



**RADIO AND TELEVISION COMMISSION OF
LITHUANIA
2018 ANNUAL REPORT**

25 March 2019 No.
Vilnius

TABLE OF CONTENTS

CHAIRMAN'S MESSAGE	3
MISSION AND OBJECTIVES	5
MEMBERSHIP AND ADMINISTRATION	5
LICENSING OF BROADCASTING ACTIVITIES AND RE-BROADCAST CONTENT AND REGULATION OF UNLICENSED ACTIVITIES	6
Radio	9
Television	14
VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA	20
PARTICIPATION IN THE LEGISLATIVE PROCESS AND ENFORCEMENT	23
ECONOMIC OPERATOR OVERSIGHT AND CONTENT MONITORING	28
RTCL COOPERATION	37
COMPETITION OF THE BEST IN RADIO AND TELEVISION <i>PRAGIEDRULIAI</i>	40
PUBLICITY WORK BY THE RTCL	42
PROFESSIONAL DEVELOPMENT OF THE RTCL STAFF	43
PRIORITIES FOR 2019	44
INDEPENDENT AUDITOR'S REPORT	45

CHAIRMAN'S MESSAGE

It is my pleasure to present the annual report of the Radio and Television Commission of Lithuania (the “RTCL” or the “Commission”) for the year 2018 prepared for the attention of the Lithuanian Seimas (the “Seimas”).

The RTCL was founded in 1996 by virtue of the Law on the Provision of Information to the Public of the Republic of Lithuania (the “LPIP”) simultaneously ensuring that the Commission is an independent body accountable to the Seimas and responsible for the regulation and oversight of providers of audiovisual media services under the jurisdiction of Lithuania. The Commission contributes to the national audiovisual policy making. It acts as an expert advising the Seimas and the Government on matters of radio and television broadcasting and re-broadcasting, dissemination of television programmes and individual programmes via the Internet, and on-demand audiovisual media services.

At the end of 2018, the RTCL was overseeing 108 entities engaged in both licensed and unlicensed activities.

In the reporting period, while implementing its functions the RTCL held 20 meetings, 28 consultation meetings, passed 69 decisions, imposed 34 administrative sanctions, out of which 33 were warnings and 1 fine, handled 200 complaints and inquiries filed by individuals, and sent 735 and received 899 official letters.

In the reporting year, the Commission particularly focused legislative aspects of its activities, and enforcement of laws and regulations.

Against the backdrop of the current geopolitical situation, and having regard to the gaps in the existing regulation that have become apparent through practical application as well as related challenges, the main legislative proposals were focused on the strengthening of the Lithuanian information space and its greater integration with the European Union information space, better oversight of economic operators and oversight regulation, ensuring the functioning of provisions of the LPIP, and improving the organisation of RTCL activities.

In 2018, the Commission paid particular attention to the work of reviewing the Audiovisual Media Services Directive, participating actively in the review work of the European Regulators Group for Audiovisual Media Services (ERGA) which advises the European Commission.

The revised Audiovisual Media Services Directive came into effect on 18 December 2018 and its provisions have to be transposed into national law within 21 months from the date of entry into force of the Directive. Such a short period of time is a true challenge not just for the RTCL but also for other EU Member States.

One of the most important changes to the revised Audiovisual Media Services Directive (the “AVMSD”) is more flexibility for the Member States to respond faster to any dissemination of information inciting to hatred in their information space, and in particular when such incitement threatens national security. In an attempt to ensure effectively, as is the mandate of the Commission, the safety of the Lithuanian information space against the backdrop of the upcoming three national elections, the RTCL immediately after the Directive came into force made legislative proposals to amend the LPIP. The legislative proposals were aimed at a set of new rules providing for urgent and effective solutions to combat information inciting to hatred and its incorporation into national law as soon as possible.

The transposition of provisions of the AVMSD into national law poses other challenges as well, such as the need for new rules to regulate video hosting services (e.g., YouTube, Facebook, etc.) as their regulation remains insufficiently clear. Another challenge is promoting European works and

asking audiovisual media service providers to ensure that at least half of the programmes in their catalogues are European works and others.

In 2018, a great deal of attention was placed on improving the regulatory oversight framework.

To achieve even greater clarity, transparency and effectiveness, the RTCL drafted and approved new compliance questionnaires for routine economic operator inspections, updated the rules of economic operator inspections conducted by the Commission by adding new provisions as to the determination of an economic operator's risk level. These additions were designed to streamline the process of routine inspections. In 2018, the Commission also strengthened its efforts in relation to methodological assistance, consultations and explanatory comments on legislation as the oversight of economic operators conducted by the RTCL should not be limited to sanctions but should also include consultations to economic operators.

In the reporting year, the Commission continued to be actively involved in international efforts as part of ERGA, established as a advisory body to the European Commission to make recommendations on a variety of matters related to the Audiovisual Media Services Directive, and as part of the European Platform of Regulatory Authorities (EPRA) established as a response to the need to strengthen cooperation between European regulators, share information and exchange experiences in the field of audiovisual media regulation. The RTCL continued working on the Baltic States Project and signed two new agreements, one with the Moldovan and the other one with the Ukrainian regulator.

In 2018, in an attempt to promote the development of better quality and more varied national radio and television content, the Commission held the traditional sixteenth competition of the best radio and television programmes *Pragiedruliai*.

In 2018, just like in the previous years, the organisation of RTCL activities was based on the 2018–2020 Strategic Action Plan, and funds were used for the programmes and strategic and priority goals outlined in the plan. In the reporting period, financial activities of the RTCL were conducted responsibly by maintaining a balance between revenue and expenditure.

Mantas Martišius
Chairman

MISSION AND OBJECTIVES

The RTCL's mission is the regulation and effective oversight of both licensed and unlicensed radio and television broadcasting and re-broadcasting activities, provision of on-demand audiovisual media services, and dissemination of television programmes and individual programmes via the Internet; ensuring the diversity of radio and television programmes and compliance of television and radio content with both domestic and EU law; creating conditions conducive to the growth of the sector; participating in the policy making for the audiovisual sector in Lithuania.

The main objective of the Commission in 2018 was to create equal operating conditions for all market players engaged in the distribution of radio and television programmes by audiovisual means, and the protection of the rights and legitimate interests of consumers using these services.

There were other objectives in the reporting that had been no less important, namely, ensuring the regulation in radio and television programmes, catalogues and individual programmes of information not to be published and of public information having a detrimental effect on the physical, mental and moral development of minors; ensuring compliance of radio and television programme structure and content, audiovisual commercial communications and advertising with Lithuanian and EU law; engaging in international cooperation with EU institutions, regulators of both EU Member States and foreign partners (Ukrainian, Moldovan regulators) that wish to learn from extensive RTCL's experience.

It is the Commission's mission to ensure that consumers have access to quality content, i.e. radio and television programmes that comply with statutory requirements, respect the principles of freedom of speech, freedom of religion and freedom of conscience, promote diversity of opinions, development of democracy and citizenship, fostering and protection of national cultural values, and protection of society against third party speech that incites to hatred and war.

MEMBERSHIP AND ADMINISTRATION

In accordance with the LPIP, the Commission consists of 11 members appointed to the office for a term of four years. Membership in the Commission is limited to two consecutive terms in office.

Two members to the Commission are appointed by the President of the Republic of Lithuania (currently, those members are Laurynas Jonavičius and Mantas Martišius nominated for the second term and appointed to the office of Chairman by the Seimas on 9 October 2018); three members are delegated by the Seimas on proposal of the Committee of Culture (one from the opposition parties) (the Seimas delegated Dalia Teišerskytė, Ričardas Slapšys and Edmundas Vaitekūnas who served as Chairman since 2013, resigned from the office in September of 2018 and who subsequently resigned from members of the RTCL at the beginning of January of 2019); three members are delegated by the Lithuanian Association of Artists (members Antanas Jonynas, Dainius Radzevičius and Algis Matulionis), one member represents the Bishops' Conference of the Catholic Church in Lithuania (Vincentas Vobolevičius), one member is delegated by the Lithuanian Union of Journalists (Vidmantas Mačiulis), and one by the Lithuanian Society of Journalists (Liudvika Pociūnienė).

The administration supports the RTCL by managing its finances, facilities and resources, and assists the RTCL with the implementation of the Commission's functions. Until the end of 2018 the administration was run by the head of administration (director). In line with the amendments of the LPIP that came into effect on 14 December 2017 this position (director) was cancelled and as of 1 January 2019 the administration is run by the Chairman of the Commission.

The administration consists of three divisions, i.e. Legal and Regulation Division, Economic Operator Supervision Division which conducts continuous economic operator oversight and radio and television programme monitoring, and Public Information Division. The administration has 21 positions. In the reporting year, the administration employed 20 staff – 13 women and 7 men. The average age of staff was 44, and the majority of them held a university degree.

LICENSING OF BROADCASTING ACTIVITIES AND RE-BROADCAST CONTENT AND REGULATION OF UNLICENSED ACTIVITIES

In 2018, the RTCL performed the activities of radio and television broadcasting licensing and re-broadcast content licensing; organised competitions to award radio and television programme broadcasting and re-broadcasting licences; made changes to licence terms and conditions when requested by broadcasters and re-broadcasters; cancelled licences; registered notifications by economic operators of the start of unlicensed activities, etc.

In 2018, the Commission was overseeing 108 economic operators engaged in both licensed and unlicensed activities.

Between 1 January 2018 and 31 December 2018, the Commission received 20 notifications of the start of one of the following activities: unlicensed radio and television programme broadcasting and re-broadcasting, dissemination of television programmes and/or individual programmes via the Internet, and on-demand audiovisual media services for consumers in Lithuania.

In the reporting period, the RTCL took 69 decisions related to licensing, competition announcements and implementation, and other matters in relation to the activities of economic operators overseen by the Commission (*Table 1*).

Table 1. Decisions by the RTCL related to licensing, competition announcements and implementation, and other matters relating to the regulation of economic operators under the jurisdiction of the RTCL in 2018.

No	Nature of the decision	Number of decisions
1.	Changes to licence terms and conditions	18
2.	Licence cancellations	5
3.	Competition announcements	7
4.	Competition results	12
5.	Changes to permit terms and conditions	3
6.	Consents to share transfers and acquisitions	4
7.	Issuance of licences without competition	1
8.	Temporary suspension of activities	1
9.	Laws and regulations	10
10.	Other	8

Announcement and implementation of competitions to award licences

During the reporting period, the RTCL announced 4 competitions to award radio broadcasting licences, 1 competition to award a television broadcasting licence, and another 2 competitions to award re-broadcast television content licences. The Commission took 12 decisions relating to the results of these competitions (**Table 2**).

Table 2. Competitions announced in 2018 and their results.

No.	Objective	Station location, territory covered by the licence	Radio frequency/TV channel	Applicants
				Winner
1.	Licence for television station broadcasting*	Trakai and Papliauškos Village, Elektrėnai Muni.	Channel 24	UAB Inno LT
				Competition declared invalid since the submission failed to meet the statutory criteria specified.
2.	Licence for radio station broadcasting*	Šiauliai	88.8 MHz	UAB RADIOCENTRAS
				Competition declared invalid since the submission failed to meet the statutory criteria specified.
3.	Licence for re-broadcast television content for one television station	Republic of Lithuania	AB LR TC I SATT**	UAB TARPTAUTINIS BALTIJOS BANGŲ RADIJAS
4.	Licence for radio station broadcasting*	Alytus	88.3 MHz	UAB Interbanga UAB Pūkas UAB Laisvoji banga VŠĮ KVARTOLĖ UAB All Media Radijas
				UAB All Media Radijas
5.	Licence for radio station broadcasting*	Klaipėda	88.2 MHz	MB Finbros UAB RADIOCENTRAS
				MB Finbros
6.	Licence for radio station broadcasting	Šiauliai	88.8 MHz	UAB Info XXL VŠĮ Ištiesk gerumo ranką nuskriaustiesiems UAB Labas, Klaipėda UAB RADIOCENTRAS
				UAB Info XXL
7.	Licence for television station broadcasting	Trakai and Papliauškos Village, Elektrėnai Muni.	Channel 24	UAB Inno LT
8.	Licence for re-broadcast content for 5 television stations	Vilnius ir Šalčininkai	Channel 31	AB Lietuvos radijo ir televizijos centras
		Švenčionys	Channel 33	

No.	Objective	Station location, territory covered by the licence	Radio frequency/TV channel	Applicants
				Winner
9.	Licence for re-broadcast content for 12 television stations	Lietuvos Respublika	VIII SATT***	UAB Bitė Lietuva
10.	Licence for radio station broadcasting	Šiauliai	102.1 MHz	UAB RADIOCENTRAS UAB Labas, Klaipėda VšĮ Ištiesk gerumo ranką nuskriaustiesiems
				Competition declared invalid since the submissions failed to meet the statutory criteria specified.
11.	Licence for radio station broadcasting	Joniškis	93.4 MHz	VšĮ KVARTOLĖ
12.	Licence for radio station broadcasting	Šiauliai	102.1 MHz	UAB RADIOCENTRAS UAB Labas, Klaipėda
				UAB Labas, Klaipėda

* Competition was announced in 2017.

** The first digital terrestrial television network of AB Lietuvos radijo ir televizijos centras.

*** The eighth digital terrestrial television network of UAB Bitė Lietuva.

In total, the Commission received and examined 23 applications in the competitions announced. Having collated all of the results, the Commission announced 9 winners and consequently issued 5 new licences, and supplemented 4 licences issued earlier. 1 licence for television station broadcasting was issued without a competition.

Moreover, the RTCL modified the terms and conditions of 2 permits issued to VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA (*Lithuanian National Radio and Television*) in relation to 2 of its radio stations, namely, LRT KLASIKA and LRT OPUS, by adding new territories covered, and the terms and conditions of 1 permit issued to VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA in relation to a television station by changing the name of the station.

Decisions to amend licence terms and conditions and to cancel licences

In 2018, the RTCL passed 18 decisions to amend licence terms and conditions: 8 decisions were related to changes to the structure and content of a television station, 5 were related to changes to the structure and content of a radio station, 4 decisions were aimed at changing the lists of re-broadcast television stations specified in the re-broadcast licence, and 1 decision was taken to dismiss the application for changes to the structure and content of a television station specified in the television broadcasting licence.

Over the reporting year, the Commission passed 5 decisions to cancel 5 broadcasting and re-broadcast content licences (*Table 3*).

Table 3. Licence cancellations.

No.	Licence holder	Grounds for licence cancellation	Licensed activities
1.	UAB Panevėžio regiono televizija	Licence holder waived the licence	Broadcasting of a television station
2.	UAB Cgates	Licence holder waived the licence	Broadcasting of a television station
3.	AB Telia Lietuva	Licence holder waived the licence	Broadcasting of a television station
4.	Vilniaus Baltupių progimnazija	Licence holder waived the licence	Broadcasting of a radio station*
5.	UAB Sveikatos TV	Licence holder waived the licence	Broadcasting of a television station*

*Licences cancelled from 20 January 2019.

