKK-KRO/NCRV). The precise detailing of this intention will be set out in the 2016-2020 concession policy plan and the corresponding performance agreement.

4. More cooperation within *and* with the region

To a certain extent, regional broadcasting organisations are facing the same challenges as national public service broadcasters. They are also having to deal with a public that is using media in other ways and they also have to perform in a rapidly developing market. The reach and market share of radio and television channels are falling and users are shifting to the Internet. At present, regional programmes are difficult to find on the 13 television channels, as they are often hidden away on cable television. The viewing public is also ageing rapidly⁵³, and the financial situation is vulnerable. Advertising revenues have fallen dramatically in the past few years and from 2017, regional broadcasters will be faced by an efficiency target of € 17 million. Finally, there are concerns about the position of regional journalism. The Council refers to the declining numbers of regional newspapers and editions, which is impacting the regional news service.⁵⁴ As more

⁵¹ See letter "Space for talent in cultural policy" [*Ruimte voor talent in het cultuurbeleid*]. House of Representatives, session year 2012-2013, 32820, no. 110.

⁵² Motion of Van Dam, Huizing, Verhoeven and Segers, House of Representatives, session year 2013-2014, 33 664, no. 24.

⁵³ National Viewing and Listening Survey (SKO, Rab / Intomart GfK).

⁵⁴ Media Authority, Media monitor – media companies and media markets 2012-2013, p 125 *et seq.*

tasks are now being performed by local authorities, as is the case in the care sector, it is vital that journalists in the region can continue to act as watchdogs.

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In addition to threats, there are also huge opportunities to strengthen the regional media service, particularly because regional broadcasters as a whole are now the responsibility of the State. A powerful regional public media service is vital in order to exploit those opportunities. Seizing those opportunities involves, for instance, developing a joint strategy, making better use of individual knowledge and skills, and investing more time and money in the regional news service. In the coalition agreement, the Government is therefore seeking further cooperation and integration of tasks in consultation with national public service broadcasters. Examples from neighbouring countries demonstrate that by means of cooperation, regionally created news can have a national reach. In 2013, I asked the board of the NPO and the Regional Broadcasting Consultation and Cooperation Foundation [*Stichting Regionale Omroep Overleg en Samenwerking*], (hereafter referred to as ROOS), to draw up a joint vision for this purpose. However, they did not succeed. The differences in culture and professionalism between both layers of the public service media system proved to be too large.⁵⁵ That is why the Government first wishes to strengthen regional broadcasters by focusing on an efficient organisation and more cooperation within the region and with national public service broadcasters.

Strengthening the regional media supply – The desire for and the importance of a media supply relating to the immediate surroundings are still as great as ever. Regional and local events, politics, sport, culture, news: all these subjects are covered by regional media on the basis of the specific identity of the location where people live, work or go to school. The value of the regional news service is also evident when major regional events are held (such as the Skûtsjesilen sailing event in Friesland or the Vierdaagse four-day walking event in Nijmegen) and when disasters occur (such as the fire in Moerdijk). The regional media supply relates to the immediate living environment of viewers and listeners, made in their *couleur locale*. Regional media also have a unifying, cultural role. They contribute to the exercise of power at local and regional level and as a result they help to sustain democracy.

Cooperation is vital, also in order to strengthen journalism in the region. Regional broadcasters have a key role in this respect. Good examples include the joint *MijnRegio app*, which gives the public constant access to the latest regional news. In the Province of Zeeland, the Omroep Zeeland regional broadcaster and the local newspaper PZC are looking for joint accommodation. In the Province of Friesland, efforts are focusing on a Fries multimedia platform: Podium Fryslân. Regional broadcaster Omroep Brabant works closely with the newspaper BN De Stem. Cooperation can also take place with local broadcasters, newspapers, and cultural and social institutions such as libraries, archives and regional training centres (ROCs).

These types of cooperation – referred to as Regional Media Centra (RMCs) – increase solidarity with the region and the public and strengthen journalism in the region.⁵⁶ In late 2012, three regional projects were financed by the Journalism

⁵⁵ As requested in the Heerma motion, I have spoken to ROOS several times about this. House of Representatives, session year 2013-2014, 33 664, no. 13.

⁵⁶ One of the recommendations of the Temporary Committee for Innovation and the Future of the Press [*Tijdelijke Commissie Innovatie en Toekomst Pers*] (Brinkman Committee), from June 2009, concerning the concentration of regional journalism forces in the creation of a regional media centre.

Promotion Fund [*Stimuleringsfonds voor de Journalistiek*].⁵⁷ The successes achieved by the RMCs are currently modest and certainly do not provide a long-term solution for the problems relating to regional journalism. The results achieved by the RMCs are being monitored closely and consideration is being given together with the Promotion Fund as to how these can best be followed up.⁵⁸ The House will be receiving a letter in which I will be dealing with regional journalism and the RMCs.⁵⁹ In the case of public-private partnerships, the parties perform different roles based on different interests. That division must remain clear.

