

Radio and Television Commission of Lithuania 2015 Annual Report

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CHAIRMAN'S MESSAGE

As is the case every year, let me present you with the annual report of the Radio and Television Commission of Lithuania (the "RTCL" or "Commission") for the year ended. The reporting year, 2015, was a special year for the Commission, as it was actively involved in the drafting of new laws and accompanying by-laws with the aim of amending the regulation of activities and functions of the Commission and those of the economic operators it oversees. In the context of the changed regulatory framework, the Commission consistently pursued its goals, and was looking for new ways and means to address the pressing issues it faced.

The RTCL is a national regulatory authority overseeing the activities of radio and television broadcasters subject to Lithuanian jurisdiction, providers of on-demand audiovisual media services and re-broadcasters operating in Lithuania, as well as other entities engaged in the distribution of television channels or selected channels (programmes) to the Lithuanian population over the Internet. At the end of 2015, the RTCL was overseeing 113,000 economic operators engaged in various activities, both licensed and unlicensed. During the reporting year, the Commission, acting in the capacity of an expert in audiovisual media services, was actively involved in the national policy making of this area and represented Lithuania in different international organisations, institutions and their working groups.

In summary, aside from other important work accomplished in 2015, I would like to highlight several efforts of particular importance to both the domestic and international levels, i.e. the adoption of changes to the regulatory framework of television re-broadcasting activities which will enable fair competition in the re-broadcasting services market, the adoption of legal measures to stop the dissemination of information not to be published, such as war propaganda and incitement to discord, the strengthening of relations with Lithuanian and foreign regulatory authorities and market players, efforts to improve media literacy in Lithuanian regions, and the introduction of information systems facilitating work organisation at the RTCL and reducing the administrative burden on economic operators, etc.

Over the reporting period, the RTCL held 34 meetings, 36 consultation meetings, 15 meetings of working groups, passed 233 decisions, handled around 100 complaints, requests and inquiries, sent 652 and received 825 official letters.

In 2015, the main areas of activities of the Commission were:

Participation in the legislative process

Because of its extensive experience and the fact that it is often the one to directly face gaps in the regulatory framework for audiovisual media services, the RTCL was, in part, the organisation that initiated the review of the Law on Provision of Information to the Public (the "LPIP"), and was actively involved in the work of the working group tasked with the drafting of amendments to this law. The main objectives of this working group were to create a regulatory framework that ensures the protection of national security interests in the face of information warfare and the regulation of re-broadcasting activities that is proportionate, compliant with Union law and encompasses the provision of technologically advanced services.

The amendments, which were passed on 21 May 2015 by the Seimas of the Republic of Lithuania (the "Seimas") and came into force on 1 October 2015, have further strengthened the administrative powers of the RTCL and expanded the circle of economic operators regulated by it.

Prior to 1 October 2015, the RTCL's oversight function was limited to broadcasters, re-broadcasters and providers of on-demand audiovisual media services in Lithuania. After the amendments, the RTCL has been tasked with the oversight of service providers offering television channels or selected channels (programmes) to the Lithuanian public on the Internet and television broadcasting using information society media (online portals, websites).

These changes to the regulatory framework had significant impact on the activities of the RTCL and its work organisation, creating more duties and responsibilities for the Commission.

As the RTCL is responsible for the security of the Lithuanian information area, it is particularly important to ensure that the Commission is independent from the influences of the market players it oversees, as well as policy makers, is adequately funded given the significance of its functions and that such funding is free from political influence or decisions. This position was clearly stated by the RTCL in its comments to the draft certificate on the impact assessment of priority legislative initiatives in the area of regulation prepared by the Ministry of Economy of the RTCL, could not ensure the independent nature of the RTCL.

One of the main objectives of the RTCL is to maintain the independence of its funding.

Changes to the new regulatory framework meant that the RTCL had to draft by-laws to support the implementation of the amended LPIP. Before the amendments to the LPIP came into effect, i.e. on 1 October 2015, the RTCL approved 4 by-laws in relation to the Law. These were the Rules for television programming, the Descriptor of the procedure for the transfer of shares (interests) in broadcasting and re-broadcast content licence holders, the Descriptor of the procedure for the handling of requests, complaints and notices by individuals and customer service at the Radio and Television Commission of Lithuania, and the Descriptor of the procedure for the submission of information about the activities of radio and television broadcasters, re-broadcasters, providers of on-demand audiovisual media services and of distributors of television channels and/or selected channels (programmes) on the Internet.

The RTCL has prepared and submitted the draft Rules for the licensing of broadcasting activities and re-broadcast content to the Minister of Culture of the Republic of Lithuania for his approval, as well as the draft Descriptor of the procedure for the setting of an annual fee for radio and/or television broadcasting and re-broadcasting, online distribution activities and on-demand audiovisual media services.

• Preventing the dissemination of information inciting discord or war in re-broadcast content

Last year, the Commission once again had to take strict measures in order to put an end to the dissemination of information inciting discord or war in the Russian language television channels retransmitted in Lithuania. In 2015, the RTCL passed 3 decisions enforcing a provisional suspension of the retransmission of certain television broadcasts.

It should be noted that there has been a lot of debate as to the feasibility and validity of restrictions on the said content, however, after a review of the RTCL's decision to suspend the free reception of RTR Planeta in its entirety in Lithuania, the European Commission concluded that the decision was adequate and consistent with Union law.

Ensuring the proportionate regulation of re-broadcasting activities

For many years now, the RTCL has been working towards a uniform regulatory framework to all economic operators engaged in re-broadcasting activities irrespective of the operator's country of establishment or technology used to provide the service.

As a result of the RTCL's efforts, certain economic operators (for example, VIASAT AS) started registering themselves after the entry into force of the amended LPIP and now operate in the re-broadcasting services market characterised by fair competition under the same conditions as all other economic operators. Prior to the amendments, i.e. 1 October 2015, some operators did not recognise the fact of re-broadcasting activities, exploiting gaps in the regulatory framework and failing to comply with the requirements applicable to retransmission, and yet were providing services to the Lithuanian public.

Setting requirements for re-broadcasting activities that are proportionate and uniform is one of the most important tools used for helping to create and ensure fair and competitive conditions for all economic operators on the market.

• Enhancing internal administration

As of early 2015, in an attempt to improve its internal administration, the RTCL uses a document and process management system which enables more efficient management of internal documentation and ensures better communication among the RTCL's staff. The system optimises the organisation's work so that no paper documents are needed for the staff to be able to carry out their duties, since all documents are available in an electronic space. This enables savings and contributes to environmental initiatives.

• Reducing the administrative burden on businesses

In 2015, the RTCL continued with ongoing and introduced new measures to reduce the administrative burden on businesses. For this purpose the Commission commissioned a data submission information system intended for the automated collection of data from the economic operators regulated by the RTCL. This information system will minimise the time economic operators spend submitting information, as from now on, this will be done electronically.

• Promoting creativity among radio and television channel (programme) producers

In 2015, the RTCL traditionally – for the 13th time – held the best radio and TV programme competition, *Pragiedruliai*. The competition aims to promote greater creativity and diversity of radio and television content, thus contributing to the implementation of the provisions of both the LPIP and the Audiovisual Media Services Directive with regards to the increasing of quotas for European works in the television programming provided by broadcasters.

• Strengthening international cooperation

During 2015, the RTCL continued its work on the European Platform of Regulatory Authorities (EPRA) and the European Commission's European Regulators Group for Audiovisual Media Services (ERGA), composed of representatives of regulatory authorities in EU Member States.

ERGA, which was founded approximately a year earlier, advises the European Commission on whether the provisions of the Audiovisual Media Services Directive are still relevant to the modern audiovisual market, which is rapidly developing in terms of technology. In the previous year, the most pressing matters for ERGA were strengthening the independence of regulatory authorities in the Audiovisual Media Services Directive and searching for ways to resolve the issue of jurisdiction determination with respect to television channels intended for audiences of other countries.

Participation in the work of these organisations makes it possible for the Commission to draw attention to the problems specific to Lithuania, express its own opinions and table proposals on how to address regulation issues on an international level.

In terms of information warfare in Lithuania and decisions aimed at stopping the dissemination of prohibited information from being transmitted in the Russian language television programmes re-broadcast in Lithuania, a meeting of the national regulatory authorities of the Baltic States held in March of 2015 by the RTCL was of particular significance. The meeting brought together Estonian, Latvian and Lithuanian regulators of the audiovisual media services sector, as well as colleagues from the UK and Sweden, a representative from the European Commission and the British Ambassador to Lithuania. During the meeting, it was agreed to strengthen their cooperation even further, share relevant information and exercise more responsible licensing and registration of television broadcasts intended for viewers in foreign countries.

• Improving media literacy

In an attempt to fight the dissemination of biased and prohibited information and to increase media literacy and educate a conscious information society, that is to encourage a creative and critical approach to media content by society, the RTCL had several off-site meetings in regions. During these meetings, the RTCL's members gave presentations to the general public about the Lithuanian audiovisual media services market and its regulation, and discussed the influence of propaganda in the media as a political tool and the threats such propaganda poses. These presentations were given by the RTCL in Šiauliai, Panevėžys, Klaipėda and Telšiai. The Commission intends to continue these efforts.

• RTCL funding and financial activities

For the purpose of funding RTCL activities, radio and/or television broadcasters, rebroadcasters, persons distributing television channels and/or selected channels (programmes) to Lithuanian audiences on the Internet, providers of on-demand audiovisual media services (except for the Lithuanian Radio and Television or "LRT") generating revenue from radio and/or television broadcasting, re-broadcasting, distribution of television channels and/or individual channels (programmes) on the Internet and/or provision of on-demand audiovisual media services must pay a fee to the RTCL as a budgetary institution. This fee is calculated as 0.6 per cent from the revenue generated from commercial audiovisual messages, advertising, subscription fees and other activities related to radio and/or television broadcasting, re-broadcasting, distribution of television channels and/or selected channels (programmes) on the Internet and/or provision of on-demand audiovisual media services.

The RTCL uses these fees exclusively to fund the programmes outlined in its strategic action plan.



Budget accounts and financial statements, including the independent auditor's opinion, are public and available on the RTCL's website at <u>www.rtk.lt.</u>

Over the reporting period, the financial activities of the RTCL were conducted responsibly by maintaining a balance between revenue and expenditure.

Chairman

Edmundas Vaitekūnas



RTCL MEMBERSHIP AND ADMINISTRATION

In 2015, there were no changes to the RTCL membership.

Pursuant to LPIP provisions, the RTCL consists of 11 members and administration. Two members are appointed by the President of the Republic, three members (one from the opposition parties) are appointed by the Seimas on proposal by the Committee of Education, Science and Culture and the Committee of Information Society Development, three members are appointed by the Lithuanian Association of Artists, one by the Bishops' Conference of the Catholic Church in Lithuania, one by the Lithuanian Union of Journalists and one other member by the Lithuanian Society of Journalists.

The Chairman and Deputy Chairman of the RTCL are appointed for a four-year term and dismissed by the Seimas on proposal by the Committee of Education, Science and Culture and the Committee of Information Society Development.

The administration supports the RTCL by managing finances, facilities and resources and assists the RTCL in the performance of the regulator's functions.

RTCL OBJECTIVES

In carrying out its functions as defined in the LPIP, the RTCL has the following objectives:

• To participate in the policy making for the audiovisual sector in Lithuania;

• To ensure, insofar within its competence, the monitoring of information not to be published and information detrimental to the physical, mental and moral development of minors disseminated over radio stations, television channels, in catalogues and individual programmes;

• To ensure the conformity of radio and television programming and radio and television content, commercial audiovisual messages and advertising with the requirements of both Lithuanian and Union law;

• To license radio and television broadcasting and re-broadcast content;

• To regulate and oversee the activities of both licensed and unlicensed radio and television broadcasting and re-broadcasting, provision of on-demand audiovisual media services and distribution of television channels and/or selected channels on the Internet;

• To cooperate, insofar within its competence, with national regulatory authorities in the audiovisual media services sector in other EU Member States;

• To provide information about its activities.