As of 31 December 2018, the Commission had issued 135 broadcasting and re-broadcast content licences for radio and/or television broadcasters and re-broadcasters engaged in licensed activities, and 9 permits to VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA.

Radio

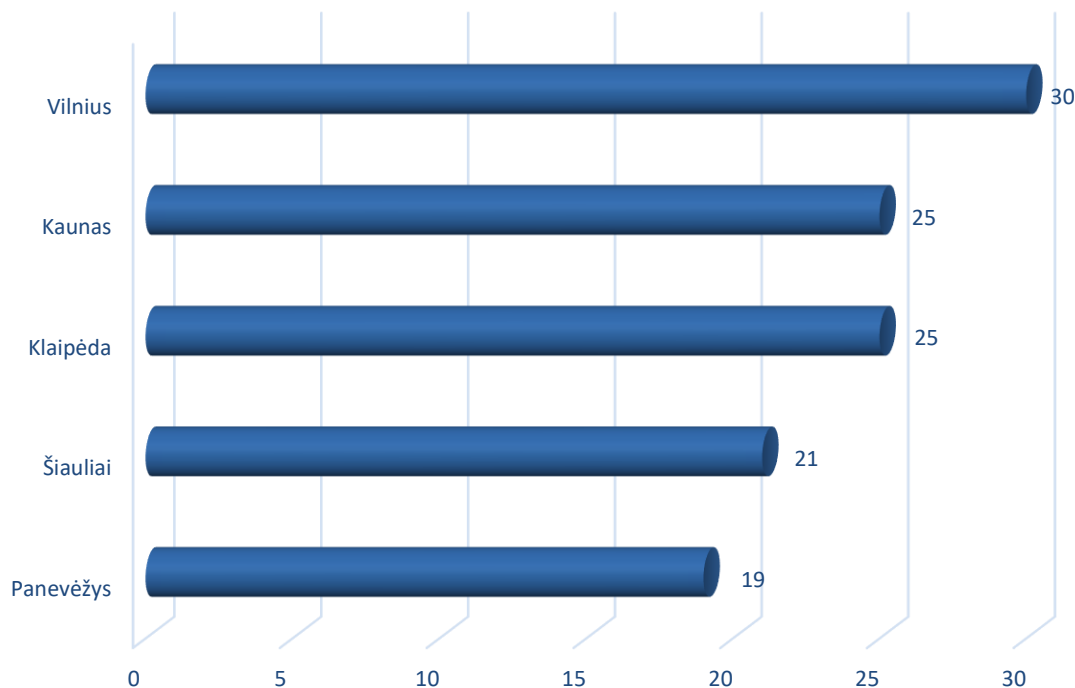
At the end of 2018, there were 42 radio broadcasters in Lithuania broadcasting 52 radio stations. Over the reporting year, the majority of these stations were transmitting a mix of music and information content.

In 2018, the Commission issued 1 radio broadcasting licence for a new radio broadcaster. Four radio broadcasting licence holders who had won competitions announced by the Commission had their licences amended to include a wider territory of licensed activities.

In the reporting year, 1 radio broadcasting licence was cancelled.

The greatest diversity of radio stations in 2018 was observed in major Lithuanian cities: 30 radio stations in Vilnius, 25 in Kaunas, 25 in Klaipėda, 22 in Šiauliai, and 19 radio stations broadcast in Panevėžys (**Figure 1**).

Figure 1. Number of radio stations in major cities in 2018.



Source: RTCL

In 2018, in terms of radio station coverage, there were 13 national radio stations (**Table 4**), 9 regional radio broadcasters (**Table 5**), and 28 broadcasters airing 63 local radio stations (**Table 6**).

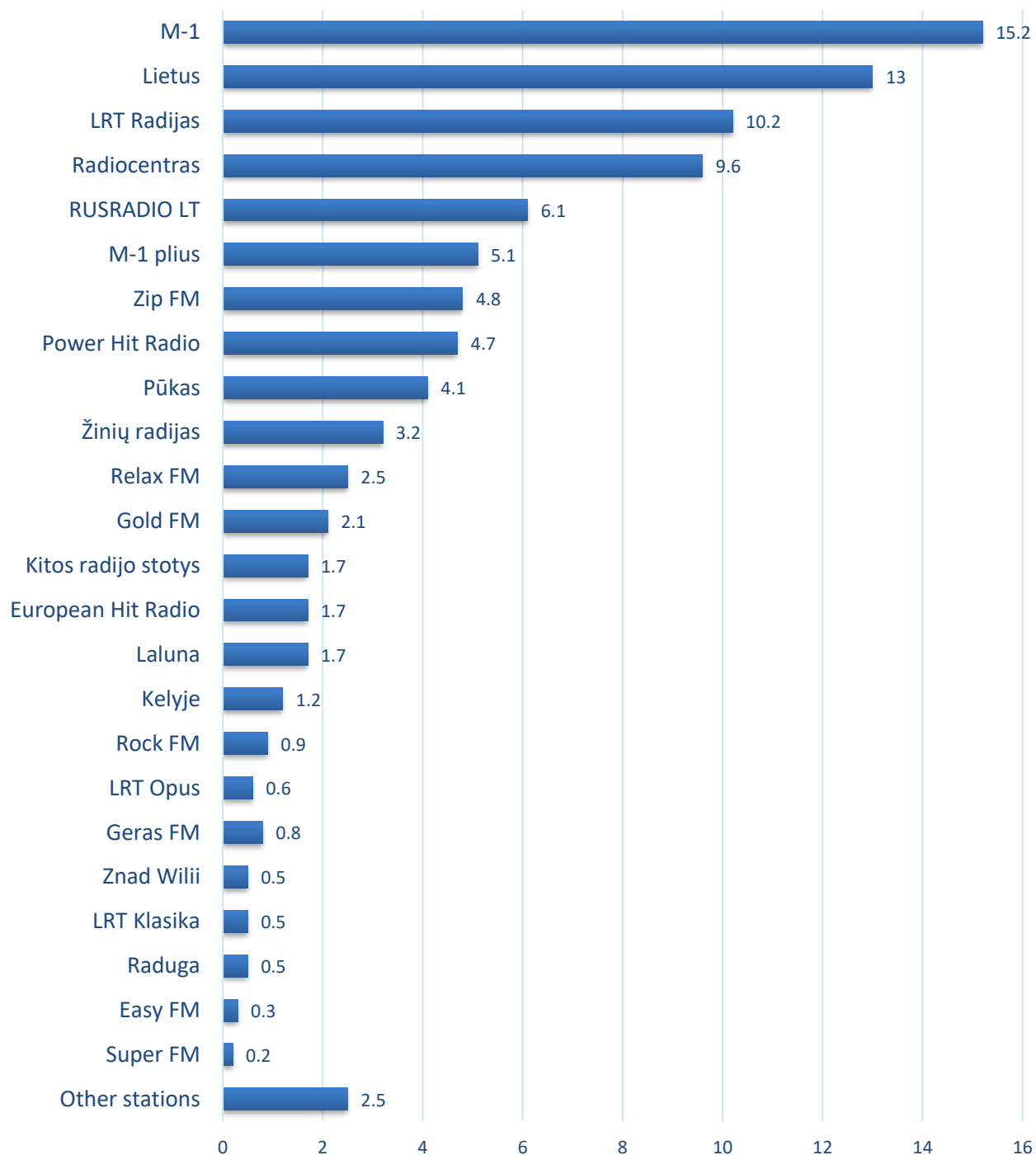
Table 4. National radio stations.

No.	Broadcaster	Station
1.	UAB M-1	M-1
2.	UAB M-1	M-1 plus
3.	UAB Pūkas	Pūkas
4.	UAB RADIOCENTRAS	Radiocentras
5.	UAB RADIOCENTRAS	ZIP FM
6.	UAB RADIOCENTRAS	RUSRADIO LT
7.	UAB radijo stotis ULTRA VIRES	Lietus
8.	VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA	LRT RADIJAS
9.	VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA	LRT KLASIKA
10.	VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA	LRT OPUS
11.	UAB ŽINIŲ RADIJAS	Žinių radijas
12.	UAB LAISVOJI BANGA	Gold FM
13.	UAB All Media Radijas	Power Hit Radio

In 2018, M-1 remained the most popular radio station in terms of daily audience reach, whereas Lietus consolidated its second position. LRT RADIJAS remained in the third spot. Radiocentras,

fourth in the ratings, was catching up to the leaders by audience reach indicators. By share of the time spent listening to radio, these four radio stations accounted for 56.7% of the total time spent listening to radio by the audience surveyed (**Figure 2**).

Figure 2. Audience share of national radio stations by time spent listening to radio, autumn to winter of 2018.*



Source: UAB TNS LT (hereinafter – KANTAR TNS)

*Share of audience by time spent listening to radio means the time intervals per each particular radio station within the total time spent listening to radio.

Table 5. Regional radio broadcasters.

No.	Broadcaster	Radio station	Locations
1.	VšĮ Marijos radijas	Marijos radijas	Druskininkai, Ignalina, Mažeikiai, Nida, Plunksniai, Raseiniai, Skuodas, Visaginas
2.	UAB Alytaus radijas	FM 99	Alytus, Druskininkai
3.	UAB GERUDA	Geras FM	Vilnius, Kaunas
4.	UAB Info XXL	XXL FM	Plungė, Telšiai, Šiauliai
5.	VšĮ KVARTOLĖ	RELAX FM	Vilnius, Šiauliai, Klaipėda, Panevėžys, Kaunas, Utena, Plungė, Biržai, Mažeikiai, Rokiškis, Šilutė, Jurbarkas, Ignalina, Joniškis
6.	UAB Pūkas	Pūkas-2	Vilnius, Klaipėda, Šiauliai, Kaunas, Panevėžys, Telšiai, Tauragė, Rokiškis, Raseiniai
7.	UAB RADIOCENTRAS	ROCK FM	Vilnius, Kaunas, Panevėžys
8.	UAB ŽINIŲ RADIJAS	EASY FM	Vilnius, Klaipėda, Kaunas
9.	MB Finbros	M FM	Nida, Klaipėda

Table 6. Local radio stations.

No.	Broadcaster	Radio station	Location
1.	UAB Antroji reklamos ateljė	RS 2	Šiauliai
2.	UAB Artvydas	TAU	Kaunas
3.	UAB ATVIRAI	Radijo stotis Nykščiai	Anykščiai
4.	UAB AUKŠTAITIJOS RADIJAS	XFM	Panevėžys
5.	UAB Centro medija	XFM	Kėdainiai
6.	UAB Garso klipai	Mano FM	Kaunas
7.	UAB Interbanga	EXTRA FM	Kaunas
8.	UAB Interbanga	EXTRA FM	Klaipėda
9.	UAB Interbanga	EXTRA FM	Šiauliai
10.	UAB Interbanga	EXTRA FM	Vilnius
11.	UAB Interbanga	EXTRA FM	Marijampolė
12.	UAB Interbanga	EXTRA FM	Panevėžys
13.	UAB Interbanga	EXTRA FM	Raseiniai
14.	UAB Interbanga	EXTRA FM	Ukmergė
15.	UAB Interbanga	EXTRA FM	Utena
16.	UAB VYDAS	A2	Vilnius
17.	UAB Labas, Klaipėda	XFM	Klaipėda
18.	UAB Labas, Klaipėda	XFM	Kaunas
19.	UAB Labas, Klaipėda	XFM	Vilnius
20.	UAB Labas, Klaipėda	XFM	Biržai
21.	UAB Lamantas	Mažeikiai.FM	Mažeikiai
22.	UAB Lamantas	Kapsai	Marijampolė
23.	VšĮ Marijos radijas	Marijos radijas	Šiauliai

24.	VšĮ Marijos radijas	Marijos radijas	Klaipėda
25.	VšĮ Marijos radijas	Marijos radijas	Kaunas
26.	VšĮ Marijos radijas	Marijos radijas	Vilnius
27.	VšĮ Marijos radijas	Marijos radijas	Viešintos
28.	VšĮ Marijos radijas	Marijos radijas	Alytus
29.	VšĮ Marijos radijas	Marijos radijas	Telšiai
30.	VšĮ Marijos radijas	Marijos radijas	Marijampolė
31.	VšĮ Marijos radijas	Marijos radijas	Biržai
32.	VšĮ Marijos radijas	Marijos radijas	Utena
33.	VšĮ Marijos radijas	Marijos radijas	Varėna
34.	VšĮ Marijos radijas	Marijos radijas	Jurbarkas
35.	VšĮ Marijos radijas	Marijos radijas	Rokiškis
36.	VšĮ Marijos radijas	Marijos radijas	Joniškis
37.	VšĮ Marijos radijas	Marijos radijas	Šilutė
38.	VšĮ Marijos radijas	Marijos radijas	Plungė
39.	VšĮ Marijos radijas	Marijos radijas	Tauragė
40.	UAB Mažeikių aidas	Mažeikių aidas	Mažeikiai
41.	UAB PLUNSTA	Spindulys	Plungė
42.	UAB PROARSA	JAZZ FM	Vilnius
43.	UAB PROARSA	Vaikų radijas	Vilnius
44.	UAB Radijas kelyje	Kelyje	Kaunas
45.	UAB Radijas kelyje	Kelyje	Klaipėda
46.	UAB Radijas kelyje	Kelyje	Vilnius
47.	UAB RADIOLA	Europos Hitų Radijas (<i>European Hit Radio</i>)	Vilnius
48.	UAB RADIOLA	Europos Hitų Radijas	Klaipėda
49.	UAB RADIOLA	Europos Hitų Radijas	Kaunas
50.	UAB RADIOLA	SUPER FM	Vilnius
51.	UAB RADIJO PULSAS	Pulsas	Biržai
52.	UAB RADIJO PULSAS	Pulsas	Panevėžys
53.	UAB RADIJO STOTIS LALUNA	Laluna	Klaipėda
54.	UAB RADIJO STOTIS LALUNA	Raduga	Klaipėda
55.	UAB REKLAMOS GAMA	Radijogama	Klaipėda
56.	UAB SAULĖS RADIJAS	Saulės radijas	Šiauliai
57.	Šiaulių Didždvario gimnazija	Radio klubas	Šiauliai
58.	VšĮ Šou imperija	Tauragės radijas	Tauragė
59.	UAB TARPTAUTINIS BALTIJOS BANGŲ RADIJAS	TARPTAUTINIS BALTIJOS BANGŲ RADIJAS	Anykščiai (Viešintos)
60.	VšĮ Utenos radijas	Utenos radijas	Utena
61.	Vilniaus Baltupių progimnazija	Baltupių radijas	Vilnius
62.	Vilniaus universitetas (<i>University of Vilnius</i>)	Start FM	Vilnius
63.	UAB ZNAD WILII RADIJO STOTIS	Znad Wilii	Vilnius

VšĮ Zorza transmits its radio station RADIOWILNO exclusively via the Internet, so does VšĮ Ištiesk gerumo ranką nuskriaustiesiems which broadcasts radio station FIX FM.

