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## COMMUNICATIONS OUTLOOK 1999

### BROADCASTING: Regulatory Issues

**Country:** Sweden

**Date completed:** 11 September 1998

The attached questionnaire was undertaken in preparation for the biennial OECD Communications Outlook. The responses provided by Member countries on broadcasting regulation were used to provide information supporting the analytical sections published in association with data. A similar questionnaire with responses on telecommunication regulation is also available. In some cases, data for individual firms, used to compile OECD totals, have not been published at the request of the respondent. For further information, including data, see **OECD Communications Outlook 1999** and <http://www.oecd.org/dsti/sti/it/index.htm>

**Broadcasting market status (Questions 1- 3)**

**1. Please provide details of the broadcasting and cable television infrastructure provision in your country.**

Infrastructure provision for following service	Number of licensed operators (1998)	Number of privately owned companies <sup>1</sup>	Number of public service organisations <sup>2</sup>
Terrestrial TV (National coverage <sup>3</sup> )	2	1	1
Terrestrial TV (Local coverage <sup>4</sup> only)	2	1	1
Terrestrial radio (National coverage)	1	0	1
Terrestrial radio (Local coverage only)	85 150	85 *	* *
Cable television service <sup>5</sup>	No license required	No license required	No license required
Analogue direct broadcast satellite (DBS) service	No license required	No license required	No license required
Digital DBS service	No license required	No license required	No license required

**2. Please provide details for the major public / private terrestrial TV broadcasting companies in your country. They include state and privately owned organisations providing broadcasting services with national coverage.**

Name of public / private terrestrial TV broadcasting companies	Ownership Status (1998) (e.g. state-run / state owned / privately owned)	Do they own transmissions infrastructures? If not, please indicate the name of company which provide transmission infrastructures.
Sveriges Television AB	State owned	Teracom AB
TV4 AB	Privately owned	Teracom AB

<sup>1</sup> Defined as private sector companies holding one or more licences for service provision.

<sup>2</sup> Including state-owned corporations or institutions holding one or more licences for service provision.

<sup>3</sup> A service with national coverage is defined as a service by a group of television or radio stations distributing a majority of the same programming, that are licensed on a national or regional basis but collectively provide nation-wide coverage. Affiliating companies of the nation-wide broadcast network are included in this category. If new operators have been licensed to provide national coverage in the last three years but are at the stage of rolling out networks please include these operators in the total.

<sup>4</sup> A service with local coverage is defined as a service by a group of television or radio stations that are licensed on a national or regional basis but distribute the programming in the local area only. If new operators have been licensed to provide local coverage in the last three years but are at the stage of rolling out networks please include these operators in the total.

<sup>5</sup> Please indicate if more than one organisation is permitted to own and operate cable television infrastructure in the same area.

3. What was the price of cable television service for a subscriber in the largest city of your country on 1st January 1998? Basic service corresponds to the least expensive option to a customer and premium service the most expensive option. (Local currency, current prices)

Cable Television services	Basic service			Premium service	
	Connection	Monthly subscription fees	Number of cable channels included in the basic option (excluding free services)	Monthly subscription fees	Number of cable channels included in the premium option (excluding free services)
Stjärn TV nater, Stockholm	250 SEK (only for premium channels)	109 SEK	11	198+199 SEK	2+2
(National average, if available)					

**Broadcasting Regulatory Framework (Questions 4 - 9)**

4. Which organisation(s) administer the following services (carriage and content) in your country and what are their main responsibilities? Please mention agencies dealing with spectrum allocation and management, and providing licences.

Please provide details:

**a. Terrestrial broadcasting service**

Licensing: The Government (Ministry of Culture) regarding TV and national and digital radio; the Radio and TV Authority regarding local radio broadcasting.

Supervision of content: The Swedish Broadcasting Commission.

Spectrum allocation and management (also licenses for transmitting equipment): The National Posts and Telcom Agency.

**b. Cable Television service**

No license is required, however, the Swedish Broadcasting Commission supervises that the programme content complies with the laws which regulated broadcasting services.

**c. Direct broadcast satellite (DBS) service**

See above under b.

- 5. Please provide a description of significant recent policy changes affecting the provision of broadcasting services, as well as any draft laws, or regulatory proposals to be implemented in 1998.**

A government bill regarding, amongst other things, "must-carry" of digital terrestrial TV channels and amending legislation to take into account the changes in the EC Directive (Television without frontiers) has recently been presented. If the Bill is accepted by the Parliament, the changes will come into effect on 1 January 1999.

- 6. How is broadcasting defined in your country's regulatory framework? In addition, please specify public service obligations stipulated in broadcasting regulations.**

Definition of broadcasting:

Transmission of sound radio and television programmes directed to the public and intended for reception using technical aids. A transmission is considered to be directed to the public only if it simultaneously and without special request is available to any person whatsoever wishing to receive it (Chapter 1, section 1 of the Radio and TV Act).

Public service obligations:

A number of terms in the license for the Public service broadcasters regard such obligations, for example transmitting a varied programme output.