In 2015, the RTCL conducted its activities as outlined in the Strategic Action Plan for 2015–2017 approved by Order No. V-17 of 19 June 2014 of the Chairman of the RTCL approving the strategic action plan of the Radio and Television Commission of Lithuania for 2015–2017.

RTCL FUNCTIONS

The functions of the RTCL are outlined in Article 48 of the LPIP and include a variety of areas of activity.

In order to perform its functions properly, the RTCL mostly focuses on optimising the supervision of economic operators engaged in radio and/or television broadcasting, re-broadcasting,

distribution of television channels and/or selected channels on the Internet and provision of ondemand audiovisual media services and on improving the quality of supervision. To this end during 2015, the Commission was implementing measures designed to reduce the administrative burden on businesses and to enhance the efficiency of internal administration. The introduction of these measures has undoubtedly improved the quality of public administration performed by the RTCL.

MEASURES TO REDUCE THE ADMINISTRATIVE BURDEN ON BUSINESSES

During 2015, the RTCL was developing a data submission information system (the "DSIS") in an attempt to reduce the administrative burden on businesses. The information system is designed to automatically collect information from the economic operators regulated by the RTCL. Once the information system is put into operation, economic operators will be able to submit information to the RTCL by completing the electronic forms provided, also state or file only those details that had changed over the reporting period, and review information already at the disposal of the RTCL. Before this system, all information had to be submitted in a paper format, making the entire information submission process long and intensive in terms of human and financial resources expended. Once these processes are moved onto electronic space and good quality electronic services made available, the supervision of economic operators will be simplified, making it more convenient for users and more effective to use.

The introduction of the DSIS will make it possible for economic operators to provide the RTCL with all relevant information about future or current activities, or changes to the current activities, efficiently and simply. The RTCL in turn will be able to make better use of this information for generalisation and inquiry purposes, for drafting comparative reports for certain periods by economic operators, areas of activity or revenues, and for analysing market developments or presenting market outlook. Moreover, such collection of data will ensure better information dissemination as the RTCL will be able to publish relevant data on the activities of the economic operators it supervises on the RTCL's website and at the same time ensure better awareness of the public of what the Commission does. It is expected that the DSIS will be completed in early 2016.

The RTCL is also involved in projects for reducing the administrative burden on businesses implemented by other public authorities and institutions. One of these projects is a project launched by the state enterprise Centre of Registers and involves the development of a licensing information system to be used as a single point for license data collection and information management. Pursuant to Article 2.79, paragraph 4, and Clause 2.4 of Resolution No. 937 of 18 July 2012 of the Lithuanian Government approving the grounds for licensing, licensing authorities shall be required to forward all information and details about licences issued to the Licensing Information System. The RTCL's participation in this system ensures that all stakeholders will get access to information about licence holders and the type of licences issued for radio and television broadcasting and/or rebroadcasting, as well as any other information pertaining to licensing.

In 2015, the RTCL attended the debates and discussion dedicated to a national regulatory authorities information system developed by the Ministry of Economy in conjunction with the Ministry of Justice. This system is expected to be completed by Q3 of 2016. The system will remove the need for businesses to provide excess data or information and will allow the

performance of state supervisory functions through cooperation and more efficient use of state resources.

MEASURES TO ENHANCE INTERNAL ADMINISTRATION

In 2015, new functions, more economic operators under supervision and changes to the associated regulatory framework, as well as the RTCL's goal to perform its public administration function in a quality and effective manner inspired the Commission to take measures designed to improve internal administration.

At the beginning of 2015, the RTCL introduced a document management system (the "DMS") which ensures efficient document management, strict assignment control and better internal communication between the staff. The DMS used by the RTCL is designed to process, manage and store information, and provide an easy access to it, and is tailored to the specific functions the RTCL performs. The DMS enables document storing and archiving, registration and forwarding, document drafting and coordination, as well as the approval, delegation and management of tasks, convocation of meetings and provision of electronic services. The system optimises work at the RTCL so that there is no need for or just a minimum need for paperwork, as all documents are available on the electronic space.

One year of working with the DMS resulted in positive changes to the organisation of the RTCL's work, ensuring timely performance of assignments and their control, clear division of responsibilities for each particular assignment, easy access to documents sent and received, and better communication and awareness among the staff. All information available to the RTCL about the economic operators it regulates and their activities was systemised and transferred onto the DMS, making it easily accessible not just to our staff, but also to the public, as part of the information is synchronised with the RTCL's website.

CHANGES TO THE REGULATORY FRAMEWORK

2015 was a year of significant changes to the regulatory framework of the audiovisual media services market. On 21 May 2015, the Seimas passed Law No. XII-1731 amending Articles 2, 19, 22, 24, 27, 31, 32, 33, 34, 34¹, 41, 46, 47 and 48, and recognising Article 40² as void of LPIP No. I-1418 which came into effect on 1 October 2015. This law aims to strengthen the protection of national security interests in the face of information warfare. The new law contains other, but no less important, amendments which led to material changes in the radio and television broadcasting services market, for example, re-broadcasters are no longer required to obtain re-broadcasting licences prior to the commencement of radio and/or television re-broadcasting activities, except in cases when the re-broadcasting involves the use of limited state resources, i.e. radio frequencies (channels). As of 1 October 2015, re-broadcasters who use radio frequencies (channels) to retransmit radio and/or television programmes are issued re-broadcast content licences. The amended LPIP also covers a new type of services not regulated before the adoption of this Law, that is, the distribution of television channels and/or selected channels (programmes) on the Internet. Persons providing these services, as well as on-demand audiovisual media services to the Lithuanian public, will have to notify the RTCL before they start their activities just like all other

radio and television re-broadcasters who do not use radio frequencies (channels) identified in the Plan of Radio Frequency Allocation for Radio and Television Broadcasting and Transmission (the "Plan") in order to re-broadcast radio and television programmes.

STRENGTHENING THE PROTECTION OF NATIONAL SECURITY INTERESTS IN THE INFORMATION AREA

The following new provisions of the LPIP came into effect on 1 October 2015:

(1) Fines on broadcasters of up to 3 per cent of their annual revenue for the dissemination of war propaganda or information inciting force in order to change the constitutional framework of Lithuania, attack against Lithuanian sovereignty, territorial integrity or political independence, and inciting hatred and war.

(2) Fines on re-broadcasters of up to 3 per cent of their annual revenue for failure to comply with the RTCL's decision asking to ensure the conformity of re-broadcast content with the national requirements, or for repeated selection and proposed transmission of television programmes airing war propaganda or information inciting force in order to change the constitutional framework of Lithuania, attack against Lithuanian sovereignty, territorial integrity or political independence, and inciting hatred and war.

(3) A one-year ban on applying for state support from the Press, Radio and Television Support Foundation for authors of public information disseminating war propaganda or information inciting force in order to change the constitutional framework of Lithuania, attack against Lithuanian sovereignty, territorial integrity or political independence, and inciting hatred and war.

(4) Every person is entitled to file a substantiated complaint with the RTCL and the Ombudsman for Journalism Ethics (the "Ombudsman") regarding the alleged dissemination and/or continued dissemination of information not to be published, and the RTCL has the duty to consider the complaint, conduct an investigation, make a decision within 20 working days and apply sanctions when objectively required.

(5) A possibility of legal recourse with the aim of protecting the public interest in the area of public outreach in cases when the RTCL or the Ombudsman fail to exercise control or proper control over information inciting forceful change of the constitutional framework of Lithuania, attack against Lithuanian sovereignty, territorial integrity or political independence, and inciting hatred and war.

(6) A screening procedure of broadcasters and re-broadcasters and their participants in regard to national security interests in cases outlined in the LPIP in accordance with the current national security screening procedure applicable to persons wishing to pursue an economic activity in areas of the economy significant to national security.

(7) More duties and responsibilities of the RTCL:

– Duty to refuse a licence or consent for the transfer of a majority interest in or control of a broadcaster or re-broadcaster, or to terminate unlicensed activities of radio and television broadcasting, re-broadcasting or distribution in cases when the RTCL receives information about crimes against Lithuania committed by persons wishing to engage in broadcasting or re-broadcasting activities using radio frequencies or by participants in broadcasters or re-broadcasters, as well as by person engaged in unlicensed broadcasting or re-broadcasting activities and participants in them and by persons wishing to acquire a majority interest in or control of a



broadcaster or re-broadcaster, or information about the relations of the said persons with certain organisations threatening national security.

– Duty to eliminate any public interest infringement in the area of public outreach and apply sanctions provided for by the Law in cases when a prosecutor, public authority, institution, organisation or association operating in the area of public outreach apply to the RTCL with a substantiated complaint claiming improper action or inaction by the Commission in stopping the dissemination of information potentially threatening the statehood of Lithuania and asking to take appropriate action to eliminate the infringement.

In the event of the RTCL's failure to take appropriate action as required by law to eliminate a public interest infringement, a prosecutor, public authority, institution, organisation and association operating in the area of public outreach may, in accordance with the Law on Administrative Proceedings of the Republic of Lithuania, file a petition with the Vilnius Regional Administrative Court asking it to order the RTCL to take action outlined in the LPIP and apply sanctions provided for by the said law.

- Duty to initiate provisional suspension of the free reception in Lithuania of television broadcasts from EU Member States which are rebroadcast in Lithuania not just in cases when a conclusion of a competent authority is received, but also in cases when the RTCL receives a complaint from an individual or ascertains for itself the fact of the dissemination of prohibited information.

LIBERALISATION OF RE-BROADCASTING ACTIVITIES AND REGULATION OF NEW SERVICES

The amendments to the LPIP have liberalised the market of radio and television rebroadcasting, removing the need for licensing of re-broadcasters that do not use radio frequencies (channels) to retransmit radio and/or television broadcasts.

In light of technological advances and the fact that television transmission services are moving to the Internet, thus creating competition to traditional satellite and cable television, the conditions for providing essentially equivalent services were harmonised. The amendments to the LPIP have established the following new regulatory provisions:

(1) No requirement to obtain a licence from the RTCL for re-broadcasters that do not use radio frequencies (channels) specified in the Plan to retransmit television and/or radio broadcasts and for broadcasters transmitting television broadcasts over information society media, i.e. websites.

(2) Licenses issued to re-broadcasters that use radio frequencies (channels) for retransmission before 1 October 2015 recognised as re-broadcast content licences.

(3) Duty to notify the RTCL for persons wishing to engage in unlicensed broadcasting and/or re-broadcasting activities in Lithuania, provide on-demand audiovisual media services or distribute television channels and/or selected channels on the Internet.

To implement these amendments to the LPIP, the RTCL had drafted and submitted for approval by the Minister of Culture of the Republic of Lithuania the following:

(1) A draft of the recast Rules for the licensing of broadcasting activities and re-broadcast content which was approved by the Minister of Culture by Order No. IV-659 of 30 September 2015

amending Order No. ĮV-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 and re-broadcasting¹.

The new provisions laid down in the Rules for the licensing of broadcasting activities and rebroadcast content include notification requirements for persons wishing to engage in unlicensed activities of radio and/or television broadcasting, re-broadcasting or distribution, duties and rights of the these persons and conditions under which the said persons will be required to operate.

(2) A draft of the recast Descriptor of the procedure for setting the annual fee for radio and/or television broadcasting, re-broadcasting, distribution on the Internet and on-demand audiovisual media services which was approved by the Minister of Culture by Order No. IV-658 of 30 September 2015 amending Order No. IV-318 of 21 April 2011 of the Minister of Culture of the Republic of Lithuania On the approval of the Descriptor of the procedure for setting the annual fee for a broadcasting and re-broadcasting licence².

This Descriptor outlines the procedure for determining and paying the annual fee.

To implement the amended LPIP, the RTCL has also developed the following:

(1) Rules for television programming approved by Decision No. KS-171 of 23 September 2015 of the RTCL On the approval of the Rules for television programming³.

The Rules for television programming govern how television re-broadcasters and distributors of television channels and/or selected channels on the Internet in Lithuania should programme TV packages, the requirements for television programme selection, provision for transmission and distribution to the public, as well as the liability of persons engaged in these activities in case of failure to comply with the Rules.