Television

Digital Terrestrial Television

Television **broadcasting** over digital terrestrial TV stations (networks)

In 2018, Lithuanian audiences were able to receive 11 free-to-air (not encrypted) national television channels over the available digital terrestrial stations (networks) (*Table 7*).

Table 7. Free-to-air national DVB-T stations.

No.	Broadcaster	Television station	Electronic communications network
1.	VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA	LRT TELEVIZIJA	DVB-T network of LRT
2.	VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA	LRT PLUS*	
3.	UAB All Media Lithuania	TV3	First DVB-T network of LRTC (Lithuanian Radio and Television Centre)
4.	UAB All Media Lithuania	TV6	
5.	UAB All Media Lithuania	TV8	
6.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	BTV	
7.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	LNK	
8.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	Info TV	
9.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	LIUKS!	
10.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	TV1	
11.	UAB Lietuvos ryto televizija	Lietuvos rytas.tv	

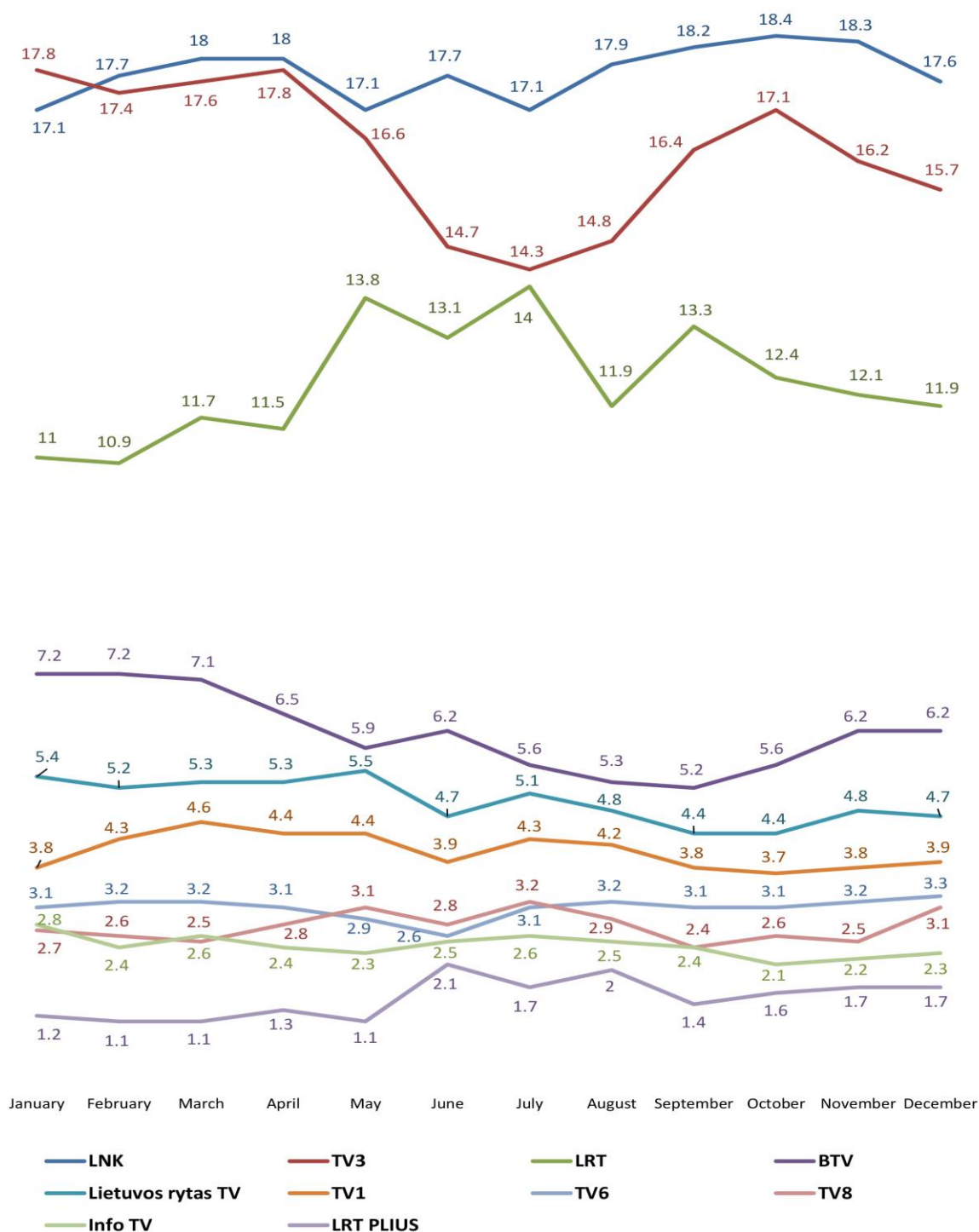
*LRT KULTŪRA prior to 1 October 2018.

In 2018, there were no significant changes to the leaders of the television content market compared to the previous year. TV3 and LNK remain television content market leaders. Last year, the audience share watching UAB All Media Lithuania (TV stations TV3, TV6 and TV8) was almost 24%, and the audience share of UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS (TV stations LNK, BTV, TV1 and Info TV) was 28.1%. Compared to the previous year, LRT TELEVIZIJA increased its audience share (11% in 2017 and 8.2% in 2016) (*Figure 3*).

According to a survey done by KANTAR TNS, the same stations were leaders by **daily viewership rates**: based on the consolidated data from December of 2018, the share of viewers who turned in to watch TV3 was 42.7%, for LNK the number was 40.8% and 34.3% for LRT

TELEVIZIJA (see <http://www.tns.lt/lt/news/tv-auditorijos-tyrimo-rezultatai-2018-m-gruodis/>). TV station LIUKS! was not included in the survey of viewership rates.

Figure 3. Audience structure by time watched* per national television station, consolidated viewing data for 2018 (including 7-day time-shifted viewing).



Source: KANTAR TNS

*Audience structure by time watched means the share of the total time watched per each particular television station.

**Was not included in the survey.

At the end of 2018, there were 8 local television stations aired over the digital terrestrial TV stations (**Table 8**).

Table 8. Local television stations aired over the digital terrestrial TV stations.

No.	Broadcaster	Television station	Location
1.	UAB Pūkas	Pūkas-TV	Kaunas
2.	UAB Šiaulių apskrities televizija	Šiaulių televizija	Šiauliai
3.	UAB Roventa	Roventos TV	Mažeikiai
4.	VšĮ Marijampolės televizija	Marijampolės televizija	Marijampolė
5.	VšĮ LN televizija	Žemaitijos televizija	Plungė
6.	UAB Ilora	Ventos regioninė televizija	Venta
7.	UAB TV7	TV7	Jonava
8.	VšĮ Alytaus regioninė televizija	Dzūkijos televizija	Alytus

Two regional television broadcasters use the network of digital terrestrial TV stations to transmit their programmes, i.e. on channel 24 in Trakai and channel 24 in Papliauškos Village, Elektrėnai Muni.: broadcaster VšĮ Regioninė televizija Aidas transmits its television station *Regioninė televizija Aidas*, and broadcaster UAB Inno LT – television station *FMT TV*.

Television re-broadcasting over digital terrestrial TV stations

In 2018, 5 re-broadcasters were broadcasting or re-broadcasting television stations over the digital terrestrial TV stations in Lithuania, namely, VšĮ Alytaus regioninė televizija, UAB BALTICUM TV, UAB TARPTAUTINIS BALTIJOS BANGŲ RADIJAS, AB Lietuvos radijo ir televizijos centras, and UAB Bitė Lietuva.

VšĮ Alytaus regioninė televizija was broadcasting television station Pūkas-TV over channel 55 of the digital terrestrial television station in Alytus.

UAB BALTICUM TV was re-broadcasting:

- a package of 10 television stations over channel 45 of the digital terrestrial TV station in Klaipėda;
- a package of 9 television stations over channel 40 of the digital terrestrial TV station in Plungė.

On 1 September 2018, UAB TARPTAUTINIS BALTIJOS BANGŲ RADIJAS started re-broadcasting television station *Nastojasčasje vremena* over the first digital terrestrial television network operated by AB Lietuvos radijo ir televizijos centras.

AB Lietuvos radijo ir televizijos centras was re-broadcasting 5 Polish television stations over channel 31 in Vilnius, channel 31 in Šalčininkai and channel 33 in Švenčionys.

UAB Bitė Lietuva was issued a re-broadcast content licence under which the company agreed to start the re-broadcasting of 12 television stations over the 8th digital terrestrial television network by 20 September 2019.

As of 1 October 2018, AB Telia Lietuva has been broadcasting 24 television stations over the first and second digital terrestrial television networks operated by it.

Television station broadcasting

In Lithuania, television stations may be broadcast using these networks of electronic communications:

- Digital terrestrial television stations (networks)
- Cable television networks
- Wired broadband communication networks (IPTV)
- Internet
- Man-made Earth satellite

At the end of 2018, there were 32 television broadcasters issued television broadcasting licences – they were broadcasting 41 television stations:

- 21 television stations over the digital terrestrial television networks or stations
- 20 television stations over the cable television and IPTV networks
- 14 television stations on the Internet
- 3 television stations over a man-made Earth satellite

Television station re-broadcasting

In Lithuania, radio and television stations may be re-broadcast over these networks of electronic communications:

- Cable television networks
- Multichannel Multipoint Distribution Service (MMDS)
- Digital terrestrial television stations (networks)
- IPTV networks
- Internet
- Man-made Earth satellite

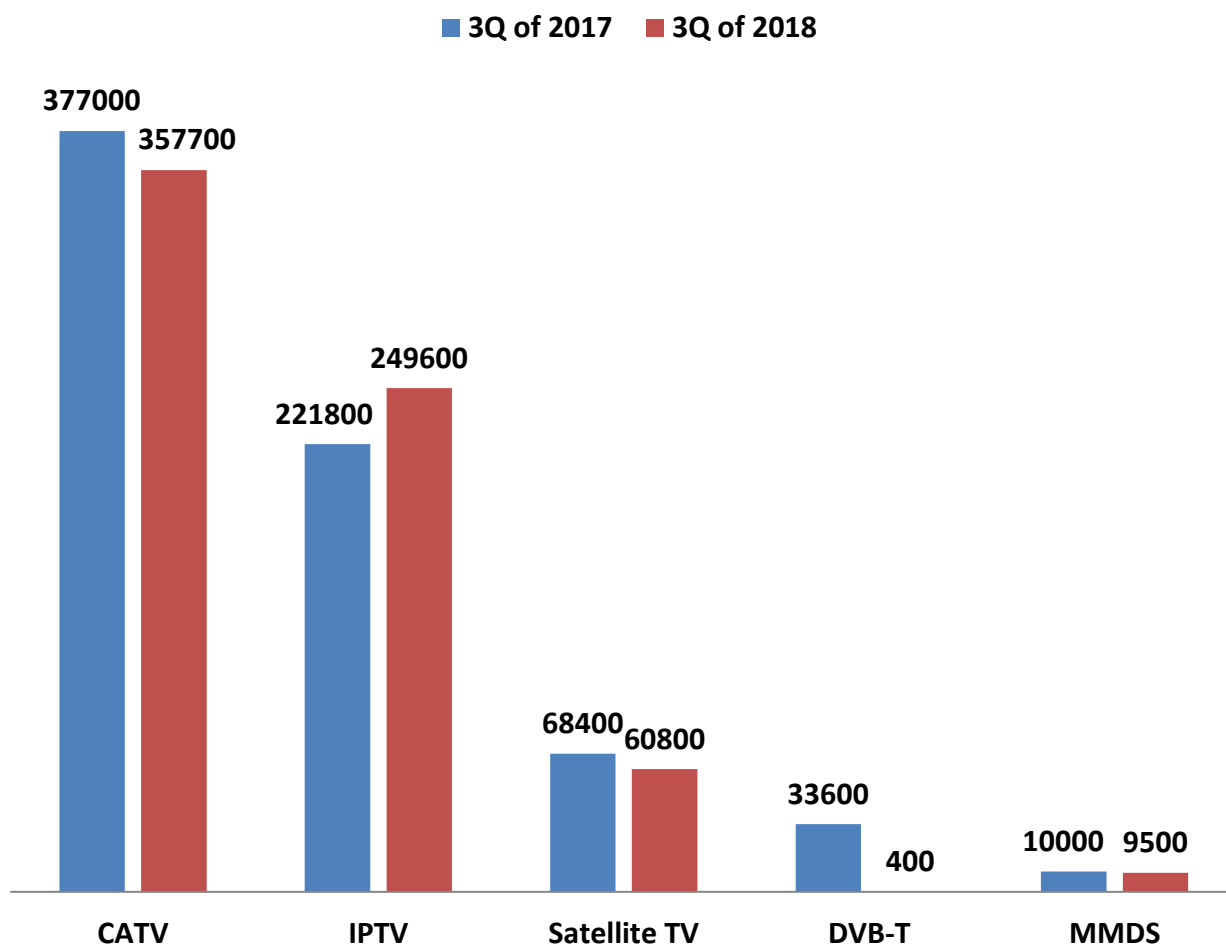
At the end of 2018, there were 48 economic operators re-broadcasting television stations:

- 5 economic operators held 6 licences to re-broadcast television stations over the digital terrestrial television stations or a network of stations;
- 2 economic operators held 2 licences to re-broadcast television stations over the MMDS networks;
- 17 economic operators were re-broadcasting television stations over the cable television networks;
- 9 economic operators were re-broadcasting television stations over the cable television and IPTV networks;
- 16 economic operators were re-broadcasting television stations over the IPTV networks;
- 1 economic operator was re-broadcasting television stations over a man-made Earth satellite.

Analysis of the services provided by television re-broadcasters reveals that the numbers of cable television, MDTV and paid digital terrestrial television subscribers have been continuously shrinking. In autumn of 2018, following AB Telia Lietuva's decision to terminate the paid digital terrestrial

television re-broadcasting service, the number of users of this service has declined to a minimum (*Figure 4*).