- 7. Are there must-carry rules? For example, are cable television or satellite operators required by regulation to provide capacity for certain services? If yes, please elaborate on the reasons.**

Cable (but not satellite) operators are required to provide capacity for the two public service TV channels (SVT1 & SVT2) and also the commercial national TV channel, TV4. In addition, the cable operator has to provide capacity for one local broadcaster appointed by the Radio and TV Authority (local cable transmission firms).

**8. Are there any local content requirements for broadcasters and cable television operators in your country in terms of the level of domestically produced content which must be broadcast, the amount of turn-over which must be allocated to domestic production or other criteria? Yes/No**

	If Yes, please provide local content specification and where applies.
Terrestrial Television service	Programming shall, to a significant extent, contain programmes in the Swedish language, programmes with Swedish artists and works by Swedish authors (Chapter 6, section 8 of the Radio and TV Act).
Cable Television service	Half of the annual transmission time shall be occupied by programmes of European origin and at least ten per cent of the annual transmission time or at least ten per cent of the programming budget related to programmes of European origin which have been produced by independent producers.
DBS service	

**9. Are there any limitations on share ratio, number of stations, or other ownership restrictions on entities investing in service providers of terrestrial broadcasting, cable television and satellite broadcasting in your country? Please refer to each service individually, if they have separate restrictions.**

Terrestrial broadcasting: local commercial radio: There are no limitations on ownership (not more than 50% of the shares in more than one station). Otherwise -- from 1 January 1999 -- no restrictions in the Radio and TV Act. A general aim in licensing, for instance regarding digital terrestrial TV, is that there shall be a variety of ownership.

Cable/satellite: As no licenses are required, there are no ownership restrictions.

**Cross-ownership and cross sector provision (Questions 10 - 14)**

**10. Are there any restrictions on terrestrial broadcasting companies from directly providing the cable television infrastructures and services in your country? On the other hand, are there any restrictions on cable television operators from directly providing the terrestrial broadcasting companies in your country?**

If yes, please provide details:

a. Restrictions on terrestrial broadcasting companies providing the cable television infrastructures

No.

b. Restrictions on terrestrial broadcasting companies providing the cable television services

No

c. Restrictions on cable television operators providing the terrestrial broadcasting

No (see also below 11, "General").

**11. Please specify any restrictions on cable television operators and terrestrial broadcasting companies investing (including merging and acquiring shares) in companies that provide other infrastructures or services.**

Please provide details:

a. Restrictions on cable television operators investing in telecommunications operators

No.

b. Restrictions on cable television operators investing in terrestrial broadcasting companies

No.

c. Restrictions on terrestrial broadcasting companies investing in telecommunications operators

No.

d. Restrictions on terrestrial broadcasting companies investing in cable television operators

No. (General: There are regulations in the Swedish legal framework to prevent companies from acting in a market in a way that it limits competition. Of course these regulations can be applicable if, for example, a broadcasting company would invest in other companies in the broadcasting market with the purpose of putting itself in such a dominant position that it limits competition).

**12. Are there any restrictions or limitations on foreign investment regarding services of terrestrial broadcasting, cable television and satellite broadcasting in your country? Please refer to each service individually, if they have separate restrictions.**

**Yes/No**

If yes, please provide details:

**13. Are there any regulations restricting cross media ownership (e.g. broadcast television, radio, newspapers) for infrastructure and services in the same geographical market.**

**Yes/No**

Not at the moment. A committee, however, is investigating whether there should be regulations restricting cross media ownership. The committee will present its report in late 1998.

**14. What kind of methods are adopted by regulatory authorities in order to measure market shares in broadcasting market? If the measure used is "audience rates", please describe the methodology used.**

Description of market share measurement

Market shares are not a parameter in the legal framework; consequently, no authorities measure market shares.

### **Convergence (Questions 15 - 18)**

**15. Under the communication regulation existing in your country how would services provided over the Internet, which some have likened to broadcasting services (e.g. audio and video services transmitted over the Internet) be defined and treated?**

"Real time" (live) broadcasting over the Internet would probably be defined and treated as cable broadcasting. Presenting audio or video files for downloading on a website would, on the other hand, most likely not be considered as "broadcasting" under the Radio and TV Act.

**16. Would a video on demand service be treated differently in terms of regulations, by the transmission methods (for example, PSTN, cable or satellite)?**

Video on demand services are not treated as "broadcasting" in the Radio and TV Act, as the transmission of programme is not intended to be received by the public. The same principle would be applicable to any transmission method.

**17. Under the communication regulation existing in your country how would conditional access services, such as in digital DBS services, be treated?**

The Swedish Radio and TV Act includes regulation on satellite broadcasting. There are no specific regulations for conditional access services.

**18. Please detail plans for digital broadcasting and cable television services.**

	Number of Licences to be granted	Expected Number of New Channel Capacity	Expected Date of Service Commencement
Terrestrial TV service	11 companies were granted licenses in June 1998	8 channels (2 multiplexes)	Late 1998
Terrestrial Radio service	3-4 private stations in each of the 3 major cities. The Public Service Radio (SR) already has licenses for the 3 major cities	Depends on frequency co-ordination with neighbouring countries.	SR started in 1995 (in 3 regions)
Direct Broadcast Satellite service	No license required	No license required	--
Cable Television service	No license required	No license required	--