(2) Descriptor of the procedure for the transfer of shares (interests) in broadcasting and rebroadcast content licence holders approved by Decision No. KS-172 of 23 September 2015 of the RTCL On the approval of the Descriptor of the procedure for the transfer of shares (interests) in broadcasting and re-broadcast content licence holders⁴.

The Descriptor governs the procedure for submitting information about any transfer of shares (interests) in licensees of broadcasting activities and re-broadcast content to the RTCL, as well as the conditions and procedure for RTCL consent to the transfer of shares (interests) in and/or control of licensees of broadcasting activities and/or re-broadcast content.

(3) Descriptor of the procedure for the submission of information about the activities of radio and television broadcasters, re-broadcasters, providers of on-demand audiovisual media services and of distributors of television channels and/or selected channels (programmes) on the Internet approved by Decision No. KS-167 of 9 September 2015 of the RTCL On the approval of the Descriptor of the procedure for the submission of information about the activities of radio and television broadcasters, re-broadcasters, providers of on-demand audiovisual media services and of distributors of television channels and/or selected channels on the Internet⁵.

The Descriptor sets out the form of notice to report about the start of activities, form and content of financial statements persons engaged in the provision of the aforementioned services are

¹ <u>https://www.e-tar.lt/portal/lt/legalAct/a459e020677b11e58e1ab2c84776483b/fQURChCWKB</u>

² https://www.e-tar.lt/portal/lt/legalAct/TAR.A56EAD0EA429/JvlfzeGJhp

³ https://www.e-tar.lt/portal/lt/legalAct/1026b70065ca11e58e1ab2c84776483b

⁴ https://www.e-tar.lt/portal/lt/legalAct/03f849e065ce11e58e1ab2c84776483b

⁵ https://www.e-tar.lt/portal/lt/legalAct/b4627b805c4511e589fccd6fa118e11c



required to submit to the RTCL, as well as intervals at which statements should be submitted, submission of information about the conformity of television content broadcast, re-broadcast or distributed on the Internet to the requirements outlined in the LPIP, Rules for television programming as approved by the RTCL and RTCL decisions, as well as the deadlines, scope and format of these submissions.

(4) Descriptor of the procedure for the handling of requests, complaints and notices by individuals and customer service at the Radio and Television Commission of Lithuania approved by Decision No. KS-166 of 9 September 2015 of the RTCL On the approval of the Descriptor of the procedure for the handling of requests, complaints and notices by individuals and customer service at the Radio and Television Commission of Lithuania⁶.

The Descriptor governs how requests, complaints and notices filed by both natural and legal persons are handled and how customer service is offered at the RTCL.

PARTICIPATION IN THE LEGISLATIVE PROCESS

As the amended LPIP implied additional functions to the RTCL, wider circle of economic operators regulated and the use of new terms, the RTCL drafted and submitted for approval by the Education, Science and Culture Committee of the Seimas a draft Resolution of the Seimas amending Resolution No. XII-189 of 12 March 2013 of the Seimas of the Republic of Lithuania On the approval of the Regulations of the Radio and Television Commission of Lithuania⁷.

The RTCL prepared and submitted for approval by the Education, Science and Culture Committee a draft law amending Articles 214¹⁹, 214²⁰, 214²¹ and 214²² of the Lithuanian Code of Administrative Law Offences⁸ (the "CoALO") and a draft law amending Articles 12, 79, 124, 146, 477 and 548 of the Lithuanian Code of Administrative Offences (the "CoAO")⁹. These draft laws aim to harmonise provisions of the CoALO and CoAO with the amended provisions of the LPIP and provide for the possibility to apply a softer sanction, i.e. warning, and in the case of the CoAO to omit administrative liability altogether when offences are of little consequence to the values protected under the LPIP, and in particular in cases of formal, insignificant breaches of the LPIP.

The RTCL also submitted its comments and proposals with regard to several pieces of legislation prepared by the Ministry of Culture of the Republic of Lithuania, namely, a draft law amending Article 39 of the LPIP No. I-1418¹⁰, draft law amending Articles 47, 48 and 50 of the LPIP No. I-1418¹¹ and draft resolution of the Government amending Resolution No. 1540 of 25 November 2015 of the Lithuanian Government On the approval of the formation of a commission to verify the compliance of potential participants with national security interests and of the descriptor of the regulations of the said commission¹².

The RTCL prepared its comments and proposals for a draft resolution of the Lithuanian Government amending Resolution No. 973 of 18 July 2012 of the Lithuanian Government On the

⁶ https://www.e-tar.lt/portal/lt/legalAct/e2d839d05c3d11e589fccd6fa118e11c

⁷ http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc l?p id=1087273&p tr2=2

⁸ http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=1101855&p_tr2=2

⁹ http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc l?p id=1101862

¹⁰ http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=1036124&p_org=209&p_fix=n&p_gov=n

¹¹ http://www.lrs.lt/pls/proj/dokpaieska.showdoc l?p id=1097658&p org=209&p fix=n&p gov=n

¹² http://www.lrs.lt/pls/proj/dokpaieska.showdoc l?p id=1086305&p org=209&p fix=n&p gov=n

approval of the Descriptor of the grounds for licensing¹³ and a draft certificate on the impact assessment of priority legislative initiatives in the area of regulation prepared by the Ministry of Economy of the Republic of Lithuania¹⁴.

In this certificate, the Ministry of Economy suggested measures that undermine the independence of the RTCL from government institutions. The Ministry suggested that the Commission should be funded directly from the public budget, thus making it possible for public authorities to influence the freedom of the media and RTCL decisions. In its comments, the Commission clearly stated that the draft certificate had no valid foundation and there were no complaints from the audiovisual market players currently paying fees that fund the activities of the RTCL questioning the current funding model, and that the proposed funding model would not ensure the independence of the RTCL activities.

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

In 2015, the RTCL was engaged in the licensing of radio and television broadcasting and rebroadcasting activities and in line with the Plan, organised competitions seeking to award radio and television broadcasting licences, revised and specified licence conditions when requested by broadcasters and/or re-broadcasters, maintained a registry of on-demand audiovisual media services providers, etc.

The amendments to the LPIP, which came into effect on 1 October 2015, have affected, inter alia, the way the Commission licenses radio and/or television broadcasting and/or re-broadcasting activities and have changed, in essence, the regulatory framework of re-broadcasting activities that do not require radio frequencies (channels). Radio and television re-broadcasting not involving the use of radio frequencies (channels), distribution of television programmes on the Internet and provision of on-demand audiovisual media services have become unlicensed activities.

In light of the changes to the regulatory framework and in order to ensure the smooth transition of the economic operators that were engaged in licensed activities prior to the amendments to the operators engaged in unlicensed activities, the RTCL had determined that licences issued before 1 October 2015 for the broadcasting and/or re-broadcasting of radio and/or television programmes not involving the use of radio frequencies (channels) specified in the Plan shall serve as notices of the start of unlicensed broadcasting or re-broadcasting activities, and the holders of these licences shall be deemed to be reporters. The RTCL registered 52 economic operators that became the operators of unlicensed activities after 1 October 2015.

In the period between 1 October 2015 and 31 December 2015 there were 17 new economic operators registered that notified the RTCL of the start of unlicensed activities.

Over the reporting period, the RTCL made 224 decisions related to licensing, announcement and conduct of competitions and the regulation of unlicensed radio and television broadcasting and re-broadcasting, distribution of television channels and/or selected channels on the Internet and the provision of on-demand audiovisual media services (*Figure 1*).

¹³ <u>http://www.lrs.lt/pls/proj/dokpaieska.showdoc l?p id=1091606&p org=209&p fix=n&p gov=n</u>

¹⁴ http://www.lrs.lt/pls/proj/dokpaieska.showdoc l?p id=1089044&p org=209&p fix=n&p gov=n



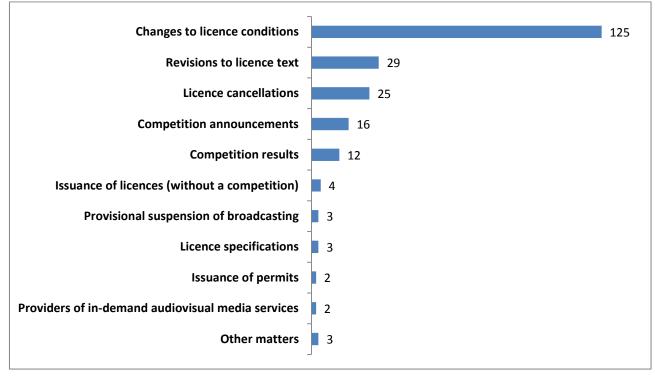


Figure 1. Licensing-related decisions in 2015.

Pursuant to Decision No. KS-189 of 14 October 2015 of the RTCL On broadcasting and rebroadcasting licences¹⁵ and Decision No. KS-192 of 3 November 2015 of the RTCL On the approval of the licence form¹⁶ the RTCL issued 29 revised versions of broadcasting licences issued prior to 1 October 2015.

In 2015, the Commission issued 9 new licences: 4 licences were awarded to competition winners for radio broadcasting, 5 licences were issued without a competition (2 licences for television broadcasting, 2 licences for a radio programme broadcasting, and 1 licence for television channel re-broadcasting) (*Table 1*).

No.	Licence type	Economic operator	Electronic communications network/territory covered
			by the licence
1.	Radio station	UAB RADIJO STOTIS	100.8 MHz Klaipėda
		LALUNA	
2.	Television channel	UAB DELFI	Wired broadband
		communication	
			network/Lithuania
3.	Television channel	UAB BALTICUM TV	Cable television network,
			wired broadband
		communication	
			network/Lithuania

Table 1. Licences issued without a competition.

¹⁵ http://www.rtk.lt/content/uploads/2016/02/ks-189-2015.pdf

¹⁶ http://www.rtk.lt/content/uploads/2016/02/ks-192-2015.pdf



4.	Television channel	UAB Kauno interneto sistemos	Wired	broadband
			communication	
			network/Kaunas	
5.	Radio station	Plungės technologijų ir verslo mokykla	97.3 MHz Plungė	

The RTCL has also issued 2 permits to VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA (Lithuanian National Radio and Television) for the broadcasting of LRT RADIJAS (radio station) in the cities of Kėdainiai, Jurbarkas, Kybartai, Šilutė and Laukuva and for the broadcasting of LRT OPUS (radio station) in the city of Druskininkai.

COMPETITIONS TO AWARD LICENCES

In 2015, the Commission held 16 competitions aiming to award broadcasting licences for radio stations (Table 2).

No.	Objective	Station location,	Radio	Applicants
		territory covered	frequency/TV	Winner
		by the licence	channel	
1.	Licence for radio	Vilnius*	102.6 MHz	UAB LAISVOJI
	station broadcasting			BANGA
				UAB MAINAI
				UAB LAISVOJI
				BANGA
2.	Licence for radio	Utena*	88.3 MHz	VšĮ KVARTOLĖ
	station broadcasting			UAB MAINAI
				VšĮ KVARTOLĖ
3.	Licence for radio	Rokiškis	91.4 MHz	UAB MAINAI
	station broadcasting			UAB Pūkas
				UAB Pūkas
4.	Licence for radio	Joniškis	93.4 MHz	No applications received
	station broadcasting			
5.	Licence for radio	Biržai	88.5 MHz	UAB Labas, Klaipėda
	station broadcasting			UAB MAINAI
				UAB Labas, Klaipėda
6.	Licence for radio	Varėna	93.6 MHz	UAB MAINAI
	station broadcasting			Undetermined**
7.	Licence for radio	Vilnius	104.7 MHz	UAB ATVIRAI
	station broadcasting			UAB Labas, Klaipėda
				UAB LIETUVOS
				RYTAS
				UAB MAINAI
				UAB RADIOLA

Table 2. Competitions announced.