There are also joint ventures in which regional *and* local broadcasters participate. This is the case, for instance, in Amsterdam where regional TV broadcasters RTV NH and AT5 are accommodated in a single building, but also elsewhere. A good example is the media centre in Dordrecht or the cooperation between the local broadcaster in Venlo and the L1 regional broadcaster during the Venloop, the largest walking event in the Province of Limburg. I have agreed with OLON (the organisation of local broadcasters in the Netherlands) and ROOS that they will lay down these types of cooperation in a more formal context.⁶⁰

Towards a more effective and efficient regional broadcasting organisation – There are many examples of cooperation between regional broadcasters and partners at regional and local level. These are inspiring initiatives. However, more is needed in response to the changes in media use. The power of regional broadcasters is currently too limited, both from an administrative and organisational point of view. For instance, the umbrella organisation ROOS, which includes the thirteen directors of the broadcasting organisations, can adopt resolutions only if they are unanimous. An excessive amount of the public budget is now being used to support the business operations of the thirteen broadcasters. They each have their own management board, premises, broadcasting suites and supporting departments such as facilities and HR. It goes without saying that regional broadcasters differ from one another with regard to culture, identity and regional embedding, and that must remain the case. The regional identity and autonomy must be preserved. However, there are no essential differences when it comes to the type of organisation. These are similar media companies with a similar organisation structure. At present, the organisation is fragmented and detracts from what the focus should be in the region: providing a regional public service media supply.

The Future of Regional Public Service Broadcasting [*Toekomstvenster op de regionale publieke omroep*] plan contains initial measures for greater efficiency and cooperation with regard to regional broadcasters. But the measures are too cautious and are a weak response to the challenges facing the sector.⁶¹ The plan does not provide for a more powerful organisation, which is what is required in order to act jointly and to speak with one voice. Regional broadcasters can no longer afford to sit and wait in the case of every resolution until all thirteen

⁵⁷ The projects are financed by the Regional Cooperation subsidy arrangement. See: <http://www.persinnovatie.nl/13594/nl/regionale-mediacentra-wat-wel-wat-niet>

⁵⁸ I have already informed the House regarding the investigation of journalistic cooperation in the region. House of Representatives, session year 2013-2014, parliamentary paper 33750-VIII, no. 104.

⁵⁹ This letter deals with the commitments about which I informed you in my letter of 21 March 2014.

⁶⁰ As also requested in the Heerma motion about more horizontal regional integration and vertical cooperation (33750-VIII, no. 67).

⁶¹ See:

<http://www.roosrtv.nl/downloads/Toekomstvenster%20voor%20de%20publieke%20regionale%20omroep%20-%20april%202013.pdf>

individual broadcasters have reached agreement. In order to innovate and respond to joint challenges, it must be possible to adopt effective resolutions. There should also be a single point of contact for national public service broadcasters, public authorities, the Media Authority or distributors. Strengthening the position of ROOS would be an obvious move, including the corresponding governance.

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The measures set out in the *Toekomstvenster* to increase efficiency involve too much compromise. Regional broadcasters should aim to join forces to organise everything that can be done in a joint context. This includes such aspects as supporting departments, decisions relating to technology, but also a joint budget and accountability cycle and concession period. The public does not understand why at various locations in the country, there are broadcasting organisations with similar facilities within a radius of 30 kilometres. In such cases, mergers are perhaps the most obvious solution. We must ensure that regional broadcasters become more efficient, so that as much money as possible is spent on what viewers and listeners find important: regional programmes of the highest quality. That is why the Government is requesting ROOS to detail a plan by late April 2015 to make the regional broadcasting system more effective and efficient, with, of course, the individual identity of the various regions always being maintained in the programmes.

After all, the regional media supply must be based in the future too on individual identity *and* independence, as argued in the motion put forward by Dutch MP Pieter Heerma regarding the role of Omrop Fryslân, the regional broadcaster in the Province of Friesland.⁶² Autonomy with regard to the individual situation must be safeguarded. Choices based on the local context are made in the regions. That means that the inhabitants of Zeeland, Twente or West Friesland, the people for whom the media supply is being provided, must be involved in the substantial and programmatic choices. This regional connection must be guaranteed in the ROOS plan.

More cooperation with national broadcasters – Close cooperation between the regional and national public service broadcasters offers opportunities to strengthen the media supply. There are good examples, such as the cooperation in *Bureau Regio*, where regional broadcasters are actually present in the editorial department of the NOS. This innovative cooperation between the NOS and regional broadcasters should be developed. The same applies to the cooperation between the *EenVandaag* news programme and regional broadcasters when it comes to reporting. Journalists compile joint reports about regional matters that are also relevant nationally, with the aim of strengthening public service journalism. However, these are often ad hoc joint ventures at programme level.

Public service broadcasting in the UK and Germany shows that long-term cooperation between national and regional broadcasters can be successful. The twelve English BBC Regions make reports and broadcast news about their regions. They are controlled from one head office in Birmingham, *without* any central control as to who makes what, in other words editorial autonomy is maintained. There is therefore a single administration, twelve regional identities and an excellent reach. The 6:30pm regional news on BBC 1 is one of the most viewed programmes in the UK. And one of the most important news programmes in Germany, *Tagesschau*, is a joint venture of all German regional broadcasters. The 8pm news programme is not only broadcast on the first German network

⁶² Parliamentary paper 33400-VIII no. 40, session year 2012-2013. See also the advice of the temporary committee for safeguarding the Frisian language in the media (Hoekstra Committee). Parliamentary paper 32827, no. 47, session year 2012-2013.