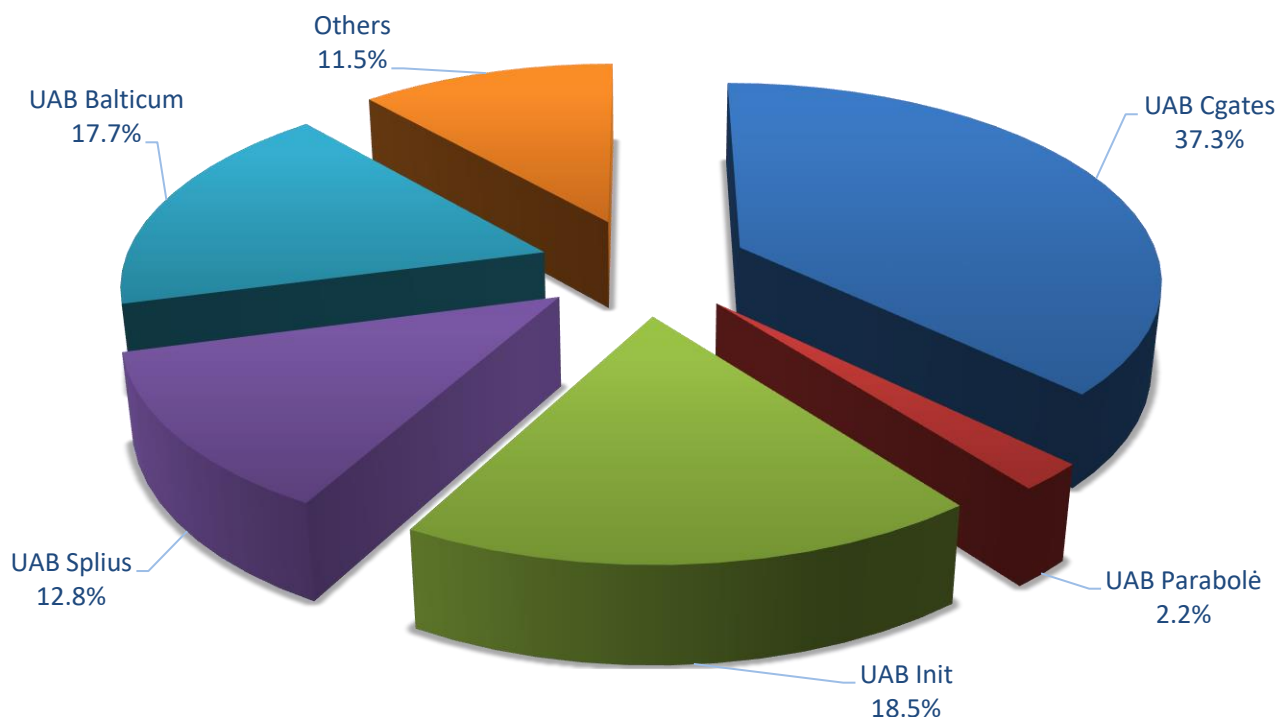
Figure 4. Paid TV subscribers by method of service delivery



Source: RTCL

In the last several years, the cable television market has been characterised by concentration of large established market players with major operators acquiring interests in smaller service providers. In 2018, five cable television providers, namely, UAB Cgates, UAB Init, UAB BALTICUM TV, SPLIUS and UAB Parabolė, served 85.5% of all cable TV subscribers in the country (*Figure 5*).

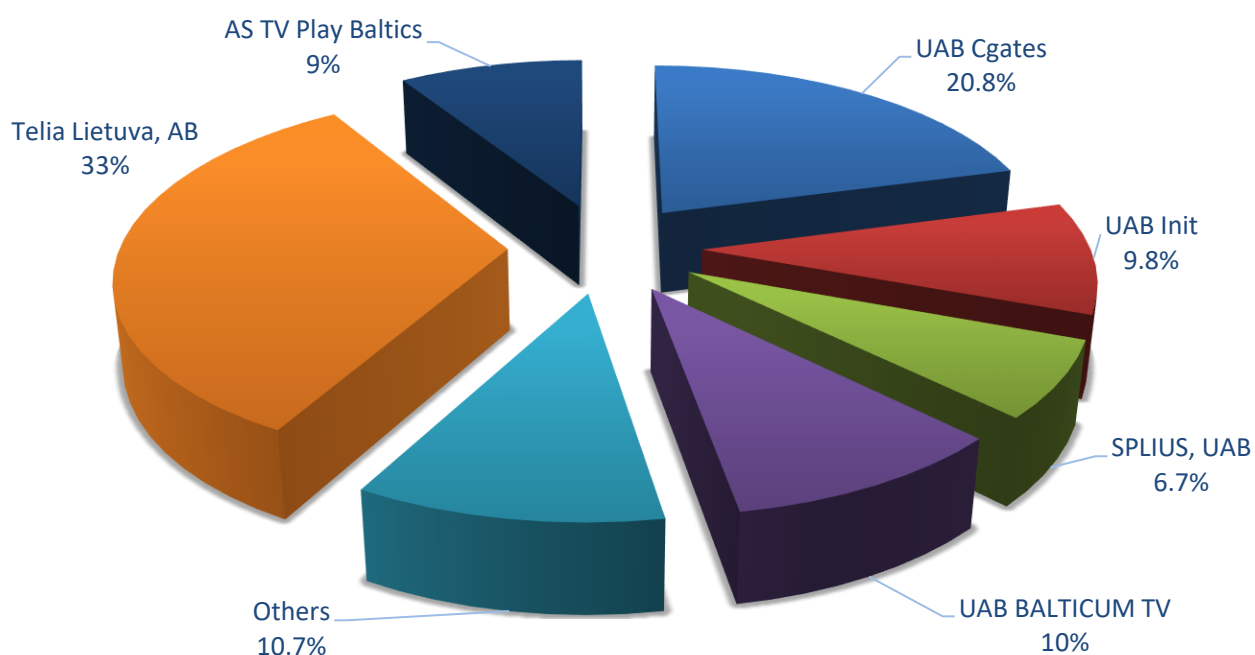
Figure 5. Cable TV subscribers (a total of 375,700) by service provider, Q3 of 2018.



Source: RTCL

In recent years there has been a marked growth of paid TV subscribers using the IPTV technology (in 2018, the number of subscribers grew by 12.4%), and AB Telia Lietuva remains the undisputed market leader providing paid TV service to 33% of all subscribers in the country (**Figure 6**).

Figure 6. Paid TV subscribers (a total of 678,000) by service provider, Q3 of 2018.



Source: RTCL

VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA

In 2018, VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA (*Lithuanian National Radio and Television* or “LRT”) had 9 valid permits: 5 permits to broadcast radio stations, 1 permit to re-broadcast a radio station, and 3 permits to broadcast television stations (*Table 9*).

Table 9. Radio and television stations broadcast by VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA.

No.	Name	Type of electronic communications network
1.	Radio station LRT RADIJAS	Analogue terrestrial radio stations, man-made Earth satellite, Internet
2.	Radio station LRT KLASIKA	Analogue terrestrial radio stations, man-made Earth satellite, Internet
3.	Radio station LRT OPUS	Analogue terrestrial radio stations, Internet
4.	Television station LRT TELEVIZIJA	Digital terrestrial television network (in standard definition (SD) and high definition (HD) formats), Internet
5.	Television station LRT PLIUS*	Digital terrestrial television network (in standard definition (SD) and high definition (HD) formats), Internet
6.	Television station LRT LITUANICA	Man-made Earth satellite, Internet

**LRT KULTŪRA prior to 1 October 2018.*

VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA re-broadcasts BBC WORLD SERVICE over a terrestrial analogue radio station in Vilnius.

VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA also provides on-demand audiovisual media services on the Internet.

Unlicensed activities

As of the end of 2018, the Commission had received 105 notifications of the operations of radio and television broadcasting and re-broadcasting, dissemination of television programmes and/or individual programmes via the Internet to Lithuanian audiences, and provision of on-demand audiovisual media services that do not require a licence (unlicensed activities).

At the end of 2018, there were 21 economic operators engaged in the provision of on-demand audiovisual media services, 6 economic operators disseminating television programmes and/or individual programmes via the Internet.

During the reporting year, 20 economic operators notified of the start of unlicensed activities, out of them:

- 1 notified of the start of on-demand audiovisual media services and dissemination of television programmes via the Internet;
- 1 notified of the start of dissemination of television programmes via the Internet;
- 1 notified of the start of on-demand audiovisual media services and dissemination of television programmes via the Internet;
- 1 notified of the start of non-demand audiovisual media services;
- 1 notified of the start of dissemination of television programmes via the Internet;

- 11 notified of the start of radio station broadcasting via the Internet;
- 4 notified of the start of re-broadcasting of television stations over the wired broadband communications networks.

In 2018, 3 economic operators terminated their unlicensed radio and television broadcasting and re-broadcasting activities.

Annual fees set by the Minister of Culture on proposal by the RTCL

Last year, in accordance with the Descriptor of the procedure for setting the annual fee for radio and/or television broadcasting, re-broadcasting, dissemination via the Internet and on-demand audiovisual media services approved by Order No IV-318 of 21 April 2011 of the Minister of Culture, the Commission submitted 16 official letters to the Ministry of Culture regarding the annual fee for radio and/or television broadcasting, re-broadcasting, dissemination via the Internet and on-demand audiovisual media services. These letters served as a basis for setting or revising annual fees for 24 economic operators (**Table 10**).

Table 10. Annual fees.

No.	Economic operator	Annual fee (BSB*)
1.	SIA CDN Baltic	110
2.	UAB Cgates	2
3.	UAB Cgates	1.1
4.	UAB Cgates	2
5.	UAB Parabolė	9.3
6.	VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA	7.75
7.	UAB TARPTAUTINIS BALTIJOS BANGŲ RADIJAS	13.8
8.	UAB All Media Radijas	2.8
9.	MB Finbros	5.5
10.	UAB Magnetukas	29.3
11.	VšĮ Vilniaus universitetas	0.3
12.	UAB Info XXL	3.7
13.	AB Lietuvos radijo ir televizijos centras	83.5
14.	VšĮ Ištiesk gerumo ranką nuskriaustiesiems	2.75
15.	UAB Krėna	2.6
16.	UAB Kvartalo tinklas	4
17.	VASKIANI VENTURES LIMITED	140
18.	AB Lietuvos radijo ir televizijos centras	20.8 (<i>revised</i>)
19.	VšĮ KVARTOLĖ	1.4
20.	UAB Internetas Vilniuje	47.9
21.	UAB Bitė Lietuva	20.1
22.	UAB Reporteriai LT	37.5
23.	VšĮ LN televizija	38.5
24.	VšĮ KINO PASAKA	15

*BSB – basic social benefit determined by the Lithuanian Government; €38 in 2018.

State fees paid by holders of broadcasting and/or re-broadcast content licences

In the reporting year, the Commission took 18 decisions to amend terms and conditions of the existing broadcasting and re-broadcast content licences. For amendments and revisions to the terms and conditions of the existing broadcasting and/or re-broadcast licences, licence holders paid €504 to the national budget (the fee for amending or revising terms and conditions of a broadcasting or re-broadcast content licence was €28). Throughout 2018, the RTCL issued 9 radio and television broadcasting and re-broadcasting licences for competition winners, and 1 television broadcasting licence without a competition. In exchange for the issuance of these licences, their holders paid €4,806 in state fees to the national budget (€510 for the issuance of a broadcasting or re-broadcast content licence and €114 for the issuance of a licence without a competition).

Sale or other transfer of shares (stakes, interests) in broadcasting and/or re-broadcast content licence holders

Last year, in compliance with the requirements of Article 22 of the LPIP, the Commission examined requests by broadcasting and/or re-broadcast content licence holders to approve transfers of shares (stakes, interests) and/or control (management) in those licence holders. The Commission approved the requests passing 4 decisions to that effect (*Table 11*).

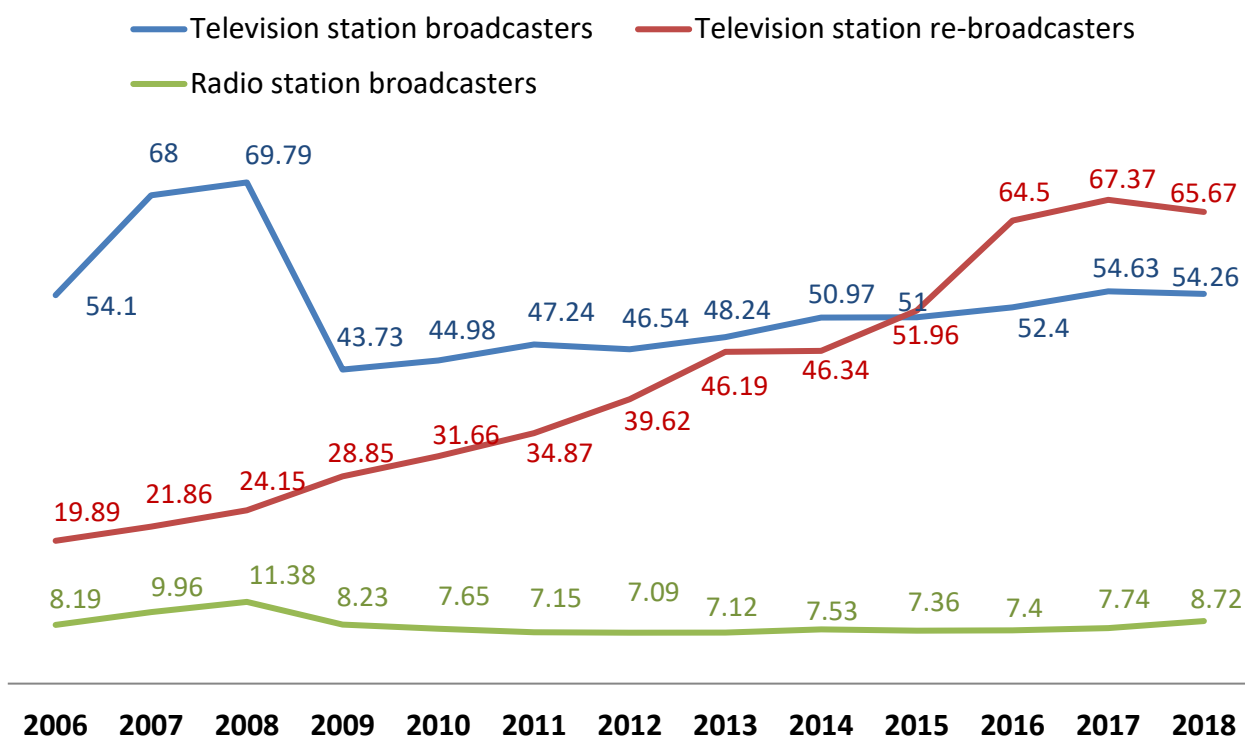
Table 11. Sale or other transfer of shares (stakes, interests)

No.	Name of the entity whose shares are being transferred	Entity/person transferring the shares	Entity/person acquiring the shares
1.	UAB Lamantas	Rūta Švirinaite	Džiugas Grigaliūnas – 50.03% interest
2.	UAB All Media Radijas	UAB Bitė Lietuva	UAB All Media Lithuania – 100% interest
3.	UAB Lamantas	Džiugas Grigaliūnas	Robertas Jokubauskas – 100% interest
4.	UAB TV7	Loreta Macionienė	UAB Technikos pasaulis – 100% interest

Revenues of television broadcasters and re-broadcasters and radio broadcasters

Each year, the Commission uses notifications provided by the economic operators under the Commission's jurisdiction to calculate revenues generated from the audiovisual media services the operators provide (*Figure 7*).