				UAB ŽINIŲ RADIJAS
				UAB LIETUVOS
				RYTAS
8.	Licence for radio	Ukmergė	89.9 MHz	VšĮ KVARTOLĖ
	station broadcasting			UAB MAINAI
				UAB RIMTAS
				RADIJAS
				VšĮ Žemaičių radijas
				UAB RIMTAS
				RADIJAS
9.	Licence for radio	Plungė	90.9 MHz	UAB Info XXL
	station broadcasting	_		VšĮ KVARTOLĖ
				VšĮ Marijos radijas
				VšĮ Žemaičių radijas
				VšĮ KVARTOLĖ
10.	Licence for radio	Varėna	101.3 MHz	UAB MAINAI
	station broadcasting			UAB RIMTAS
				RADIJAS
				UAB RIMTAS
				RADIJAS
11.	Licence for radio	Dieveniškės	104.4 MHz	UAB RIMTAS
	station broadcasting			RADIJAS
				UAB RIMTAS
				RADIJAS
12.	Licence for radio	Biržai	90.4 MHz	VšĮ KVARTOLĖ
	station broadcasting			UAB MAINAI
				VšĮ Žemaičių radijas
				VšĮ KVARTOLĖ
13.	Licence for radio	Joniškis	93.4 MHz	UAB MAINAI
	station broadcasting			VšĮ Žemaičių radijas
				VšĮ Žemaičių radijas
14.	Licence for radio	Šiauliai***	89.7 MHz	ι ····
	station broadcasting			
15.	Licence for radio	Ukmergė***	91.5 MHz	
	station broadcasting			
16.	Licence for radio	Kėdainiai***	106.1 MHz	
- *	station broadcasting			
17.	Licence for radio	Klaipėda***	93.3 MHz	
	station broadcasting	. F		
	stone of our subling	1		

* The competition was announced in 2014.

** The decision was made not to issue the licence or determine a winner.

*** The results of this competition were collated in 2016.

There were, in total, 29 applications submitted and examined in the competitions announced by the RTCL. Having calculated the results, the RTCL announced 11 winners, issued 4 new and supplemented 7 licences issued earlier.

DECISIONS REVISING LICENCE CONDITIONS OR CANCELLING LICENCES

In 2015, the RTCL made 125 decisions revising conditions of the broadcasting and rebroadcasting licences issued prior to 1 October 2015, i.e. the effective date of the amended LPIP. These decisions were focused on changes to the territory of the licensed activities, the start date of activities, radio frequencies, names of radio programmes, structure and contents of licensed television and radio broadcasts, lists of re-broadcast television channels and other licence conditions.

During the reporting year, the Commission cancelled 25 broadcasting and re-broadcasting licences (*Table 3*).

No.	Economic operator	Grounds for licence	Licensed activities
		cancellation	
1.	UAB Ukmergės televizija	Licence holder waived the	Television channel
		licence	broadcasting
2.	UAB Rakaras	Licence holder waived the	Television channel
		licence	broadcasting
3.	UAB BALTICUM TV	Licence holder waived the	Television channel
		licence	broadcasting
4.	UAB Lanula	Licence holder was	Radio station
		reorganised	broadcasting
5.	UAB MAINAI	Licence holder failed to start	Radio station
		operations by the date	broadcasting
		specified in the licence	
6.	Lithuanian-German private	Licence holder waived the	Television channel
	limited company Televizijos	licence	broadcasting
	komunikacijos		
7.	UAB SPORT	Licence holder waived the	Television channel
	ENTERTAINMENT	licence	broadcasting
8.	AB TEO LT	Licence holder waived the	Television channel
		licence	broadcasting
9.	UAB MAINAI	Licence holder failed to start	Radio station
		operations by the date	broadcasting
		specified in the licence	
10.	UAB MAINAI	Licence holder failed to start	Radio station
		operations by the date	broadcasting
		specified in the licence	
11.	UAB Sport media	Licence holder waived the	Television channel
		licence	broadcasting

Table 3. Licence cancellations.



12.	UAB UKMNET TV	Licence holder waived the	Television channel
		licence	broadcasting
13.	UAB UKMNET TV	Licence holder waived the	Television channel
		licence	broadcasting
14.	Kaunas University of	Licence holder waived the	Radio station
	Technology	licence	broadcasting
15.	AB TEO LT	Licence holder waived the	Television channel
		licence	broadcasting
16.	UAB PICTURA	Licence holder waived the	Television channel
		licence	broadcasting
17.	UAB Taurų dvaras	Licence holder waived the	Television channel
		licence	broadcasting
18.	UAB Dokeda	Licence holder waived the	Television channel
		licence	broadcasting
19.	UAB Aukštaitijos televizija	Licence holder was declared	Television channel
		bankrupt by the court and to be	broadcasting
		liquidated	
20.	UAB Kauno fonas	Licence holder was declared	Radio station
		bankrupt by the court and to be	broadcasting
		liquidated (judgement	
		suspended by court order)	
21.	UAB KTV net	Licence holder failed to start	Television channel
		operations by the date	broadcasting
		specified in the licence	
22.	UAB Miesto tinklas	Licence holder failed to start	Television channel
		operations by the date	broadcasting
		specified in the licence	
23.	UAB LIETUVOS RYTAS	Licence holder waived the	Radio station
		licence	broadcasting
24.	VšĮ Pajūrio radijas	Licence holder is under	Radio station
		liquidation	broadcasting
25.	VšĮ Pajūrio radijas	Licence holder is under	Radio station
		liquidation	broadcasting

As of 31 December 2015, the RTCL had issued 145 broadcasting and re-broadcast content licences for radio and/or television broadcasters and re-broadcasters engaged in licensed activities and 16 permits to VšĮ NACIONALINIS RADIJAS IR TELEVIZIJA.

RADIO

At the end of 2015, there were 45 radio broadcasters in Lithuania transmitting 58 radio stations. Over the reporting period, the majority of these stations in Lithuania were transmitting a mix of music and information content.

In 2015, the Commission issued 6 licences for radio stations, 3 out of these were issued to new radio broadcasters, i.e. UAB LIETUVOS RYTAS, VšĮ Žemaičių radijas and Plungės technologijų ir verslo mokykla (Technology and Business School in Plungė). UAB LIETUVOS RYTAS had failed to start operations and therefore requested that the RTCL cancel its licence. Following competitions held by the Commission, 7 radio broadcasting licence holders had the conditions of their licences revised, i.e. expanded territories of licensed activities.

It should be noted that the two licence holders that expanded their radio broadcasting coverage the most were UAB RIMTAS RADIJAS and VšĮ KVARTOLĖ. UAB RIMTAS RADIJAS, which broadcasts radio station RUSRADIO LT, won competitions to air the said station on the 89.9 MHz frequency in Ukmergė, on the 101.3 MHz frequency in Varėna and on the 104.4 MHz frequency in Dieveniškės. VšĮ KVARTOLĖ was granted the right to broadcast radio station RELAX FM on the 88.3 MHz frequency in Utena, on the 90.9 MHz frequency in Plungė and on the 90.4 MHz frequency in Biržai.

During the reporting period, there were 8 cancellations of radio broadcasting licences. The RTCL cancelled 3 licences issued to UAB MAINAI for radio broadcasting, as the operator had failed to start broadcasting activities by the date set.

The greatest diversity of radio programmes in 2015 was observed in major Lithuanian cities, such as Vilnius and Kaunas with 29 radio stations, 24 radio stations were available in Klaipėda, 19 in Šiauliai and 18 in Panevėžys (*Figure 2*).

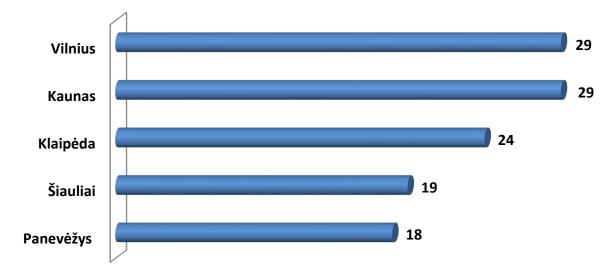


Figure 2. Radio stations aired in major Lithuanian cities.

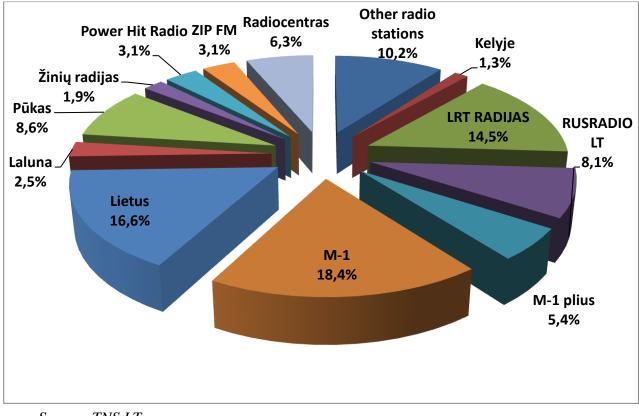
In 2015, by radio coverage there were 10 national radio stations (*Table 4*), 9 regional radio broadcasters (*Table 5*) and 35 broadcasters airing 63 local radio stations (*Table 6*) in Lithuania.

No.	Broadcaster	Station
1.	UAB M-1	M-1
2.	UAB M-1	M-1 Plius
3.	UAB Pūkas	Pūkas
4.	UAB RADIOCENTRAS	Radiocentras
5.	UAB RADIOCENTRAS	ZIP FM
6.	UAB radijo stotis ULTRA VIRES	Lietus
7.	VšĮ LIETUVOS NACIONALINIS RADIJAS IR	LRT RADIJAS
	TELEVIZIJA	
8.	VšĮ LIETUVOS NACIONALINIS RADIJAS IR	LRT KLASIKA
	TELEVIZIJA	
9.	UAB ŽINIŲ RADIJAS	Žinių radijas
10.	UAB LAISVOJI BANGA	Laisvoji banga

Table 4. National radio stations.

According to a radio audience survey done by the TNS LT^{17} market research company, in autumn of 2015, the leading broadcasters in Lithuania among the average radio audience in terms of the time listened and daily and weekly reach of the audience were M-1, Lietus and LRT RADIJAS (*Figures 3 and 4*).

Figure 3. Structure of the average radio audience by time listened in Lithuania, autumn 2015.



Source: TNS LT

¹⁷ http://www.tns.lt/lt/news/radijo-auditorijos-tyrimas-2015-m-ruduo/

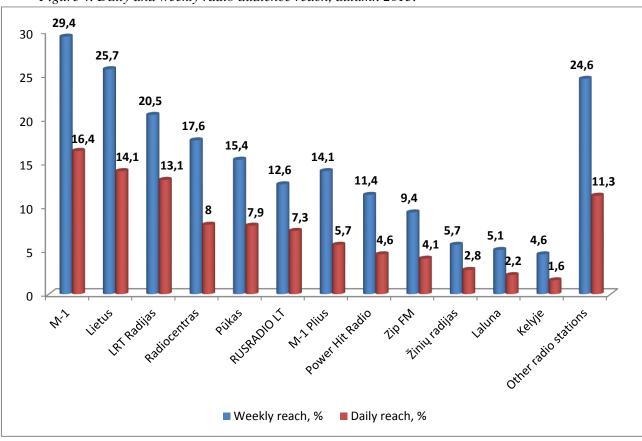


Figure 4. Daily and weekly radio audience reach, autumn 2015.