(ARD), but also simultaneously on the channels of regional broadcasters.⁶³ The Government believes that national and regional public service broadcasters must cooperate more by the introduction of regional 'windows' on national channels. The national public broadcasting organisation must be a broadcaster for the entire Netherlands. Regional news should be included. By presenting regional reports on a national channel, the regional supply becomes more accessible to the public. The reverse is also true: media supply of national broadcasters can also be used by the regions. I am asking the NPO and ROOS to draw up a plan for this cooperation before the 2015 summer recess. The starting point is that this closer cooperation will be structured in the new concession period, and will therefore also become part of the concession policy plan of the national public service broadcasting organisation.

An important condition for achieving this cooperation is standardising technology and innovation at regional broadcasters. This technology must be in line with that of the national broadcasters. This will allow the parties to make the best use of one another's material and facilities, so that efficiency is increased. A joint platform and portfolio strategy and technological harmonisation between national and regional public service broadcasters must be part of the plan that I have asked the NPO and ROOS to draw up.

Professionalisation of local broadcasters – Local broadcasters occupy an important position within the entire media system. The nature of the local broadcasting sector and the type of challenges faced by local broadcasters require a different approach to that taken with regard to national and regional public service broadcasters.⁶⁴ At the end of last year, I gave the House a detailed explanation of this approach.⁶⁵ Together with OLON (Organisation of Local Broadcasters in the Netherlands) and VNG (Association of Netherlands Municipalities), efforts are being made to upscale and professionalise local broadcasters to ensure that they also become more powerful and future-proof. The municipalities are and will remain responsible for local broadcasters. I do, however, wish to continue to contribute to the professionalisation of local broadcasters. Part of this professionalisation is the creation of *district broadcasters*.⁶⁶ By formalising the cooperation between local and regional broadcasters, an opportunity will also be created in the course of time to bring about a single public service media system. An important initial step is the development of a central distribution facility, called Mediahub. I am supporting OLON by means of a contribution for the development and implementation of the Mediahub.

In conclusion

⁶³ It should be noted here that the budgets of both the ARD and the regional broadcasters are, of course, far larger than those of Dutch public service broadcasters (the same applies to the BBC).

⁶⁴ The local broadcasting sector largely consists of many smaller media institutions (283) where many volunteers (~10,000) work with a few salaried staff (~500), with a total subsidy of approx. € 10 million a year. The evaluation of the financing of local public service media institutions in 2009-2012 by the Authority shows that approximately one-third of the institutions are in a worrying financial position. <http://www.cvdm.nl/wp-content/uploads/2013/12/evaluatie-van-de-financiering-van-de-lokale-publieke-media-instellingen-in-de-jaren-2009-2012.pdf>

⁶⁵ See the letter to Parliament about local broadcasters. House of Representatives, session year 2013-2014

Parliamentary paper 32827, no. 60.

⁶⁶ See: <http://www.olon.nl/onderwerp/2055840507>

The measures in this document will demand much of national and regional broadcasters and the staff who work there. I am very much aware of the drastic nature of the changes proposed by the Government. At the same time, their own plans demonstrate a clear ambition and the realisation that a number of drastic changes are required in the short term. On the basis of that ambition and the joint prospects for the future, a framework must be provided for the measures proposed by the Government.

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In 2015, I will present the legislative changes that I believe are necessary to the House. It is hoped that the legislative changes will come into force on 1 January 2016. This is the time at which the 2016-2020 concession and licence period of the NPO and the national broadcasting organisations take effect. That does not mean that the NPO, ROOS and the broadcasting organisations will have to wait until 1 January 2016 before starting the implementation. I am calling on them to make a start on the measures referred to in this document and the corresponding proposals in the responses from the NPO and the broadcasters to the recommendation of the Council for Culture and the Future of Regional Public Service Broadcasting plan. I am also requesting the NPO to include my vision when drawing up the 2016-2020 concession policy plan, which I will be receiving in mid-2015.

The evaluation of the measures in this document will be partly dealt with when an account is given of the performance agreements with national and regional broadcasters. In accordance with the Media Act, an evaluation will be provided by an independent visitation committee before 1 May 2019 as to how the NPO and the broadcasting organisations have responded to the public service media assignment. This will, of course, include the changes referred to in this document.

The measures proposed are required in order to create a more distinctive public service media supply. Clearer-cut decisions, stronger creative competition and more uniformity in performing the public role must result in a public service broadcasting organisation that is more creative, decisive and future-proof. Public service broadcasting will become a meeting place for innovative and creative programme makers. A place where the goal is the best programming, while never losing sight of the public. In other words, a public service broadcasting organisation that matters, for viewers and listeners and other players in the media landscape.

I look forward to the consultations in the House concerning my proposals.

The State Secretary for Education, Culture and Science,

Sander Dekker