Figure 7. Revenues of television broadcasters and re-broadcasters and radio broadcasters, million euros.



Source: RTCL

PARTICIPATION IN THE LEGISLATIVE PROCESS AND ENFORCEMENT

During the reporting year and in light of changes to the national regulatory framework, the Commission particularly focused on the enforcement of the LPIP and other regulations as well as ensuring the effective functioning of statutory provisions.

On 1 January 2018, a new version of the Descriptor of the procedure for implementing the requirements for audiovisual commercial communications and advertising transmission, provision of audiovisual media services, sponsorship of radio programmes and individual programmes in radio and/or television stations¹ came into effect **setting out additional requirements for the transmission of television advertising, sponsorship messages, presentation of sponsors and product placement, and removing the provisions that were no longer relevant** in light of changes to the regulatory framework, case law and judgements by the Court of Justice of the European Union.

¹ Decision No KS-82 of 20 September 2017 of the RTCL *On the approval of the Descriptor of the procedure for implementing the requirements for commercial audiovisual communications and advertising transmission, provision of audiovisual media services, sponsorship of radio programmes and individual programmes in radio and/or television stations.*

In 2018, having regard to amendments to Article 24 of the LPIP² and amendments to the Rules for the licensing of broadcasting activities and re-broadcast content,³ and in an attempt to harmonize statutory provisions related to the requirements for data which needs to be supplied to the RTCL, **the Commission updated certain provisions of the Descriptor of the procedure for information provision on radio and television broadcasters and re-broadcasters, providers of on-demand audiovisual media services and of television programmes and/or individual programmes via the Internet.**⁴

In an attempt to incorporate into the existing regulatory framework the most recent requirements aimed at ensuring national security,⁵ certain provisions of the LPIP⁶ relating to transfers of shares (stakes, interests) in broadcasting and/or re-broadcast content licence holders have been updated. In light of these developments, the Commission updated accordingly the provisions of the Descriptor of the procedure for transfers of shares (stakes, interests) in broadcasting and re-broadcast content licence holders⁷ implementing the relevant provisions of the LPIP. The said updates relate to the notification to the RTCL about the transfer of shares (stakes, interests) in a broadcasting and/or re-broadcast content licence holder, and terms and conditions under which a Commission's consent to such transfer of shares (stakes, interests) and/or control (management) in a broadcasting and/or re-broadcast content licence holder may be issued.

Having regard to amendments to the provisions of the LPIP related to the requirements for television station packages,⁸ the Commission **has harmonised the terms used in the Rules for television station packages with those used in the LPIP, and has specified the requirements in the said Rules for the principal television station package.**⁹

In 2018, having ascertained two violations of the Audiovisual Media Services Directive (Directive 2010/13/EU of the European Parliament and of the Council of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services) (codified version) (OJ 2010 L 263, p. 15) and of Article 6 and paragraph 1(3) of Article 19 of the LPIP in the content of *RTR Planeta* channel within a period of 12 months, the Commission **took the decision¹⁰ to temporarily suspend the free reception of RTR Planeta in Lithuania for a period of 12 months.**

² Law No XIII-983 amending Articles 17, 19, 22, 24, 49, 50 and 52 of the Law on Provision of Information to the Public No I-1418.

³ Order No IV-414 of 9 May 2018 of the Minister of Culture of the Republic of Lithuania amending Order No IV-281 of 1 April 2011 of the Minister of Culture of the Republic of Lithuania *On the approval of the Rules for the licensing of broadcasting activities and re-broadcast content.*

⁴ Decision No KS-30 of 23 May 2018 of the RTCL amending Decision KS-167 of 9 September 2015 of the Radio and Television Commission of Lithuania *On the approval of the Descriptor of the procedure for information provision on radio and television broadcasters and re-broadcasters, providers of on-demand audiovisual media services and of television programmes and/or individual programmes via the Internet.*

⁵ Law No XIII-992 amending Law No IX-1132 On enterprises and facilities of strategic importance to national security and other enterprises of importance to ensuring national security.

⁶ Law No XIII-1015 amending Articles 22, 31 and 33 of the Law on Provision of Information to the Public No I-1418.

⁷ Decision No KS-45 of 29 August 2018 of the RTCL amending Decision KS-172 of 23 September 2015 *On the approval of the Descriptor of the procedure for transfers of shares (stakes, interests) in broadcasting and re-broadcast content licence holders.*

⁸ Law No XIII-396 amending Articles 2 and 34 of the Law on Provision of Information to the Public No I-1418; Law No XIII-1355 amending Article 34 of the Law on Provision of Information to the Public No I-1418.

⁹ Decision No KS-54 of 19 September 2018 of the RTCL amending Decision No KS-171 of 23 September 2015 *On the approval of the Rules for television station packages.*

¹⁰ Decision No KS-16 of 14 February 2014 of the RTCL *On temporary suspension of the free reception of RTR Planeta channel.*

Last year, the Commission also **made use of the authority granted to it by virtue of paragraph 6 of Article 33 of the LPIP to exempt from the obligation to re-broadcast and/or disseminate via the Internet uncoded national television programmes of the Lithuanian National Radio and Television (the “LRT”)** where such decision by the Commission does not limit the possibilities of the consumer to view these programmes through the use of technical means available to them. The RTCL did exempt¹¹ re-broadcasters transmitting television stations over the digital terrestrial television stations and/or networks from the obligation to broadcast two uncoded national television stations of the LRT – LRT TELEVIZIJA and LRT KULTŪRA (LRT PLIUS as of 1 October 2018), and operators disseminating television programmes and/or individual programmes via the Internet **from the obligation to disseminate the said uncoded national television programmes of the LRT via the Internet** in cases when service users have the possibility to install on their devices a browser or a special app *LRT Player* enabling the viewing of the LRT programmes broadcast on the Internet.

Last year, the Commission also paid particular attention to improving the oversight process of economic operators.

To add more clarity, transparency and efficiency to the process, and having regard to changes to the regulatory framework and the need to clarify the routine inspection compliance questionnaires approved in 2017¹² and aimed at economic operators engaged in the broadcasting and re-broadcasting of radio and television stations and dissemination of television programmes and/or individual programmes via the Internet and provision of on-demand audiovisual media services to Lithuanian audiences as such need became apparent through the practical application of the questionnaires (hereinafter – control questionnaires), the **Commission drafted and approved new control questionnaires.**¹³

In 2018, the RTCL approved the List of legislation governing the activities of the RTCL in the field of economic operator oversight and consolidating the requirements by area of oversight performed by the RTCL.

Last year, in an attempt to achieve more transparent and improved regulation of economic operator oversight, the Commission **updated**¹⁴ **the Rules for operational inspections of economic operators overseen by the RTCL.** The Commission updated these Rules with new provisions dealing with the determination of economic operator risk level, suspension of routine economic operator inspections, terms and conditions of termination of both routine and special inspections, defined the rights and obligations of a RTCL’s employee conducting the inspection of an economic operator as well as those of the economic operator being inspected, provided a clear and objective definition of the rules for checking compliance with the terms and conditions of a broadcasting licence or permit (the Commission defined the categories of programmes and set out that any inspection of licensed activities of economic operators is to be conducted against these categories), regulated inspections of unlicensed activities and of potentially illegal activities, clarified the procedure for

¹¹ Decision No KS-53 of 19 September 2018 of the RTCL *On the exemption from obligation to re-broadcast and/or disseminate on the Internet uncoded national television programmes of the LRT.*

¹² Decision No KS-78 of 6 September 2017 of the RTCL *On the approval of control questionnaires in relation to routine inspections of economic operators.*

¹³ Decision No KS-37 of 20 June 2018 of the RTCL *On the approval of control questionnaires in relation to routine inspections of economic operators.*

¹⁴ Decision No KS-60 of 17 October 2018 of the RTCL amending Decision No KS-32 of 10 February 2016 of the RTCL *On the approval of the Rules for economic operator inspections conducted by the Radio and Television Commission of Lithuania.*

recording findings of such inspections, and other matters. The updates, however, are only applicable to inspections of economic operators launched after 1 January 2019.

To address a practical issue when a licence holder asks, during a routine or special inspection, to amend certain terms and conditions of its licence dealing with the structure and content of a radio or television station as a way to avoid possible sanctions, the Commission included an **additional provision**¹⁵ in the Descriptor of the procedure for amending terms and conditions of broadcasting and re-broadcast content licences that **no amendments to broadcasting licence terms and conditions relating to changes in the structure and content of a radio or television programme are possible at the time of a routine or special inspection of an economic operator conducted by the RTCL**. Furthermore, having regard to the fact that applications by re-broadcast content licence holders to amend terms and conditions of broadcasting or re-broadcast content licences do not always in practice meet the requirements set out in the Descriptor, the Commission provided a procedure in the Descriptor for rectifying irregularities in the applications to amend licence terms and conditions.

Also, in an attempt to distinguish clearly the two functions delegated to the RTCL by virtue of the LPIP, i.e. economic operator inspections and monitoring of radio and/or television stations and/or individual programmes, the Commission **prepared and approved the Descriptor of the procedure for radio and/or television station and individual programme monitoring**¹⁶ to govern the implementation of the function of monitoring radio and/or television stations and individual programmes set out in paragraph 1(7) of Article 48 of the LPIP, i.e. the Descriptor defines the terms and conditions of a radio and/or television station and individual programme monitoring exercise and the monitoring process itself as well as how findings of such radio and/or television station and individual programme monitoring are to be recorded and published.

Over the reporting year, having evaluated changes to the LPIP passed in 2017¹⁷ and relating to the RTCL, its functions and the organisation of the RTCL's activities, the Commission initiated amendments to the Commission's Regulations approved by Resolution No XII-189 of 12 March 2013 of the Seimas *On the approval of the Regulations of the Radio and Television Commission of Lithuania*. The amendments were passed by the Seimas on 13 December 2018.¹⁸ The said amendments, inter alia, allowed the RTCL to regulate more clearly the procedure of public consultations. In light of these developments, at the end of 2018 the RTCL **prepared and published for public consultations a draft of RTCL decision *On the approval of the Descriptor of the procedure for conducting public consultations***.

Also, in light of the changes to the organisation of the RTCL's activities, the Commission prepared¹⁹ and published for public consultations a draft of RTCL decision amending Decision No KS-25 of 22 January 2014 of the Radio and Television Commission of Lithuania *On the approval of the Rules of Procedure of the Radio and Television Commission of Lithuania*. The said draft would implement amendments to the LPIP **rescinding the obligation to approve separate Rules of**

¹⁵ Decision No KS-61 of 17 October 2018 of the RTCL amending Decision No KS-101 of 18 May 2016 *On the approval of the Descriptor of the procedure for amending terms and conditions of broadcasting and re-broadcast content licences*.

¹⁶ Decision No KS-55 of 19 September 2018 of the RTCL *On the approval of the Descriptor of the procedure for radio and/or television station and individual programme monitoring*.

¹⁷ Law No XIII-893 amending Articles 2, 31, 33, 34¹, 47 and 48 of the Law on Provision of Information to the Public No I-1418; Law No XIII-966 amending Article 47 of the Law on Provision of Information to the Public No I-1418.

¹⁸ Resolution No XIII-1771 of 13 December 2018 of the Seimas amending Resolution No XII-189 of 12 March 2013 of the Seimas *On the approval of the Regulations of the Radio and Television Commission of Lithuania*.

¹⁹ Law No XIII-893 amending Articles 2, 31, 33, 34¹, 47 and 48 of the Law on Provision of Information to the Public No I-1418.

Procedure for the administration of the RTCL, meaning that from this point forward both the RTCL and its administration would follow the same Rules of Procedure.

2018 was also a challenging year for the Commission as a result of changes to the EU regulatory framework.

On 25 May 2018, Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ 2016 119, p. 1) came into effect. In order to ensure the enforcement of this Regulation the Commission **prepared and approved the Descriptor of the procedure for personal data processing and exercise of data subject rights at the RTCL**²⁰ which governs the processing of personal data at the Commission, ways in which data subjects can exercise their rights, and the management of personal data breaches. The Commission also has, by virtue of Chairman's orders, approved organisational and technical measures designed to protect personal data against accidental and unauthorised destruction, loss, alteration, and disclosure as well as against any other unauthorised processing.

On 6 November 2018, the revised Audiovisual Media Services Directive (Directive (EU) 2018/1808 of the European Parliament of the Council) came into effect which replaces in part the Audiovisual Media Services Directive as a response to the changing market realities. The revised Audiovisual Media Services, inter alia, expanded the list of grounds permitting restrictions on the free reception of television stations from other European Union Member States and now includes information posing great danger to public security, including the ability to ensure national security and defence. The revised Directive also enabled Member States to apply a rapid response procedure (Rapid Alert System) in urgent cases in order to stop the free reception of television stations from other EU Member States. The revised Audiovisual Media Services Directive came into effect on 18 December 2018 and will have to be transposed into national law within a period of 21 months. Against the backdrop of the geopolitical situation of recent years, the upcoming elections of 2019 and consequently a greater need for stronger protection of the Lithuanian information space, and aiming to prevent, in a more expedient and effective way, the dissemination of information threatening national security, the **RTCL proposed that provisions of the revised Audiovisual Media Services Directive relating to restrictions on freedom of reception of audiovisual media services from other EU Member States be promptly transposed into national law.**

Table 12. Regulatory decisions by the RTCL

No	Title
1.	Decision No KS-30 of 23 May 2018 of the RTCL amending Decision KS-167 of 9 September 2015 of the Radio and Television Commission of Lithuania <i>On the approval of the Descriptor of the procedure for information provision on radio and television broadcasters and re-broadcasters, providers of on-demand audiovisual media services and of television programmes and/or individual programmes via the Internet.</i>
2.	Decision No KS-37 of 20 June 2018 of the RTCL <i>On the approval of control questionnaires in relation to routine inspections of economic operators.</i>
3.	Decision No KS-45 of 29 August 2018 of the RTCL amending Decision KS-172 of 23 September 2015 <i>On the approval of the Descriptor of the procedure for transfers of shares (stakes, interests) in broadcasting and re-broadcast content licence holders.</i>

²⁰ Decision No KS-63 of 28 November 2018 of the RTCL *On the approval of the Descriptor of the procedure for personal data processing and exercise of data subject rights at the Radio and Television Commission of Lithuania.*

4.	Decision No KS-53 of 19 September 2018 of the RTCL <i>On the exemption from obligation to re-broadcast and/or disseminate via the Internet uncoded national television programmes of the LRT.</i>
5.	Decision No KS-54 of 19 September 2018 of the RTCL amending Decision No KS-171 of 23 September 2015 <i>On the approval of the Rules for television station packages.</i>
6.	Decision No KS-55 of 19 September 2018 of the RTCL <i>On the approval of the Descriptor of the procedure for radio and/or television station and individual programme monitoring.</i>
7.	Decision No KS-61 of 17 October 2018 of the RTCL amending Decision No KS-101 of 18 May 2016 <i>On the approval of the Descriptor of the procedure for amending terms and conditions of broadcasting and re-broadcast content licences.</i>
8.	Decision No KS-60 of 17 October 2018 of the RTCL amending Decision No KS-32 of 10 February 2016 of the RTCL <i>On the approval of the Rules for economic operator inspections conducted by the Radio and Television Commission of Lithuania.</i>
9.	Decision No KS-63 of 28 November 2018 of the RTCL <i>On the approval of the Descriptor of the procedure for personal data processing and exercise of data subject rights at the Radio and Television Commission of Lithuania.</i>
10.	Decision No KS-67 of 12 December 2018 <i>On the approval of the List of legislation governing the activities of the Radio and Television Commission of Lithuania and establishing oversight requirements.</i>

ECONOMIC OPERATOR OVERSIGHT AND CONTENT MONITORING

In 2018, the RTCL carried out 40 routine and 50 special inspections of economic operators. 40 of the monitoring exercises in relation to individual programmes had been triggered by viewer complaints. In 2018, just like the year before, the Commission continued monitoring programmes originating in the Russian Federation in an attempt to ensure that no prohibited information is transmitted in the mass media. Another area of particular focus for the Commission in 2018 was the monitoring of potentially illegal activities of television distribution on the Internet and of the dissemination of individual programmes via the Internet to Lithuanian viewers – the Commission conducted 19 investigations to this effect.