Source: TNS LT

No.	Broadcaster	Radio station	Locations	
1.	VšĮ Marijos radijas	Marijos radijas	Druskininkai, Ignalina,	
			Mažeikiai, Nida, Plunksniai,	
			Raseiniai, Skuodas, Visaginas	
2.	UAB RIMTAS RADIJAS	RUSRADIO LT	Šiauliai, Klaipėda, Kaunas,	
			Panevėžys, Ukmergė, Varėna,	
			Dieveniškės	
3.	UAB Alytaus radijas	FM 99	Alytus, Druskininkai	
4.	UAB GERUDA	Geras FM	Vilnius, Kaunas	
5.	VšĮ KVARTOLĖ	RELAX FM	Vilnius, Šiauliai, Klaipėda,	
			Panevėžys, Kaunas, Utena,	
			Plungė, Biržai	
6.	UAB Pūkas	Pūkas-2	Vilnius, Klaipėda, Šiauliai,	
			Kaunas, Panevėžys, Telšiai,	
			Tauragė	
7.	UAB RADIOCENTRAS	CLASSIC ROCK FM	Vilnius, Kaunas, Panevėžys	
8.	UAB TELE-3 radijas	Power Hit Radio	Vilnius, Klaipėda, Kaunas, Utena	
9.	VšĮ LIETUVOS	LRT OPUS	Vilnius, Anykščiai, Kaunas,	
	NACIONALINIS RADIJAS IR		Klaipėda, Panevėžys, Raseiniai,	
	TELEVIZIJA		Rokiškis, Šiauliai, Tauragė,	
			Druskininkai	

No.	Table 6. Local radio broadcasters. Broadcaster	Radio station	Location
1.	UAB Antroji reklamos ateljė	Antroji radijo stotis	Šiauliai
2.	UAB Artvydas	TAU	Kaunas
3.	UAB ATVIRAI	Radijo stotis Nykščiai	Anykščiai
4.	UAB AUKŠTAITIJOS	XFM	
	RADIJAS		Panevėžys
5.	UAB EUROLEXIS	Neringa FM	Neringa
6.	UAB Garso klipai	Mano FM	Kaunas
7.	UAB Info XXL	XXL FM	Telšiai
8.	UAB Interbanga	EXTRA FM	Kaunas
9.	UAB Interbanga	EXTRA FM	Klaipėda
10.	UAB Interbanga	EXTRA FM	Šiauliai
11.	UAB Interbanga	EXTRA FM	Vilnius
12.	UAB Interbanga	EXTRA FM	Panevėžys
13.	UAB Interbanga	EXTRA FM	Marijampolė
14.	UAB Interbanga	EXTRA FM	Utena
15.	V. Ivanausko individuali firma	A2	Vilnius
	VYDAS		
16.	VšĮ Kauno moksleivių ir	Studio 7	Kaunas
	jaunimo laisvalaikio centras		
17.	UAB Labas, Klaipėda	XFM	Klaipėda
18.	UAB Labas, Klaipėda	XFM	Kaunas
19.	UAB Lamantas	HOT FM	Mažeikiai
20.	UAB Lamantas	Kapsai	Marijampolė
21.	VšĮ Marijos radijas	Marijos radijas	Šiauliai
22.	VšĮ Marijos radijas	Marijos radijas	Klaipėda
23.	VšĮ Marijos radijas	Marijos radijas	Kaunas
24.	VšĮ Marijos radijas	Marijos radijas	Vilnius
25.	VšĮ Marijos radijas	Marijos radijas	Viešintos
26.	VšĮ Marijos radijas	Marijos radijas	Alytus
27.	VšĮ Marijos radijas	Marijos radijas	Telšiai
28.	VšĮ Marijos radijas	Marijos radijas	Marijampolė
29.	VšĮ Marijos radijas	Marijos radijas	Biržai
30.	VšĮ Marijos radijas	Marijos radijas	Utena
31.	VšĮ Marijos radijas	Marijos radijas	Varėna
32.	VšĮ Marijos radijas	Marijos radijas	Jurbarkas
33.	VšĮ Marijos radijas	Marijos radijas	Rokiškis
34.	VšĮ Marijos radijas	Marijos radijas	Joniškis
35.	VšĮ Marijos radijas	Marijos radijas	Šilutė
36.	UAB Mažeikių aidas	Mažeikių aidas	Mažeikiai
37.	Technology and Business	TVM RADIJAS	Plungė

Table 6. Local radio broadcasters.

	School in Plungė		
38.	UAB PLUNSTA	Spindulys	Plungė
39.	UAB PROARSA	JAZZ FM	Vilnius
40.	UAB PROARSA	Vaikų radijas	Vilnius
41.	UAB Radijas kelyje	Kelyje	Kaunas
42.	UAB Radijas kelyje	Kelyje	Klaipėda
43.	UAB Radijas kelyje	Kelyje	Vilnius
44.	UAB RADIOLA	Europos Hitų Radijas	Vilnius
45.	UAB RADIOLA	Europos Hitų Radijas	Klaipėda
46.	UAB RADIOLA	Europos Hitų Radijas	Kaunas
47.	UAB RADIJO PULSAS	Pulsas	Biržai
48.	UAB RADIJO PULSAS	Pulsas	Panevėžys
49.	UAB RADIJO STOTIS	Laluna	Klaipėda
	LALUNA		
50.	UAB RADIOCENTRAS	RUSSKOJE RADIO BALTIJA	Vilnius
51.	UAB REKLAMOS GAMA	Radijogama	Klaipėda
52.	UAB SAULĖS RADIJAS	Saulės radijas	Šiauliai
53.	Šiaulių Didždvario gimnazija	Radijo klubas	Šiauliai
54.	VšĮ Šiaulių universiteto	nano	Šiauliai
	gimnazija		
55.	VšĮ Šou imperija	Tauragės radijas	Tauragė
56.	UAB TARPTAUTINIS	TARPTAUTINIS BALTIJOS	Sitkūnai
	BALTIJOS BANGŲ RADIJAS	BANGŲ RADIJAS	
57.	VšĮ Utenos radijas	Indros radijas	Utena
58.	Vilniaus Baltupių progimnazija	Baltupių radijas	Vilnius
59.	Vilnius University	Vilniaus universiteto radijas Start	Vilnius
		FM	
60.	UAB ZNAD WILII RADIJO	Znad Wilii	Vilnius
	STOTIS		
61.	VšĮ Žemaičių radijas	VIT FM	Joniškis
62.	S. Žilionio personalinė radijo ir	Ratekona	Sitkūnai
	televizijos konsultacinė agentūra		
63.	UAB ŽINIŲ RADIJAS	EASY FM	Vilnius

TELEVISION

Digital Terrestrial Television (DVB-T)

In 2015, AB Lietuvos radijo ir televizijos centras (Lithuanian Radio and Television Centre or the "Centre") continued its efforts to expand the coverage of the first DVB-T network used to transmit 11 national television channels by increasing the transmitter power at stations in Nida, Tauragė, Jurbarkas, Visaginas, Ignalina and Švenčionys and by building a new station in Diveniškės.



Television broadcasting over digital terrestrial TV stations

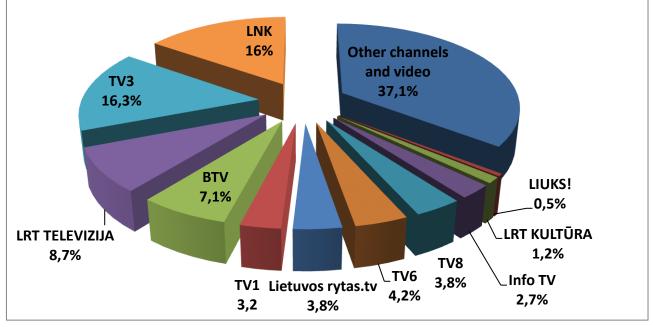
In 2015, Lithuanians were able to receive 11 free (uncoded television signal) national television channels within the digital terrestrial television network (*Table 7*).

According to the figures by TNS LT¹⁸, the most popular television channels among TV viewers by time watches were TV3, LNK and LRT TELEVIZIJA (*Figures 5 and 6*).

No.	Broadcaster	Television channel	
1.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	BTV	
2.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	LNK	
3.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	Info TV	
4.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	LIUKS!	
5.	UAB LAISVAS IR NEPRIKLAUSOMAS KANALAS	TV1	
6.	UAB Lietuvos ryto televizija	Lietuvos rytas.tv	
7.	VšĮ LIETUVOS NACIONALINIS RADIJAS IR	LRT TELEVIZIJA	
7.	TELEVIZIJA		
8.	VšĮ LIETUVOS NACIONALINIS RADIJAS IR	LRT KULTŪRA	
	TELEVIZIJA		
9.	UAB TELE-3	TV3	
10.	UAB TELE-3	TV6	
11.	UAB TELE-3	TV8	

Table 7. Uncoded national DVB-T channels.

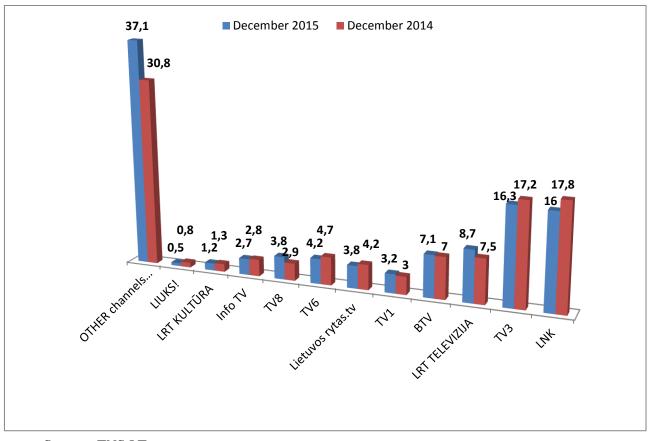
Figure 5. Television viewership by time watched, December 2015.



Source: TNS LT Figure 6. Television viewership, December 2014/December 2015.

¹⁸ <u>http://www.tns.lt/lt/news/tv-auditorijos-tyrimo-rezultatai-2015-m-gruodis/</u> <u>http://www.tns.lt/lt/news/tv-auditorijos-tyrimo-rezultatai-2014-m-gruodis/</u>

Radio and Television Commission of Lithuania 2015 Annual Report



Source: TNS LT

In 2015, there were 13 local television channels transmitted over the digital terrestrial TV stations (*Table 8*).

No.	Broadcaster	Television channel	Location
1.	UAB AIDAS	Aidas	Trakai
2.	UAB Kėdainių krašto televizija	Kėdainių krašto televizija	Kėdainiai
3.	UAB Pūkas	Pūkas-TV	Kaunas
4.	UAB Šiaulių apskrities televizija	Šiaulių televizija	Šiauliai
5.	UAB SPLIUS	Šiaulių regiono televizija	Šiauliai
		Splius	
6.	UAB Roventa	Roventos TV	Mažeikiai
7.	VšĮ Marijampolės televizija	Marijampolės televizija	Marijampolė
8.	V. Krušnos individuali įmonė	PTV	Peršėkininkai
			Village
9.	VšĮ LN televizija	LN televizija	Plungė
10.	UAB Ilora	Ventos regioninė televizija	Venta
11.	UAB TV7	TV7	Jonava
12.	VšĮ Alytaus regioninė televizija	Dzūkijos televizija	Alytus
13.	UAB BALTICUM TV	Balticum Auksinis	Vilnius

Table 8. Local television channels.



Television content retransmission over the digital terrestrial TV stations

In 2015, there were 2 re-broadcasters transmitting television channels over the digital terrestrial TV stations, i.e. UAB BALTICUM TV and AB TEO LT.

UAB BALTICUM TV was re-broadcasting:

- a package of 10 television channels over the digital terrestrial TV station of 45 TV channels in Klaipėda;
- a package of 9 television channels over the digital terrestrial TV station of 53 TV channels in Vilnius; and
- a package of 9 television channels over the digital terrestrial TV station of 40 channels in Plungė.

AB TEO LT was re-broadcasting 29 television channels over the national digital terrestrial television networks:

- 10 television channels over the second digital terrestrial television network of the Centre;
- 9 television channels over the first digital terrestrial television network of AB TEO LT;
- 10 television channels over the second digital terrestrial television network of AB TEO LT.

 Table 9. Television channels broadcast or re-broadcast over the national digital terrestrial networks and their languages.

The second digital	The first digital	The second digital	
terrestrial	terrestrial television	terrestrial television	
television network	network of AB TEO	network of AB TEO	
of the Centre	LT	LT	
RTR Planeta* –	TLC – English	TV POLONIA* -	
Russian		Polish	
VH1 – English	SONY	NICKELODEON –	
	ENTERTAINMENT	English/Russian	
	TELEVISION –		
	English/Russian		
PBK – Russian,	ANIMAL PLANET -	CNN	
Lithuanian	English/Russian	INTERNATIONAL -	
		English	
BBC WORLD -	FOX – English,	EURONEWS –	
English	Russian, Lithuanian	English/Russian/Frenc	
	subtitles	h/German	
DOZHD	NATIONAL	DISCOVERY	
(TV RAIN) –	GEOGRAPHIC	WORLD –	
Russian	CHANNEL –	English/Russian	
	English/Bussian		
	Eligiisii/ Kussiaii		
KIDZONE TV –	TRAVEL CHANNEL	DISCOVERY	
KIDZONE TV – Lithuanian, English		DISCOVERY SCIENCE –	
	TRAVEL CHANNEL		
	terrestrial television network of the Centre RTR Planeta* – Russian VH1 – English PBK – Russian, Lithuanian BBC WORLD – English DOZHD (TV RAIN) –	terrestrialterrestrialtelevisiontelevisionnetworkof AB TEOof the CentreLTRTRPlaneta* -TLC - EnglishRussianSONYVH1 - EnglishSONYVH1 - EnglishSONYENTERTAINMENTTELEVISION-English/RussianPBK - Russian,ANIMAL PLANET -LithuanianFOX - English,BBC WORLD -FOX - English,EnglishsubtitlesDOZHDNATIONAL(TV RAIN) -GEOGRAPHIC	



INFO TV –	RTL – German	SONY TURBO	FOXlife – English,
Lithuanian		(Baltics) – English,	Russian
		Russian, Lithuanian	
		subtitles	
LIUKS! –	CARTOON	DISCOVERY	EUROSPORT2 –
Lithuanian	NETWORK/TCM	CHANEL –	English/Russian
	– English/Russian	English/Russian	
TV1 – Lithuanian	SPORT1 –	EUROSPORT –	MTV Hits UK –
	Lithuanian	English, Russian	English
TV8 – Lithuanian	BALTICUM		
	AUKSINIS –		
	Lithuanian		
	LIETUVOS		
	RYTAS.TV -		
	Lithuanian		

* Free (uncoded TV signal) <u>broadcast</u> television channels. * Free (uncoded TV signal) television channel re-broadcast by AB TEO LT. * Paid (coded TV signal) television channels re-broadcast by AB TEO LT.

Television content broadcasting over the electronic communications networks

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

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

At the end of 2015, there were 37 television broadcasters operating in Lithuania broadcasting 53 television channels:

- 24 television channels over the digital terrestrial television networks or stations;
- 29 television channels over the cable television and wired broadband communication (IPTV) networks;
- 3 channels over a man-made Earth satellite (the signal of the television channel LRT LITUANICA is uncoded).

In 2015, the RTCL issued a licence to UAB BALTICUM for the broadcasting of a television channel Balticum Platinum over the cable television networks and wired broadband communication networks in the territory of Lithuania. In addition to this, the RTCL issued another licence to UAB DELFI for the broadcasting of a television channel Delfi TV over the wired broadband communication networks in Lithuania on the website <u>www.delfi.lt</u>. As of 1 October 2015 this licence is treated as a notice of the start of unlicensed television broadcasting activities over the wired broadband communication networks the main purpose of which is not the broadcasting and/or re-broadcasting of radio and/or television content.



Television content retransmission the over the electronic communications networks

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

- Cable television networks
- Multichannel Multipoint Distribution Service (MMDS)
- Digital terrestrial television stations
- Wired broadband communications networks the main purpose of which is not the broadcasting and/or re-broadcasting of radio or television content
- Mobile terminal devices and websites
- Man-made Earth satellites

At the end of 2015, there were 47 economic operators re-broadcasting television channels and radio stations using a variety of technologies:

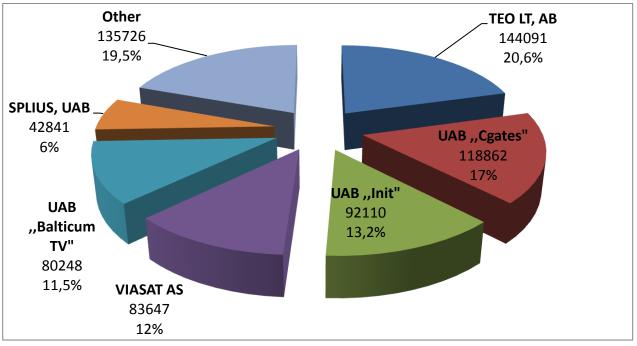
- 2 economic operators held 4 licences to re-broadcast television channels over digital terrestrial television stations or a network of stations;
- 2 economic operators held 2 licences to re-broadcast television channels over the MMDS networks;
- 22 economic operators were re-broadcasting television channels over the cable television networks having submitted notices of the start of activities;
- 11 economic operators were re-broadcasting television channels over the cable television networks and wired broadband communications networks the main purpose of which is not the broadcasting and/or re-broadcasting of radio and/or television content having submitted notices of the start of activities;
- 13 economic operators were re-broadcasting television channels over the wired broadband communications networks the main purpose of which is not the broadcasting and/or re-broadcasting of radio and/or television content having submitted notices of the start of activities;
- 1 economic operator was re-broadcasting television channels over a man-made Earth satellite having submitted a notice of the start of activities.

Subscribers of re-broadcasters

At the end of 2015, all re-broadcasters combined had a total of 697,525 subscribers (Figure

7).

Figure 7. The largest re-broadcasters by subscriber numbers.



Source: RTCL

Subscribers of the largest re-broadcasters account for 80.5 per cent of all subscribers.

UNLICENSED ACTIVITIES OF RADIO AND TELEVISION BROADCASTING AND RE-BROADCASTING

At the end of 2015, there were 62 economic operators engaged in unlicensed radio and television broadcasting and re-broadcasting, distribution of television channels and/or selected channels (programmes) on the Internet and provision of on-demand audiovisual media services. During the reporting year 17 economic operators notified of the start of unlicensed activities, 14 out of them notified of the start of on-demand audiovisual media services, i.e. VIASAT AS, notified of television broadcasting activities over a man-made satellite, 2 of television channel distribution on the Internet, and 1 of online radio station broadcasting.

At the end of 2015, there were 18 providers of on-demand audiovisual media services to the public.

ANNUAL FEES SET BY ORDERS OF THE MINISTER OF CULTURE OF THE REPUBLIC OF LITHUANIA ON PROPOSAL BY THE RTCL

In 2015, pursuant to the Descriptor of the procedure for setting the annual fee for radio and/or television broadcasting, re-broadcasting, distribution on the Internet and on-demand audiovisual media services (see *Footnote 2 on page 12*) the RTCL submitted 26 official letters to the Ministry of Culture of the Republic of Lithuania regarding the annual fee for radio and/or television broadcasting, re-broadcasting, distribution on the Internet and on-demand audiovisual media services (prior to 2015 regarding the annual licence fee). These letters served as a basis for setting annual fees for 39 economic operators (*Table 10*).

No.	Economic operator	Annual fee (BSB*)
1.	UAB ŽINIŲ RADIJAS	10
2.	UAB Init	50
3.	UAB Sveikatos TV	2
4.	UAB Labas Klaipėda	10
5.	VšĮ Marijos radijas	2
6.	UAB ATVIRAI	2
7.	UAB RADIJO STOTIS LALUNA	6
8.	UAB DELFI	38
9.	UAB Elektronikos šuolis	16
10.	UAB BALTICUM TV	40
11.	VšĮ KVARTOLĖ	3
12.	UAB Pūkas	2
13.	UAB LIETUVOS RYTAS	12
14.	UAB Labas Klaipėda	2
15.	UAB Kauno interneto sistemos	30
16.	UAB RIMTAS RADIJAS	4
17.	VšĮ KVARTOLĖ	4
18.	Plungės technologijų ir verslo mokykla	1
19.	UAB KAVAMEDIA	20
20.	UAB Penkių kontinentų komunikacijų centras	20
21.	AB TEO LT	20
22.	UAB Lrytas	20
23.	UAB BALTICUM TV	20
24.	UAB RIMTAS RADIJAS	1
25.	UAB RIMTAS RADIJAS	1
26.	VšĮ Žemaičių radijas	1
27.	UAB Eteris	20
28.	UAB LNK studija	35
29.	Viasat AS	105
30.	UAB Šiaulių apskrities televizija	30
31.	VšĮ KVARTOLĖ	1
32.	UAB Ignalinos televizija	20
33.	UAB TELE-3	35
34.	AB DELFI	30
35.	UAB Init	30
36.	VšĮ Marijampolės televizija	30
37.	UAB Centro medija	7
38.	UAB Kėdainių krašto televizija	30
39.	VšĮ Alytaus regioninė televizija	30

Table 10. Annual fees.

* BSB – basic social benefit determined by the Government; \in 38 in 2015.



SALE OR OTHER TRANSFER OF SHARES (INTERESTS) IN BROADCASTING AND/OR RE-BROADCAST CONTENT LICENCE HOLDERS

In 2015, in compliance with the requirements under Article 22 of the LPIP the RTCL considered requests by licence holders to approve transfers of shares (interests) in and/or control (management) of broadcasting and/or re-broadcast content licence holders. The Commission approved these requests passing 4 decisions (*Table 11*).

No.	Economic operator	Economic operator selling the	Economic operator acquiring the	
	shares in which	shares	shares	
	were put up for sale			
1.	UAB Cgates	AB ADVANCED	UAB Motis Shipping Lithuania	
		BROADBAND CO., LTD	Limited – 52,045 shares	
	UAB Cgates	Swedish Pension Fund SEB-	UAB Motis Shipping Lithuania	
		stiftelsen, Skandinavska	Limited – 19,671 shares	
		Enskilda Banken		
		Pensionsstiftelse		
	UAB Cgates	UAB SEB Venture Capital	UAB Motis Shipping Lithuania	
			Limited – 47,584 shares	
2.	VšĮ Šou imperija	Aušra Vyšniauskienė	Valdas Latoža - 50 per cent of	
			shareholder equity	
3.	UAB Dokeda	Renaldas Jančiauskas and	UAB Init – 2,800 shares	
		Jolita Jančiauskienė		
	UAB Dokeda	Jonas Raškevičius and Nina		
		Raškevičienė		
4.	UAB	Virginija Sajavičienė	UAB Cgates –	
	KAVAMEDIA		3,000,000 shares	

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

VŠĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA

At the end of 2015, VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA (Lithuanian National Radio and Television or "LRT") had 16 valid permits: 9 permits to broadcast radio stations, 2 out of these being for radio broadcasting over a man-made satellite, and 7 permits to broadcast television channels, 2 out of these being for television broadcasting over a man-made satellite.

In 2015, the RTCL issued a permit to VšĮ LIETUVOS NACIONALINIS RADIJAS IR TELEVIZIJA for the broadcasting of LRT RADIJAS in Kėdainiai, Jurbarkas, Kybartai, Šilutė and Laukuva, and a permit for the broadcasting of LRT OPUS in Druskininkai.

In 2015, LRT was broadcasting 3 radio stations, i.e. LRT RADIJAS, LRT KLASIKA and LRT OPUS, 4 television channels, i.e. LRT TELEVIZIJA, LRT KULTŪRA, LRT LITUANICA and LRT HD, and was re-broadcasting 1 radio station – BBC WORLD SERVICE.

It should be noted that the scrapping of advertising in the television channel LRT Televizija led to an increase in its audience of 1.2 per cent during the year.



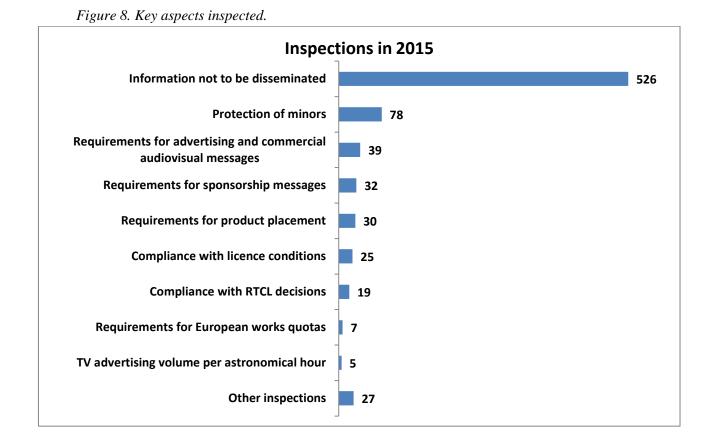
RADIO AND TELEVISION CONTENT MONITORING

In light of the fact that television broadcasts in Lithuania may be transmitted using every type of electronic communications networks, such as digital terrestrial television stations, cable television networks, Multichannel Multipoint Distribution Service (MMDS), wired and wireless broadband communication networks (IPTV) and man-made satellites, the RTCL has to have technical possibilities and access to audiovisual media services content provided using a variety of technologies and allocate sufficient funds from its budget for these needs.