Routine inspections of economic operators

In 2018, the Commission carried out 40 routine inspections of economic operators (*Table 13*) as provided for in the Plan of planned inspections of economic operators in 2018 approved by Order No V-23 of 18 December 2017 of the Chairman of the RTCL *On the approval of the Plan of planned inspections of economic operators in 2018.*²¹

Table 13. Results of routine inspections of economic operators.

Objective	Number of programmes monitored against the objective of the routine inspection	Violations
Compliance with the requirements of the LPIP relating to information not to be published	24	-

²¹ https://www.rtk.lt/content/uploads/2017/12/isakymas_lrtk_planiniai_2018_.pdf

Compliance with the requirement of the LPIP and the Rules for the licensing of broadcasting activities and re-broadcast content to notify the RTCL of the start of unlicensed broadcasting of radio/or television stations or re-broadcasting activities	15	3
Compliance with the requirements of the LPIP relating to the language of public information	21	-
Compliance with the requirements of the LPIP for re-broadcasters to give priority to official EU languages	12	3
Compliance with the requirements of the LPIP and Decision No KS-117 of 22 December 2010 of the RTCL relating to information about the provider of audiovisual media services	15	11
Compliance with the requirements of the LPIP relating to retention of the information published	23	3
Compliance with the requirements of the Rules for television station packages and the requirement of the LPIP relating to the obligation to re-broadcast or disseminate via the Internet all uncoded national television programmes of the LRT	16	2
Compliance with the requirements of the LPIP relating to European works	13	1
Compliance with the requirement of the LPIP to publish the name of the programme	21	2
Compliance with the requirement of the LPIP prohibiting any alterations to or any inserts of other information in the stations re-broadcast and/or disseminated via the Internet	2	-
Compliance with the requirements for advertising, audiovisual commercial communications set out in the LPIP and the Descriptor of the procedure for implementing the requirements for audiovisual commercial communication and advertising transmission, provision of audiovisual media services, sponsorship of radio programmes and individual programmes in radio and/or television stations (the “Descriptor”) approved by Decision No KS-58 of 11 April 2012 of the RTCL	22	8
Compliance with the requirements of the LPIP and the Descriptor for sponsorship messages	21	5
Compliance with the requirements of the LPIP and the Descriptor for product placement	13	1
Compliance with the requirements of the LPIP, Law on the protection of minors against the detrimental effect of public information and the Descriptor of the procedure for rating and disseminating public information having a detrimental effect on minors approved by Resolution No 1121 of 21 July 2010 of the Lithuanian Government relating to the protection of minors	26	6
Compliance with RTCL decisions	40	30
Compliance with the requirements set out in broadcasting licences, re-broadcast content licences	30	21

Findings of routine inspections conducted by the RTCL in 2018 reveal that the majority of violations were related to failure to comply with the decisions of the RTCL (these violations accounted for 31% of all violations) and failure to comply with the requirements of broadcasting and/or re-broadcast content licences (these violations accounted for 21% of all violations). Even though the majority of violations were classified as insignificant violations of legislation, after a routine inspection, economic operators were notified of the violations ascertained and given consultations as to how to meet the statutory requirements in question.

For serious and recurrent violations of applicable legislation the Commission imposed 34 administrative sanctions, out of which 3 were warnings and 1 fine.

In 2018, for the purposes of conducting routine inspections, the Commission started applying the updated routine inspection control questionnaires as approved by Decision No KS-36 of 20 June of the RTCL.²² The purpose of these control questionnaires was to set out, in a clear and understandable manner, the most important statutory requirements for economic operators, and ensure the transparency and effectiveness of the work done by the RTCL staff during a routine inspection.

Special inspections of economic operators in 2018, and monitoring of individual radio, television programmes and provision of on-demand audiovisual media services

In 2018, the RTCL carried out 50 special inspections of economic operators: special inspections were aimed at checking whether the economic operators had rectified violations ascertained during the previous routine inspections. Such inspections were also carried out in cases of complaints received and in the vent of a reasonable suspicion of dissemination of prohibited information and illegal activities subject to RTCL's oversight (*Table 14*). Over the reporting year, the Commission also carried out 19 inspections of economic operators for suspicion of illegal provision of audiovisual media services and/or illegal distribution of television programmes.

Table 14. Results of special inspections of economic operators and programme monitoring.

Objective	Number of programmes monitored against the objective of the special inspection	Violations
Compliance with the requirements of the LPIP relating to information not to be published	1	-
Compliance with the requirement of the LPIP and the Rules for the licensing of broadcasting activities and re-broadcast content to notify the RTCL of the start of unlicensed broadcasting of radio/or television programmes or re-broadcasting activities	1	-
Compliance with the requirements of the LPIP relating to the language of public information	2	1
Compliance with the requirements of the LPIP for re-broadcasters to give priority to official EU languages	2	1

²² http://www.rtk.lt/content/uploads/2018/06/KS_37_2018.pdf

Compliance with the requirements of the LPIP and Decision No KS-11 of 22 December 2010 relating to information on the provider of audiovisual media services	7	3
Compliance with the requirements of the LPIP relating to retention of the information published	11	3
Compliance with the requirements of the LPIP relating to European works	1	-
Compliance with the requirement of the LPIP to publish the name of the programme	2	1
Compliance with the requirements of the LPIP and the Descriptor for advertising and audiovisual commercial communications	15	5
Compliance with the requirements of the LPIP and the Descriptor for sponsorship messages	6	3
Compliance with the requirements of the LPIP and the Descriptor for product placement	2	-
Compliance with the requirements of the LPIP, Law on the protection of minors against the detrimental effect of public information and the Descriptor of the procedure for rating and disseminating public information having a detrimental effect on minors approved by Resolution No 1121 of 21 July 2010 of the Lithuanian Government relating to the protection of minors	9	7
Compliance with RTCL decisions	41	13
Compliance with the requirements set out in broadcasting licences, re-broadcast content licences	34	20

In 2018, following the special inspections of economic operators carried out by the Commission, a total of 57 violations had been ascertained. The majority of violations accounting for 37% of all violations were related to non-compliance with the terms and conditions of broadcasting and/or re-broadcast content licences. As a result of these inspections and having received the appropriate methodological assistance from the Commission, the majority of broadcasters/re-broadcasters approached the Commission asking for changes to the terms and conditions of their licences.

At the end of the special inspections of economic operators the Commission drew up 5 decisions regarding violations of administrative law resulting in the Commission issuing warnings without the accompanying protocols. Monitoring exercises in relation to individual programmes have resulted in 5 decisions regarding violation of administrative laws and subsequent warnings without the accompanying protocols.

Last year, the Commission also paid particular attention to the monitoring of individual programmes disseminated via the Internet. The majority of service providers disseminating television programmes and individual programmes via the Internet had been engaged in these activities without the compulsory notification to the RTCL of the start of such activities.

It should be noted that a lot of cases deal with potentially illegal activities of the dissemination of television programmes or individual programmes via the Internet to Lithuanian viewers. Unfortunately, often the Commission is unable to contact providers of these services as the relevant websites where such services are provided do not contain contact information. In cases where the

Commission ascertains that the relevant websites are hosted on servers in Lithuania, the RTCL contacts hosting service providers with requests to provide information on the domain owner. Often, providers of television programmes or individual programmes via the Internet are natural persons operating on the basis of commercial self-employment permits, or people providing the service free of charge and without having the right to engage in the commercial activities of this nature.

In 2018, on 11 occasions the RTCL filed petitions with Vilnius Regional Administrative Court regarding illegal activities of television programme or individual programme dissemination via the Internet to Lithuanian viewers (**Table 15**). On all occasions Vilnius Regional Administrative Court satisfied such petitions of the Commission issuing binding court orders to network service providers ordering to terminate access to the websites used in connection with illegal dissemination of television programmes or individual programmes via the Internet to Lithuanian viewers.

Table 15. List of persons engaged in illegal activities of television programme and/or individual programme dissemination via the Internet to Lithuanian viewers.

No.	Details of the person engaged in illegal activities of television programme and/or individual programme dissemination via the Internet to Lithuanian viewers		Name of the court which issued the binding order to network service provider, date and number of the order
	Legal person	Internet domain name identifying the website	
1.	Viktor Kovalev	www.samorodok.tv	Court order of 16 May 2018 of Vilnius Regional Administrative Court in administrative case No eI-3060-463/2018
2.	Zhuhai Yingxun Keji Limited	www.onelike.tv	Court order of 16 May 2018 of Vilnius Regional Administrative Court in administrative case No eI-3060-463/2018
3.	Aleksandr Tsybulskiy	www.freeintertv.com	Court order of 16 May 2018 of Vilnius Regional Administrative Court in administrative case No eI-3060-463/2018
4.	Vladimir Popov	www.tvtune.net	Court order of 16 May 2018 of Vilnius Regional Administrative Court in administrative case No eI-3060-463/2018
5.	OU Interservis	www.lttv.us	Court order of 16 May 2018 of Vilnius Regional Administrative Court in administrative case No eI-3060-463/2018

6.	Legato LLC	www.edem.tv	Court order of 8 August 2018 of Vilnius Regional Administrative Court in administrative case No eI-4083-463/2018
7.	LLC Ucoz Media	Error! Hyperlink reference not valid.	Court order of 8 August 2018 of Vilnius Regional Administrative Court in administrative case No eI-4083-463/2018
8.	–	www.lt-tv.us	Court order of 17 December 2018 of Vilnius Regional Administrative Court in administrative case No eI-5910-463/2018
9.	–	www.ittv.us	Court order of 17 December 2018 of Vilnius Regional Administrative Court in administrative case No eI-5910-463/2018
10.	Compic OU	www.climetv.eu	Court order of 17 December 2018 of Vilnius Regional Administrative Court in administrative case No eI-5910-463/2018
11.	Compic OU	www.play2pay.info ; astra.play2pay.info ; rus.play2pay.info ; europe.play2pay.info	Court order of 17 December 2018 of Vilnius Regional Administrative Court in administrative case No eI-5910-463/2018

Implementation of European works quotas

In an attempt to ensure that television programme broadcasters and providers of on-demand audiovisual media services under the jurisdiction of Lithuania comply with the requirements of the LPIP relating to European quotas, the Commission carried out surveys showing the trends of European quotas implementation in Lithuania by broadcasters and providers of on-demand audiovisual media services.

In accordance with paragraph 8 of Article 38 of the LPIP, “national broadcasters of television programmes must, where possible, reserve more than half of the television programme time remaining after deducting the time allocated for news, sports events, games and advertising programmes, teletext services and teleshopping for European works.” Paragraph 2 of Article 40⁴ of the same law applies to providers of on-demand audiovisual media services: “providers of on-demand audiovisual media services under the jurisdiction of Lithuania shall ensure that at least half of the programmes in the catalogue of on-demand audiovisual media services are European works.”

In 2018, the Commission conducted a survey of 8 (out of 11) national television stations: TV3, TV6, TV8, LNK, Info TV, LIUKS!, TV1 and BTV, to assess the share of time (in per cent) in a particular television station dedicated by the broadcaster to European works (**Table 16**).

Table 16. Share of television programming time dedicated to European works (in per cent) in television stations TV3, TV6, TV8, LNK, Info TV, LIUKS!, TV1 and BTV.

Television station	Share of European works	Monitoring times
TV3	40%	02/07–08/07/2018
TV6	27%	02/07–08/07/2018
TV8	39%	02/07–08/07/2018
LNK	32.2%	22/10–28/10/2018
Info TV	100%	22/10–28/10/2018
LIUKS!	74.2%	22/10–28/10/2018
TV1	47.1%	22/10–28/10/2018
BTV	46.8%	22/10–28/10/2018

Note. There is no data about the share of European works (in per cent) for television stations LRT TELEVIŽIJA, LRT PLIUS and Lietuvos rytas.tv as these stations were not included in the surveyed of 2018.

As evident from the results of the survey, not all television stations complied with the requirement of the LPIP to allocate at least half of the programming time to European works. Compared to the results of the previous years, however, it is clear that in some television stations the share of programming time allocated to European works grew or has remained stable. It should be noted that the requirements of paragraph 8 of Article 38 of the LPIP are not binding, i.e. television broadcasters must reserve more than half of the television programme time for European works *where possible*, therefore the Commission did not impose sanctions provided for in the Lithuanian Code of Administrative Offences on television broadcasters for failure to comply with the European works quotas.

Every two years providers of on-demand audiovisual media services are required to submit to the European Commission data on the share of European works in their programming. During routine inspections of providers of on-demand audiovisual media services conducted in 2018, the Commission established that out of 21 economic operators registered with the RTCL all 7 inspected complied with the requirement of paragraph 2 of Article 40⁴ of the LPIP relating to European quotas (**Table 17**).

Table 17. Share of programming time allocated to European works in the catalogues of providers of on-demand audiovisual media services, 2018.