In 2015, just like in the previous years, the focus of the RTCL was the implementation of its monitoring function. Following the last year's upgrades to technical facilities intended for the monitoring of radio and television channels or selected channels, the Commission now has the possibility to simultaneously record more radio and television programmes and store recordings for longer periods of time, and inspect more frequently and efficiently radio and television content broadcast or re-broadcast in all Lithuanian regions.

During 2015 the RTCL performed 788 specialised (aimed at one specific aspect) and complex (including two or more aspects) inspections of broadcast and/or re-broadcast radio and television channels or selected programmes.

In 2015, in an attempt to provide methodical support, the RTCL held regular meetings and provided consultations to representatives of the economic operators it oversees. The Commission plans to continue these activities in the future.



ROUTINE INSPECTIONS OF ECONOMIC OPERATORS IN 2015

RK

INFRINGEMENTS IN RADIO AND TELEVISION CONTENT IN 2015

In 2015, after 788 inspections the RTCL identified 122 infringements, 93 of these in television content and 29 in radio content. Compared to 2014 when 371 inspections led to the detection of 157 infringements, it is evident that the number of infringements is going down.

The majority of infringements in 2015 were infringements of the Law on the Protection of Minors Against the Detrimental Effect of Public Information and of the requirements for commercial audiovisual messages and advertising in radio stations set out in the LPIP (*Table 12 and Figures 9 and 10*).

	Total	Total	Infringements	Infringements
Monitoring objective	inspected	infringement	in television	in radio
		s detected	channels	stations
Compliance with the Law on the	78	31	23	8
Protection of Minors against the				
Detrimental Effect of Public				
Information				
Information that should not be	526	9	9	-
disseminated as defined in the				
LPIP				
Compliance with RTCL	19	3	3	-
decisions				
Compliance with licence	25	19	6	13
conditions				
Compliance with LPIP	39	16	9	7
requirements for advertising in				
radio stations and commercial				
audiovisual messages				
Compliance with LPIP	2	0	0	-
requirements for TV advertising				
during feature films				
Compliance with LPIP	1	0	0	-
requirements for TV advertising				
during kids shows				
Compliance with LPIP	5	2	2	-
requirements for TV advertising				
volume per astronomical hour				
Compliance with LPIP	32	25	25	-
requirements for sponsorship				
messages				
Compliance with LPIP	30	11	11	-
requirements for product				
placement				

Table 12. Infringements in radio stations and television channels

Compliance with LPIP	3	1	-	1
requirements for radio				
programme advertising in radio				
stations				
Compliance with LPIP	2	0	0	-
requirements for the				
transmission of teleshopping				
windows				
Compliance with LPIP	3	2	2	-
requirements for content				
languages used to prepare and				
disseminate information				
Compliance with LPIP	7	0	0	-
requirements for European				
works quotas				
Other inspections	16	3	3	-

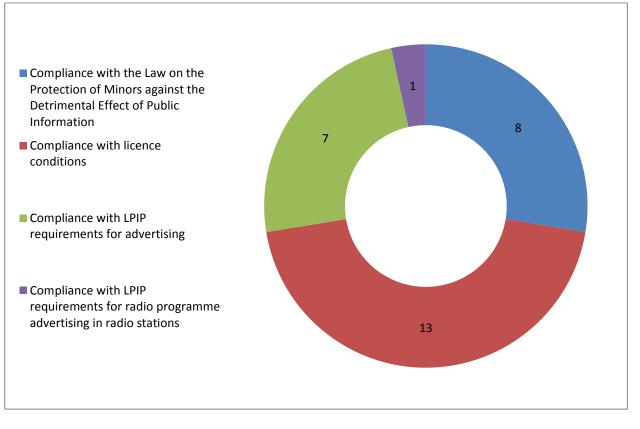
Figure 9. Infringements in television channels.

- Compliance with the Law on the Protection of Minors against the Detrimental Effect of **Public Information** Information that should not be disseminated as defined in the LPIP Compliance with RTCL decisions 3 2 11 23 Compliance with licence conditions Compliance with LPIP requirements for advertising and commercial audiovisual messages Compliance with LPIP requirements for TV 25 advertising volume per astronomical hour 3 Compliance with LPIP requirements for sponsorship messages 6 9 Compliance with LPIP requirements for product placement Compliance with LPIP requirements for content languages used to prepare and disseminate information
- Other inspections

9



Figure 10. Infringements in radio stations.



SANCTIONS APPLIED IN 2015

The RTCL may apply sanctions on economic operators as laid down in the LPIP.

Over the reporting year, the RTCL made 6 protocols of administrative offences: 4 in relation to infringements of the Law on the Protection of Minors against the Detrimental Effect of Public Information, 1 addressed to a television broadcaster for its failure to comply with the RTCL's decision and violations of licence conditions, and 1 in relation to infringements of the LPIP requirements for commercial audiovisual messages (*Table 13*).

No.	Economic operator	Infringement	Sanction
1.	UAB Consilium	Failure to comply with RTCL	Administrative offence
	optimum	Decision No. KS-78 of 2015 and	protocol made pursuant to
		violations of licence conditions	Article 214 ²⁰ of the CoALO
		(licence No. LP438).	addressed to the Director of
			UAB Consilium optimum
			and an administrative order
			to pay a fine of €72.
2.	UAB TV7	Infringement of the Law on the	Administrative offence
		Protection of Minors against the	protocol made pursuant to
		Detrimental Effect of Public	paragraph 3 of Article
		Information and failure to comply	214 ¹⁹ of the CoALO

Table 13. Sanctions applied during the year.

		with the procedure for the marking	addressed to the Director of
		and dissemination of public	UAB TV7 and an
		information of detrimental effect	administrative order to pay
		on the development of minors.	a fine of €145.
3.	UAB TV7	Infringement of LPIP provisions	Administrative offence
5.		and Procedure for the	protocol made pursuant to
		implementation of the	paragraph 1 of Article
		requirements for commercial	214^{22} of the CoALO
		audiovisual messages and	addressed to the Director of
		advertising transmission,	UAB TV7 and an
		sponsorship of radio programmes	administrative order to pay
		and selected programmes in radio	a fine of $\in 145$.
		and selected programmes in radio and/or television stations.	
4.	UAB TELE-3	Infringement of the Law on the	Administrative offence
''		Protection of Minors against the	protocol made pursuant to
		Detrimental Effect of Public	paragraph 3 of Article
		Information and failure to comply	214^{19} of the CoALO
		with the procedure for the marking	addressed to the authorised
		and dissemination of public	representative of UAB
		information of detrimental effect	TELE-3 and an
		on the development of minors.	administrative order to pay
		on the development of minors.	a fine of €145.
5.	UAB TELE-3	Infringement of the Law on the	Administrative offence
		Protection of Minors against the	protocol made pursuant to
		Detrimental Effect of Public	paragraph 3 of Article
		Information and failure to comply	214^{19} of the CoALO
		with the procedure for the marking	addressed to the authorised
		and dissemination of public	representative of UAB
		information of detrimental effect	TELE-3 and an
		on the development of minors.	administrative order to pay
		1	a fine of €145.
6.	UAB	Infringement of the Law on the	Administrative offence
	RADIOCENTRAS	Protection of Minors against the	protocol made pursuant to
		Detrimental Effect of Public	paragraph 3 of Article
		Information and failure to comply	214 ¹⁹ of the CoALO
		with the procedure for the marking	addressed to the Director of
		and dissemination of public	UAB RADIOCENTRAS
		information of detrimental effect	and an administrative order
		on the development of minors.	to pay a fine of €145

COMPLAINTS HANDLED IN 2015

In 2015, the Commission received and considered 54 complaints in relation to the monitoring of broadcast and re-broadcast radio and/or television content. Out of all complaints received in 2015 in relation to content monitoring, only 5 were forwarded to other institutions competent in the matter of each particular complaint. 3 complaints were dismissed for reasons of being an expression of personal opinions about decisions made by the RTCL. The majority of complaints, as was the case in 2014, dealt with the alleged infringements of the Law on the Protection of Minors against the Detrimental Effect of Public Information. Applicants mostly complained about the content of broadcasts, wrong indexing of programmes or an inappropriate time of airing, but in the majority of cases, the complaints had no merits to them – inspections failed to ascertain any infringements.

The complaints received clearly demonstrate that civic society is active and cares about what happens domestically and globally – as many as 12 reports received were related to the possible dissemination of prohibited information. Almost all the complaints focused on information disseminated in the Russian language channels retransmitted in the territory of Lithuania.

During this reporting year, several complaints received dealt with failure to comply with the obligations of the structure and content of radio programmes laid down in respective licences, possible transmission of television advertising in LRT television programmes, failure to comply with the requirements for languages in which television channels should be broadcast or rebroadcast and failure to comply with decisions of the RTCL in relation to provisional suspension of television broadcasts in the territory of Lithuania (*Figure 12*).

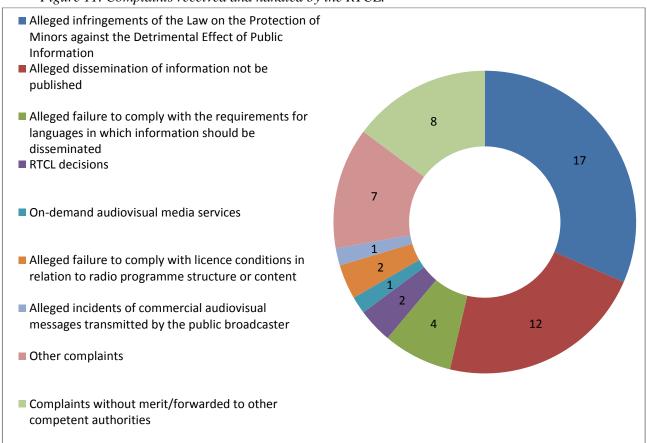


Figure 11. Complaints received and handled by the RTCL.



MONITORING THE IMPLEMENTATION OF QUOTAS FOR EUROPEAN WORKS AND INDEPENDENT PRODUCTIONS

The RTCL monitors how television broadcasters subject to Lithuanian jurisdiction comply with the requirement set out in Article 38 of the LPIP, namely, that the broadcasters reserve, where practicable, more than half of their transmission time, excluding the time allotted to news, sports events, games, advertising, teletext services and teleshopping, for European works and at least 10 per cent of transmission time for European works created by independent producers within the past 5 years. For this purpose, the RTCL collects analytical information and reports it to the European Commission every two years. This report includes data about 2014 available to the RTCL (*Table 14*).

Broadcaster	Television channel	European works	Independent productions	Works by independent producers created within the past 5 years
UAB Laisvas ir	LNK	50%	50%	50%
nepriklausomas kanalas	TV1	25%	25%	15%
	Info TV	55%	55%	55%
	BTV	44%	44%	44%
	LIUKS!	87%	15%	12%
UAB	TV3	20%	20%	20%
TELE-3	TV6	7%	7%	7%
	TV8	19%	19%	19%
UAB Lietuvos ryto televizija	Lietuvos rytas.tv	62%	43%	43%
VšĮ LIETUVOS	LRT televizija	83.3%	62.9%	17.6%
NACIONALINIS RADIJAS IR TELEVIZIJA	LRT Kultūra	89%	48.4%	12.5%

 Table 14. Implementation of quotas for European works and independent productions in 2014.

The reasons for failing to fulfil the quotas set out in the LPIP and the Audiovisual Media Services Directive (the "AVMSD") as stated by the television broadcasters mostly include the lack of quality productions on the market and high prices of quality local productions.

INFRINGEMENTS IN TELEVISION CHANNELS RE-BROADCAST IN LITHUANIA

In 2015, the monitoring activities of the RTCL were not limited to radio and television content transmitted by the radio and television broadcasters subject to Lithuanian jurisdiction. The Commission was also monitoring television channels originating in the Russian Federation but licensed or registered in a European Union Member State and re-broadcast in Lithuania.