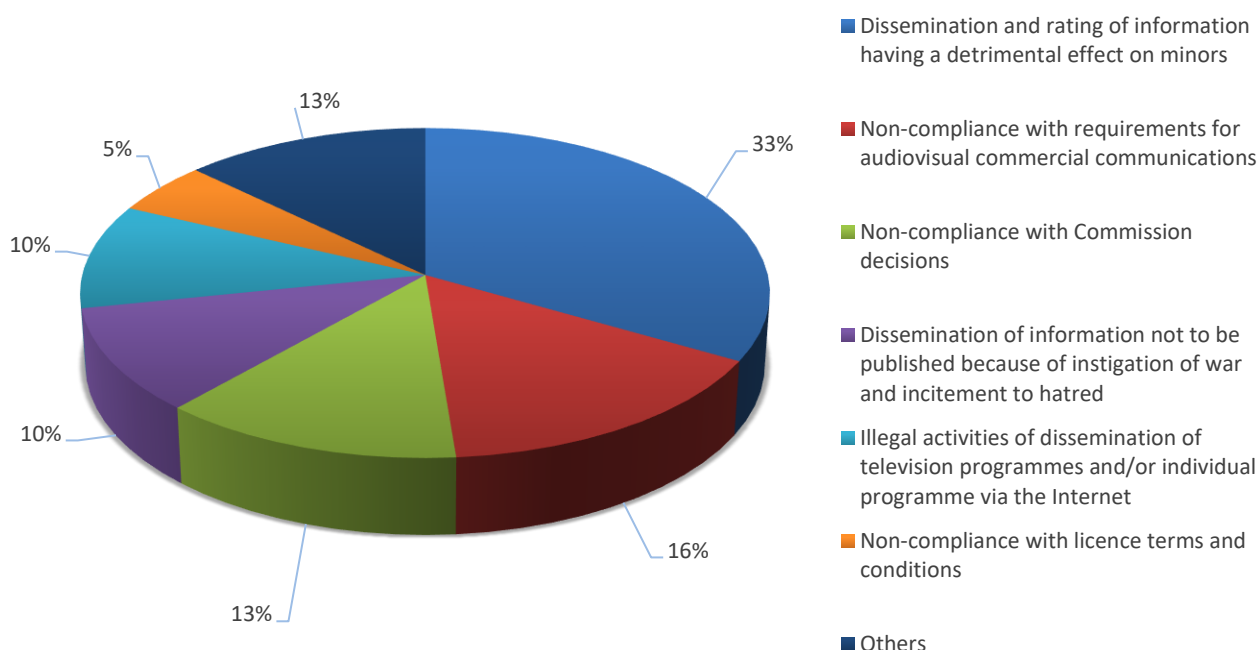
Provider of on-demand audiovisual media services	Share of European works in the catalogue
UAB DELFI	No less than 50%
UAB Eteris	100%
UAB Init	100%
UAB Lrytas	100%
UAB LNK studija	75%
UAB All Media Lithuania	72%
VšĮ Gerų naujienų televizija	100%

It is worth mentioning that the total share of European works in the catalogues of providers of on-demand audiovisual media services was in excess of the minimum quota of 50% set out in paragraph 2 of Article 40⁴ of the LPIP. It should be highlighted as well that in the case of four inspected providers of on-demand audiovisual media services the share of European works in the catalogues offered by them was 100%.

Complaints handled in 2018

In 2018, the Commission received a total of 40 complaints. Complaints received were related to the content broadcast in radio and television stations which possibly disseminated prohibited public information or restricted public information having a detrimental effect on the development of minors, improper rating or airing time of the content. There were also complaints in relation to improperly highlighted or labelled audiovisual commercial communications in television stations (television ads, sponsorship messages and product placement). Some of the complaints were related to the dissemination of war propaganda and incitement to hatred in the mass media, non-compliance with the RTCL's decision to temporarily suspend the free reception of *RTR Planeta*,²³ illegal activities of television programme and/or individual programme dissemination via the Internet, and non-compliance with licence terms and conditions (**Figure 8**).

Figure 8. Complaints received in 2018.



The majority of complaints were submitted by completing an electronic complaint form²⁴ available on the RTCL's website. Each complaint was examined for validity and an investigation was launched on the basis of the complaint. In accordance with Clause 33 of the Descriptor of the procedure for the handling of applications, complaints and notifications by individuals and customer service approved

²³ <https://www.rtk.lt/content/uploads/2018/02/ks-16-2018.pdf.pdf>

²⁴ <http://www.rtk.lt/pateikti-e-skunda/>

by Decision No KS-166²⁵ of 9 September 2015 of the Radio and Television Commission of Lithuania, complaints have to be examined within 20 working days after their receipt at the RTCL. Once the investigation has been completed, the individual who had filed the complaint and/or economic operators inspected were informed of the investigation findings, decision taken by the RTCL in relation to sanctions, or invalidity of the complaint.

Last year, having regard to complaints received and the findings of the investigations carried out as well as having assessed the impact and scope of violations ascertained, the RTCL drew up 4 resolutions regarding violations of administrative law (with subsequent warnings) without an accompanying protocol. In an attempt to prevent similar violations in the future, the Commission cooperated with audiovisual media services market players and provided methodological assistance to them.

Consultations

Last year, fully understanding that oversight of economic operators meant both sanctions and consultations to economic operators, the Commission particularly focused on the provision of methodological assistance, consultations, and explanations. Consultations by the RTCL to economic operators it oversees were available during meetings, by phone, and by e-mail. Most of the inquiries from the economic operators overseen by the Commission dealt with the requirements for audiovisual commercial communications, dissemination and rating of public information having a detrimental effect on the development of minors, and non-compliance with the terms and conditions of broadcasting and/or re-broadcast content licences.

In order to create the conditions for ensuring compliance of television programmes broadcast, re-broadcast and/or disseminated via the Internet in Lithuania with applicable legislation, and anticipating and implementing prevention measures, the Commission passed Decision No KS-55 of 19 September 2018 of the RTCL *On the approval of the Descriptor of the procedure for radio and/or television station and individual programme monitoring*.²⁶ By virtue of Decision No KS-60²⁷ of 17 October 2018 the Commission amended and recast the Rules for economic operator inspections conducted by the Radio and Television Commission of Lithuania approved by Decision No KS-32²⁸ of 10 February 2016 of the RTCL *On the approval of the Rules for economic operator inspections conducted by the Radio and Television Commission of Lithuania*. This decision was aimed at ensuring a uniform process of consultations to economic operators during inspections and, where needed, publication on the RTCL's website consultations on relevant matters arising during economic operator inspections.

In 2018, aiming for a more effective two-way communication with the economic operators it oversees, the Commission started using the Feedback Model Tool²⁹ of the Ministry of Economy and Innovations of the Republic of Lithuania (formerly Ministry of Economy) coordinated by the Business Environment Improvement Department and developed at the initiative of managers of the Kurk Lietuvai Project (*Create for Lithuania*). The Tool is intended for authorities conducting oversight of economic operators. The Commission used the Feedback Model Tool on the electronic platform: following the inspection, details of the economic operator would be forwarded to the Ministry of Economy and Innovation, and the economic operator inspected would receive a link into their e-mail box to an

²⁵ <https://www.e-tar.lt/portal/lt/legalAct/e2d839d05c3d11e589fccd6fa118e11c>

²⁶ <https://www.e-tar.lt/portal/lt/legalAct/dde90de0bc9411e88f64a5ecc703f89b>

²⁷ <https://www.e-tar.lt/portal/legalAct.html?documentId=c2a9b170d37711e8bea9885f77677ec1>

²⁸ <http://www.rtk.lt/content/uploads/2016/02/ks-32-2016.pdf>

²⁹ <http://inspect.ukmin.lt>

anonymised survey. By analysing survey results, the RTCL had the opportunity to collect feedback on the inspections, quality of work done by the inspectors, what statutory requirements were the most challenging to the economic operator, familiarise with the proposals submitted by the economic operators and their comments, and continuously improve its own activities against those proposals and comments.

RTCL COOPERATION

Cooperation with the audiovisual media services market players and public authorities

To carry out its functions set out in the LPIP and achieve its strategic goals, the RTCL pays particular attention to cooperation with the economic operators it oversees. Regular dialogue with the representatives of the audiovisual media market is one of the most important aspects of the RTCL's activities.

To address various matters of economic operator oversight, prevention of violations of legislation, improvements to regulatory activities, the Commission continued cooperating with broadcasters and re-broadcasters and their organisations: Lithuanian Cable Television Association (LCTA), Lithuanian Association of Telecom Operators (LATO), and Lithuanian Radio and Television Association (LRTA).

Last year, staff of the Commission attended the 22nd annual conference organised by the LKTA *Digital Content Services. Expectations and Reality* where the Commission gave a presentation on the topic of *Regulation and Oversight of Re-broadcasting and Television Programme Dissemination via the Internet*.

In 2018, the Commission maintained regular contact with the Ministry of Culture of the Republic of Lithuania to determine annual fees for the provision of services of radio and/or television broadcasting, re-broadcasting, dissemination via the Internet, and on-demand audiovisual media services. Chairman of the RTCL, being a member of the Media Council under the Ministry of Culture, advised the Minister of Culture on matters of information provision to the public.

In relation to the assessment of television and radio content, possible violations of the Law on the protection of minors against the detrimental effect of public information in television and radio programmes, possible dissemination of propaganda and incitement to hatred, the Commission cooperated closely, just like in the previous years, with the Office of the Inspector of Journalist Ethics, Ombudsman for the Rights of the Child in Lithuania, Consumer Rights Protection Authority, Communications Regulatory Authority, Department of Strategic Communication of the Lithuanian Armed Forces at the Office of the Lithuanian Armed Forces, and other institutions.

International cooperation

Cooperation agreements with Ukraine and Moldova

In 2018, the Commission signed two international cooperation agreements: one with the Audiovisual Coordinating Council of Moldova and another one with the National Council of TV and Radio Broadcasting of Ukraine.

In the agreement with the Moldovan regulator, the RTCL anticipated exchanges of information about the regulation methods applied, sharing of experiences, consultations on matters relevant to

both parties, and analysis of international and EU legal acts related to the field of audiovisual media services. Representatives of both regulators had jointly agreed to organise capacity building programmes, conferences, and seminars in the field of regulation of audiovisual media services.

The aim of the agreement with the Ukrainian colleagues is to develop cooperation in the field of broadcasting regulation by developing and implementing various instruments, promoting the sharing of audiovisual media services and joint production of audio and video works, and exchanging information and sharing of experiences between the Ukrainian and Lithuanian national regulators.

By recognising information security in the field of television and radio broadcasting as an integral component and key prerequisite of national security of both states, both regulators have agreed to strengthen partnership and assistance in this field, develop and strengthen mutual cultural relations, and friendly relations between the two states.

Such information cooperation, in particular between EU Member States and non-EU states, is reinforced and promoted in the Audiovisual Media Services Directive which came into effect on December of 2018.³⁰

The Baltic Project

Last year, on the basis of a cooperation agreement between the RTCL, the Estonian Technical Regulatory Authority and the National Electronic Mass Media Council of Latvia – audiovisual media regulators – the Commission hosted a meeting of these authorities in Vilnius in June of 2018.

Traditionally, these meetings of the three regulators take place every year at the invitation of either audiovisual media regulator.

The meeting that took place in Vilnius was the perfect opportunity for the three regulators to discuss the then most pressing matters, such as the policy of ensuring the interests of national ethnic minorities in the audiovisual media, legal measures of combating illegal activities of television programme dissemination via the Internet and incitement to hatred in Russian language television programmes, preparations for the implementation of the revised Audiovisual Media Services Directive, etc.

Close cooperation of the three regulators is particularly important because of the similarities of the services regulated and challenges. Timely identification of issues, their analysis and sharing of experiences yields better and faster results in the activities of each authority, and enables more effective decision-making.

The next meeting of the three Baltic regulators is anticipated to be held in 2019. The meeting will be hosted by the National Electronic Mass Media Council of Latvia in Riga.

ERGA

In 2018, the RTCL representatives continued their work as part of ERGA.³¹ ERGA membership includes top ranking officials representing national regulators. Last year, ERGA members continued advising and making recommendations to the European Commission on different matters relating to the review of the Audiovisual Media Services Directive, and strived to strengthen cooperation between the EU regulators.

In 2018, ERGA's work programme included 4 main work directions aiming to ensure:

- promotion of internal and external pluralism in the mass media;

³⁰ <https://eur-lex.europa.eu/legal-content/LT/TXT/?qid=1543570674529&uri=CELEX:02010L0013-20100505>

³¹ <http://erga-online.eu/>

- improved sharing of experiences and best practices among regulators;
- continuation of self-regulation and common regulation;
- preparedness for the application of the Audiovisual Media Services Directive and related challenges.

In the reporting year, RTCL representatives attended 7 meetings of ERGA sub-groups.

It needs to be noted that ERGA group members have significantly contributed to the efforts of reviewing the Audiovisual Media Services Directive. The EU Council adopted the Directive on 6 November 2018 and the Directive came into force on 18 December 2018. EU Member States have to transpose the Directive into their national law within 21 months from the day of entry into force of the Directive.

Amendments to the revised Audiovisual Media Services Directive provide more flexibility for the Member States to respond faster to any dissemination of information inciting to hatred in their information space, and in particular when such incitement threatens national security. The existing regulatory framework obliges Member States to ensure compliance with long-lasting procedures aimed at restricting the distribution of television programmes from other Member States in cases when their content incites to hatred. These amendments will allow Member States to take immediate action once an incident of incitement to hatred has been ascertained or in cases of an identified serious threat to public safety, including national security and defence.

In an attempt to ensure effectively, as is the mandate of the Commission, the safety of the Lithuanian information space against the backdrop of the upcoming three national elections, the RTCL made legislative proposals to amend the LPIP. The legislative proposals include a set of new rules providing for urgent and effective solutions to combat information inciting to hatred and the intention to incorporate these rules into national law as soon as possible.

ERGA members have regularly spoke about the need to include in the amendments of the Audiovisual Media Services Directive new rules pertaining to the regulation of video sharing platforms (e.g., YouTube, Facebook, etc.), and ERGA concerns were taken into account. It should be noted though that regulation of these services poses a lot of challenges to Member States not just because of the lack of sufficiently clear definition of a service provider, but also because of the anticipated regulation. Service providers operating via these video sharing platforms, on one hand, do not bear editorial responsibility in relation to the video content placed on the platforms by platform users, but they have to, on the other hand, be responsible for the appropriate measures to protect minors and society as a whole against detrimental information contained in the video content produced by platform users.

The revised Audiovisual Media Services Directive, inter alia, places particular focus on the liberalisation of regulation relating to audiovisual commercial communications, promotion of European works in on-demand audiovisual media services.

The biggest challenge when transposing provisions of the Audiovisual Media Services Directive into national law for many countries, including Lithuania, remains the short time-frame of transposition.

EPRA

The RTCL has been a member of EPRA³² for the past 20 years. EPRA was established in 1995 as a response to the need for stronger cooperation between the European regulators. EPRA is the oldest and the biggest network of regulators of audiovisual media services in Europe. In 2018, EPRA united 53 regulators from 47 countries. The European Commission, European Council, European Audiovisual Observatory and OSCE are observers in this organisation.

Two times a year staff of the RTCL attend conferences organised by this organisation, contribute to the points of agenda discussed at the conferences, complete thematic questionnaires on a variety of matters relating to the regulation of audiovisual media services, etc.

Last year, EPRA members met 2 times.

The 47th EPRA conference that took place on May 23–25 of 2018 in Luxembourg was attended by 160 representatives from regulatory authorities representing 51 states.

In accordance with the EPRA' work programme for 2018, two extended meetings of this conference were dedicated to analysing the future of the content of a public broadcasting service and the content of a public interest in the digital age, and the regulation of political commercial communications in social media.

Three working groups working in parallel throughout the conference shared experiences of countries and best practices on the following topics: the consequences of constant development of new advertising technologies and challenges posed to regulators; promotion of gender diversity in the content broadcast; new challenges of maintaining confidentiality on social media.

On October 10–13 of 2018 members of the Commission attended the 48th EPRA conference in Bratislava (Slovakia). The conference was attended by 143 representatives from 45 European regulators, the European Council, European Commission, OSCE, and guests from Iran and Morocco.

In accordance with the approved EPRA's work programme for 2018, attendees were further discussing in extended meetings and working groups the topics started in the conference of May that took place in Luxembourg.

COMPETITION OF THE BEST IN RADIO AND TELEVISION *PRAGIEDRULIAI*



Every year the Commission holds this competition with the aim of promoting better quality and more varied radio and television content. Consequently, the Commission judges submissions against the criteria of relevancy, lasting and artistic value, originality, impact on the development of the cultural, human, civic and aesthetical values as well as the level of professionalism and creativity. The Commission aims to make this competition a prestigious one, a significant event for the country and its culture, and an award for the participating creators an important acknowledgement.

The award ceremony took place on 12 April 2018 at Vaidila Theatre where the creators of the best radio and television programmes received their awards.

³² <https://www.epra.org/>

In 2018, the traditional competition *Pragiedruliai* marked its sixteenth anniversary and was awarding programmes aired for the first time in 2017.

The jury was comprised of the following members of the RTCL: poet and translator Antanas Jonynas; member of the board of the Lithuanian Union of Journalists, Kaunas division Vidas Mačiulis; poet Dalia Teišerskytė; theatre and film actor and director Algis Matulionis; political analyst and professor at the Institute of International Relations and Political Science of VU Laurynas Jonavičius; journalist Liudvika Pociūnienė; scientist Mantas Martišius; chairman of the jury, journalist and chairman of the Lithuanian Union of Journalists Dainius Radzevičius; political analyst Vincentas Vobolevičius; PR expert Ričardas Slapšys.

In 2018, the jury received 84 submissions: 61 television and 23 radio shows. The last year's winners included the following shows aired for the first time in 2017:

Best TV documentary project of 2017 – *Alfonsas Svarinskas*; authors Andrius Gudauskas and Juozas Sabolius, aired on LRT TELEVIZIJA.

Other shows that received the highest scores in this category were *Pažintys. Dailininkas Andrius Seselskas*, author Rita Ščigliniskienė (aired on Šiaulių televizija); *Vladas Nagius Nagevičius* from the cycle *Laikinosios sostinės fenomenas*, authors Justinas Lingys, Audronė Kosciuškienė (aired on INIT TV); *Dievui ir Žmogui. Vincas Svirskis*, authors Saulius Pučinskas (aired on Šiaulių televizija).

Best TV portrait – *Kelias į namus su Gražina Balandyte*, author Ginta Liaugminienė (aired on LRT KULTŪRA).

Other shows with the highest scores were shows produced by Ingrida Laimutytė – *Kelias į namus su Agne Žagrakalyte* and *Kelias į namus su Joanna Moro* (aired on LRT KULTŪRA); *Legendos. Valentinas Masalskis*, authors Aistė Stonytė-Budzinauskienė, Česlovas Stonys and Audrius Stonys (aired on LRT KULTŪRA).

Best current affairs TV show – *Grižtantys*, authors Gailė Garnelytė, Haroldas Klevinskas, Aleksas Matvėjevas, Giedrius Karaliūnas, Algirdas Žvinakevičius, VŠĮ TV Europa, aired on Šiaulių televizija.

Other shows with the highest scores were two shows from the cycle *Pasirinkę Lietuvą* – a cycle of programmes about immigrant entrepreneurs in Lithuania and aliens who chose to teach and live in Lithuania from authors Indrė Juškutė, Monika Vilkaitė, Irmantas Jankaitis, Ignas Žvinakis (from MB TV Europa ir partneriai) (aired on INFO TV); a show from the cycle *Svarbios detalės* about propaganda from authors Živilė Kropaitė, Edvardas Žičkus, Katrina Zeiter, Aivaras Averjanovas, Jurgita Lieponė, Viktorija Kuliomina (aired on LRT TELEVIZIJA); *Pažvelk į profesiją kitaip*, authors Andrius Baranovas, Vytautas Selelionis, Raimonda Jonuškienė, Žilvinas Slauskis, MB Keturios medijos (aired on LRT KULTŪRA).

Best TV social project – 2017 Unicef concert *Už kiekvieną vaiką*, authors Jovita Majauskienė-Staniulienė, Gediminas Jaunius and Agneta Gabalytė. The project was aired on TV channel TV3.

Best cycle of historical TV essays – cycle of TV essays *Praeities kartų liudytojai*, author Saulius Pučinskas, aired on INIT TV.

Another show that got high scores in this category was *Vyrų šešėlyje. Paulina Mongirdaitė*, authors Justinas Lingys, Algirdas Žvinakevičius, Povilas Vaičiulis, Artūras Kavaliauskas, Virgilijus Kubilius, Valdas Stanaitis, VŠĮ TV Europa (aired on INIT TV).

Best TV entertainment project – *Lietuvos balsas*, season 5, author Gediminas Jaunius, aired on LNK.

Another high-scoring show in the category was *Aš tikrai myliu Lietuvą*, authors Creative House Elitaz, producer Gediminas Jaunius (aired on TV3).

Best current affairs radio show – Džinsai, author Inga Janiulytė, aired on LRT RADIJAS.

Other high-scoring shows in this category were *Apie smurtą* and *Aplink Lietuvą* from the cycle 60 minučių, authors Edvardas Kubilius and Rūta Kupetytė (aired on LRT RADIJAS) and *Apie organų donorystę* from the cycle Jūsų lūpomis, authors Vilma Kulytė, Patricija Tilvikaitė (aired on Start FM).

Best radio documentary – Radijo dokumentika. Kančios ir tradicijos Bavarijoje, author Vaida Pilibaitytė, aired on LRT RADIJAS.

Other shows that got high scores were *Radijo dokumentika. Vienos dainos istorija*, author Vita Ličytė (aired on LRT RADIJAS), and *Radijo dokumentika. Gimę ne savo kūne*, author Indrė Anskaitytė (aired on LRT RADIJAS).

Best radio talk show – Tarp kabučių, author Eglė Malinauskienė, aired on FM99.

Other high-scoring shows in the category were three shows by Sigutis Jačėnas from the cycle Susitikimai Teatro aikštėje: about Juozas Liepuonius, about Antanas Stanevičius and about Gražina Juodytė, aired on EXTRA FM.

The award for the most original show went to *Kriminomitologija*, episodes 1 and 2 from the radio cycle *Bilietai nėra* from authors Julija Šatkauskaitė, Raimundas Paulauskas, Ignas Šatkauskas, Rasa Kregždaitė, Ignas Gužauskas, Vygandas Vadeiša, Milda Noreikaitė, Paulius Markevičius, Marija Petravičiūtė, Gediminas Rimeika, Šarūnas Zenkevičius. The show was aired on the radio station of Vilnius University Start FM.

Special prize this year went to a private limited company, **RADIO STATION ULTRA VIRES, airing radio station Lietus, for fostering Lithuanian music culture.**

Winners of the competition received original diplomas created by graphic artist Egidijus Rudinskas.

PUBLICITY WORK BY THE RTCL

The main tool used to inform and publicise the activities of the RTCL is its website at www.rtk.lt. The Commission constantly makes improvements to the website based on the recommendations of the Ministry of Economy of the Republic of Lithuania (now Ministry of Economy and Innovations), and comments by website users. The website provides the possibility of publishing more extensive and more structured information about the audiovisual media market and its participants. Admittedly, due to a coding error, the Commission still struggles with the implementation of some of the works relating to automated information search on the website.

The main language of the website is Lithuanian, but some of the most relevant information can be found in English as well. The website is adapted for mobile devices, and is accessible to the disabled. The Commission also has a Facebook account where users can comment on the activities of the RTCL, send their remarks, etc. The website provides a range of information about the activities of the RTCL, decisions taken, administrative services and other, it is also used for regular and expedient publication and distribution of press releases. All of this help society to learn quickly of the latest developments in the field overseen by the Commission, and ensures the publicity and transparency of the RTCL's work. The website contains the latest information about the audiovisual market allowing its users to find all of the information about the programmes, broadcasters, re-broadcasters, providers of on-demand audiovisual media services or providers of television programmes or individual programmes via the Internet. The website also provides the possibility to

file complaints and petitions directly to the RTCL making it easier for the Commission to learn what matters and troubles the consumer.

Last year, in an attempt to explain the latest developments in the field regulated by the Commission and publicise and discuss various issues, Chairman of the Commission often attended current affairs shows on radio and television.

To accomplish one of the strategic goals of its work, i.e. publicity of the RTCL's work, every year the Commission renews the contract with BNS spaudos centras so that all current information about decisions taken and events reaches the widest audience possible and in the most efficient way.

PROFESSIONAL DEVELOPMENT OF THE RTCL STAFF

Institutional efficiency is impossible without continuous professional development and upskilling of staff.

Professional development is one of the directions of the RTCL's activities set out in the 2018–2020 Strategic Action Plan.

In 2018, the RTCL allocated up to 2% from the budget for salaries on staff professional development projects.

The specifics of the RTCL demand specific knowledge that needs to be constantly updated therefore all efforts were made to enable professional development of both members of the RTCL through participation in various seminars and conferences where members could further deepen their knowledge on the area regulated and of administrative staff who attended seminars and training on the topics of public procurement, finance management and document management and accounting as well as data protection.

Last year, one employee attended capacity building advisory seminars organised by MB Buhalterijų mokymai: *Compensation in the Public Sector from 1 January 2019: Calculation, Accounting and Taxation; Compensation Calculation and Taxation Reform from 1 January 2019 and Developments in 2018 (Homework)*.

One employee worked on their special and professional competences in the training course *Public Procurement in 2018*.

One employee deepened their knowledge and competences in the annual conference *HR Week: Lithuania* dedicated to the main issues related to human resources management and sharing of best practices.

One employee worked on their knowledge in these areas: anti-corruption assessment of legislation; aspects of state liability in the context of globalisation; practical application of the European Union General Data Protection Regulation (GDPR): key aspects and recommendations by the State Data Protection Inspectorate. They also attended a certification course designed for data protection officers.

In an attempt to make best use of the funds allocated on professional development of the RTCL staff more effectively, in addition to external training the Commission organised internal training as well aimed at building professional and general competences of its staff in the areas of audiovisual media market regulation and oversight. This method of professional development ensures that the largest staff numbers possible are able to build their special professional knowledge, skills and competences required to perform immediate professional functions through the use of internal human resources and competences.

PRIORITIES FOR 2019

The following are the main priorities for 2019:

- Increased effectiveness of efforts to prevent illegal activities of broadcasting, provision of on-demand audiovisual media services and dissemination of television programmes and individual programmes via the Internet
- Efforts to protect consumers from harmful informational content in the audiovisual media
- Increased effectiveness of economic operator oversight by the RTCL
- More focus on international cooperation with European Union institutions and audiovisual sector regulators of Member States (Ukraine, Moldova, Georgia)
- Continued publicity efforts in relation to the RTCL's work

INDEPENDENT AUDITOR'S REPORT

UŽDAROJI AKCINĖ BENDROVĖ
(PRIVATE LIMITED LIABILITY)

TIKRAI IR TEISINGAI

Business ID number 223065660, Uosiu sodu 7-oji str. 2, LT-11128 Vilnius, mob. 8 699 45 550

INDEPENDENT AUDITOR'S REPORT TO THE SEIMAS OF THE REPUBLIC OF LITHUANIA

Opinion

We have audited the accompanying financial statements of the **Radio and Television Commission of Lithuania** (the "RTCL") comprised of the statement of financial position as of 31 December 2018, performance report, statement of cash flows and statement of changes in net assets for the year then ended, and explanatory notes, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the RTCL as of 31 December 2018 and financial performance and cash flows for the year then ended in accordance with legislation applicable in Lithuania governing accounting in the public sector and financial reporting.

Basis of opinion

We have performed our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibility for the audit under these standards is described in the report's section *Auditor's responsibility for the audit of the financial statements*. We are independent from the RTCL in accordance with the Code of Ethics for Professional Accountants (the "CEPA") issued by the International Ethics Standards Board for Accountants and the requirements of the Law on Audit of Financial Statements of the Republic of Lithuania insofar they relate to audits performed in Lithuania. We have also complied with other ethical requirements in relation to the Law on Audit of Financial Statements of the Republic of Lithuania and the CEPA. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Responsibility of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with legislation in force at the time in the Republic of Lithuania governing accounting in the public sector and financial reporting, and for such internal control as management determines necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, and disclosing (when necessary) matters related to going concern and the use of the going concern basis of accounting unless management intends to liquidate the Company or to cease operations, or has no realistic alternatives but to do so.

Those charged with governance have the responsibility to oversee the process of financial statement preparation.

Auditor's responsibility for the audit of the financial statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of the audit conducted in accordance with ISAs we have taken professional decisions and maintained professional scepticism. We have further:

- identified and assessed the risk of material misstatement in the financial statements, whether due to fraud or error, planned and performed our audit procedures as a response to these risks and collected sufficient audit evidence to issue our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error as fraud can include collusion, forgery, deliberate failure to record transactions, false treatment or overriding of internal controls;
- obtained an understanding of internal control related to the audit in order to determine the appropriate audit procedures and not to provide an opinion on the effectiveness of Company's internal control;
- assessed the appropriateness of accounting policies used and the reasonableness of the accounting estimates (if any) and related disclosures by management;
- concluded on the appropriateness of management's use of the going concern basis of accounting and whether, based on the audit evidence obtained, a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on information available to us at the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- assessed the overall presentation of the financial statements, structure and contents thereof, including disclosures and whether the supporting transactions and events are presented in the financial statements to comply with the concept of fair presentation.

In addition to all other matters, we have communicated to those charged with governance an overview of the planned scope and timing of the audit, and significant audit observations, including important flaws in internal control identified by the auditor during the audit.

Danutė Sankauskienė
Uosiu sodu 7-oji str. 2, Vilnius
4 March 2019