For quite some time, the greatest concern for the Commission was the two television channels Ren TV Baltic and NTV Mir Lithuania produced by Baltic Media Alliance Ltd, a television broadcaster subject to British jurisdiction, as the contents of these two channels were in violation of the requirements laid down in the LPIP, namely, with regard to the dissemination of prohibited information that does not conform to the ethical standards of journalism.

Aiming to protect the Lithuanian information area against the dissemination of prohibited information and information that is in violation of the principles of information society, the Commission had, on numerous occasions, applied to competent Lithuanian authorities and independent experts, asking to assess the contents of the said television channels or selected channels (programmes). The Commission also contacted the UK's regulatory authority OFCOM, which had licensed these channels. At the request of the RTCL, OFCOM had conducted its own indepth investigations into the contents of certain programmes aired and concluded that the broadcaster transmitting channels licensed by the UK's regulator was in breach of the Ofcom's Broadcasting Code on many occasions by failing to preserve due impartiality in its news broadcasts. OFCOM made its conclusions publicly available in its Broadcast Bulletins, issue numbers 282¹⁹, 284²⁰, and 290²¹.

On 12 January 2015, in response to the dissemination of prohibited information during the programme *Teritoriya Zabluzhdeniya* aired on TV channel Ren TV Baltic on 19 November 2014, licence holder Baltic Media Alliance Ltd., the RTCL passed Decision No. KS-12²² regarding provisional suspension of retransmission of programmes originating outside the European Union, European Economic Area and other European states signatories of the European Convention on Transfrontier Television and comprising the programming content of Ren TV Baltic. The Commission made this decision after consultations with independent experts and the conclusions of the Ombudsman for Journalism Ethics which stated that *Teritoriya Zabluzhdeniya*, transmitted on Ren TV Baltic originating in the Russian Federation, failed to preserve due impartiality and disseminated biased information about the events in Ukraine, and was inciting war and hatred towards Ukrainians and the legitimate Ukrainian Government, including the European Union Member States and NATO states supporting the sovereignty and territorial integrity of Ukraine.

The decision instructed all re-broadcasters operating in Lithuania and retransmitting TV channel Ren TV Baltic to suspend temporarily, i.e. for 3 months, the re-broadcasting of television programmes originating outside the European Union, European Economic Area and other European states signatories of the European Convention on Transfrontier Television that comprise the content of this TV channel. The decision was sanctioned by Vilnius Regional Court.

It should be noted that thanks to continuous cooperation with the producer, the RTCL managed to achieve that, even prior to the enforcement of this decision, the licence holder, BMA Ltd., had changed its programming by removing certain TV programmes under provisional suspension. These programmes were substituted with programmes originating in Ukraine, which had ratified the European Convention on Transfrontier Television. For this reason, the rebroadcasting of Ren TV Baltic could successfully continue in Lithuania.

In 2015, RTR Planeta, produced by All-Russia State Television and Radio Broadcasting Company ("VGTRK"), which is registered in Sweden, was recognised twice as being in breach of Article 19, paragraph 1, subparagraph 3 of the LPIP.

¹⁹ http://stakeholders.ofcom.org.uk/binaries/enforcement/broadcast-bulletins/obb282/Issue 282.pdf

²⁰ http://stakeholders.ofcom.org.uk/binaries/enforcement/broadcast-bulletins/obb284/Issue_284.pdf

²¹ http://stakeholders.ofcom.org.uk/binaries/enforcement/broadcast-bulletins/obb290/Issue 290.pdf

²² http://www.rtk.lt/content/uploads/2016/02/ks-12-2015.pdf

On 8 April 2015, the RTCL passed Decision No. KS-78²³ Regarding provisional suspension of the free reception of RTR Planeta in Lithuania.

In just under a year the RTCL had, for the second time, identified the fact of prohibited information dissemination in *Sunday Evening with Vladimir Solovjov* and in line with all of the requirements set out in the LPIP on the provisional suspension of television broadcasting, contacted the broadcaster and the Swedish regulator which licensed the channel, as well as the European Commission notifying them of the infringements.

Pursuant to the LPIP, if no agreement is reached within 15 days of consultations with the broadcasting country and the European Commission and the alleged infringements continue in a particular channel, then the RTCL may enforce the provisional suspension of the television broadcast in question.

Consultations with the broadcasting country and the European Commission with the aim of reaching an agreement within 15 days from the day of the notice yielded no result and the broadcaster remained in breach, forcing the Commission to enforce the provisional suspension of re-broadcasting of this TV channel in Lithuania for a period of 3 months as provided for by the Audiovisual Media Services Directive and the LPIP.

Having assessed the decision, the European Commission stated that the measures Lithuania took against RTR Planeta were compatible with Union law. In its Decision C(2015) 4609 final²⁴ of 7 July 2015, the European Commission had also stated that "Lithuania has sufficiently demonstrated that there have been infringements of manifest, serious and grave character of the prohibition of incitement to hatred in the television broadcasts of RTR Planeta on two occasions in the twelve months previous to the notification and that the infringement persisted after having failed to find an amicable settlement with the transmitting Member State. The measures taken by Lithuania are not discriminatory and are proportionate to the objective of ensuring that media service providers comply with the rules of Article 6 of the Directive according to which, audiovisual media services do not contain any incitement to hatred based on race and/or nationality. Therefore, the limitation in the exercise of the freedom of expression was necessary in order to ensure the effectiveness of Article 3 of the Directive".

The new provisions of the LPIP which came into effect on 1 October 2015 ensured the RTCL's possibilities of effectively limiting the dissemination of prohibited information on TV channels produced by broadcasters outside Lithuanian jurisdiction and retransmitted by rebroadcasters operating in Lithuania. In line with the post 1 October 2015 provisions of the LPIP, in December of 2015 the RTCL, having ascertained repeated infringements of the requirements under Article 19, paragraph 1, subparagraph 3 of the LPIP, passed Decision No. KS-218²⁵ ordering that *Sunday Evening with Vladimir Solovjov* aired on RTR Planeta be moved by the re-broadcast content providers operating in Lithuania to TV packages available for an additional fee. The restrictions set in this decision of the Commission will continue for a period of 12 months from the day of adoption, i.e. until December of 2016.

Because of the repeated infringements of the said television channel, the RTCL contacted the broadcaster and Swedish authorities asking to ensure that the content of RTR Planet intended for

²³ http://www.rtk.lt/content/uploads/2016/02/ks-78-2015.pdf

²⁴ <u>https://ec.europa.eu/digital-agenda/en/news/decision-compatibility-eu-law-lithuanian-measures-under-</u> article-32-avmsd

²⁵ http://www.rtk.lt/content/uploads/2016/02/ks-218-2015.pdf

Lithuania be in compliance with Lithuanian law. The Swedish authorities have informed the RTCL that the investigation into the infringements on RTR Planeta had been entrusted to the Swedish police.

PREVENTION OF ILLEGAL ACTIVITIES

Back in 2014, while carrying out its functions, the RTCL had ascertained the fact of illegal activities of television channel distribution on the Internet. An economic operator was possibly illegally providing online pay TV to Lithuanian consumers in violation of the LPIP provisions.

In April of 2015, the Commission once again (in 2014 for the first time) contacted the Prosecutor's Office of the Republic of Lithuania (the "Prosecutor's Office") regarding this fact, asking the Prosecutor's Office to provide information about the pre-trial investigation into possibly illegal activities by providers of Internet television KARTINA.TV. The RTCL had previously stated to the Prosecutor's Office that the said service provider retransmits 149 TV channels to its subscribers with three of the channels being of pornographic nature. Three channels were being rebroadcast without the retransmission consent of their appropriate broadcasters; moreover, the provider does not have a RTCL-issued licence for these activities (pursuant to LPIP provisions prior to 1 October 2015 when these activities had to be licensed). The Prosecutor's Office notified the Commission that the Commission's failing to collect sufficient details to prove the said provider's guilt, the investigation was closed.

As already mentioned, the amended LPIP of 1 October 2015 has introduced changes to the regulatory framework of television channels and/or selected channels distributed on the Internet, as well as the provision of on-demand audiovisual media services, requiring that the providers of these services post 1 October 2015 notify the RTCL of the start of activities in accordance with the Rules for the licensing of broadcasting activities and re-broadcast content.

Post regulatory framework changes, the RTCL launched an investigation aiming to identify all economic operators engaged in the provision of the aforementioned services and accordingly contacted those who were yet to notify of the provision of audiovisual media services or television channel distribution on the Internet. Unfortunately, not all economic operators complied with the LPIP provisions requiring them to notify the authorities of the start of activities.

In this context and pursuant to the LPIP, the RTCL will take direct actions to put an end to illegal activities.

RTCL COOPERATION

COOPERATION WITH THE AUDIOVISUAL MEDIA SERVICES MARKET PLAYERS

To achieve its objectives and to carry out its statutory functions, the RTCL pays particular attention to cooperation with the audiovisual media services market players. Last year, the Commission held a number of meetings initiated both by the Commission and the market players to discuss the prevention of infringements of law, improvements to the regulatory framework, dissemination of prohibited information and other important and current matters.

In response to the increased number of cases of prohibited information dissemination in the Russian language TV channels retransmitted in Lithuania, the RTCL initiated meetings with the



producers of these channels, i.e. representatives of BMA Ltd. licensed in the UK, and distributors of this channel in the Baltics, Latvian SIA BMU, as well as the producers of RTR Planeta – VGTRK – registered in Sweden.

The aim of these meetings was to discuss the infringements ascertained by the Commission, exchange opinions and explain the RTCL's position and the procedures in the LPIP regulating the dissemination of prohibited information, demand that the content of the broadcasts by these producers contains no prohibited information and that television programmes intended for Lithuania, in particular news, are free from any biased, arbitrary information inciting hatred or in general inconsistent with journalism ethics, incompatible with Lithuanian and EU law, as well as to build closer cooperation to prevent similar infringements in the future.

The decisions by the RTCL to temporarily suspend the re-broadcasting of television content containing information that should not be disseminated had significant impact on the activities of the Lithuanian operators retransmitting this content in all cases. For this reason, at the initiative of both parties, there were a number of meetings held on different levels to discuss the impact and enforcement of such RTCL decisions and the possibilities of a more efficient regulation of rebroadcast content.

To this end, members of the RTCL attended a meeting in September of last year organised by the Lithuanian and Latvian re-broadcasters in Panevėžys, and gave presentations on the expected amendments to the LPIP and the impact they might have on the activities of re-broadcasters during the 19th International Conference, "Regulatory Framework of Retransmission Activities: the Present and the Future", organised by the Lithuanian Cable TV Association.

INTERNATIONAL COOPERATION

Organisation for Security and Co-operation in Europe (OSCE)

Last year on invitation by the OSCE, RTCL members attended three events held by the OSCE where together with the Ambassador of the Permanent Representation to the OSCE, UN and other International Organisations in Vienna, the OSCE Representative on Freedom of the Media and the head of her office discussed the situation of freedom of speech in the context of Russian information warfare and looked for effective ways to stop the dissemination of information inciting war and hatred in Russian language television channels, discussed the high-profile RTCL decisions regarding the provisional suspension of certain programmes inciting hatred and war, the legal arguments and motives behind these decisions, and the specifics of the Lithuanian regulatory framework. These events served as an opportunity for the RTCL to present changes to the LPIP in detail and discuss potential projects aimed at increasing media literacy among Internet users and ensuring media pluralism and other relevant matters.

Diplomatic missions

In March of 2015, the RTCL attended a seminar organised by the Embassy of the Republic of Latvia dedicated to new challenges faced by democratic states in the context of information warfare, the role of national regulatory authorities, and more active and concrete cooperation between the Baltic States in this context.

Also in March, the RTCL together with the British and Danish Ambassadors, attended round table discussions organised by the Ambassador of the Kingdom of the Netherlands about the threats

posed by Russian propaganda in the media and gave a presentation on the legal means of restricting propaganda in the Russian language channels retransmitted in Lithuania, as well as possible sanctions.

In August of last year, the Chairman of the RTCL, Edmundas Vaitekūnas, visited the Embassy of the Republic of Lithuania in the UK. During the meeting, the Chairman and representatives of the Embassy discussed ways of possible cooperation at the highest level in order to find ways of effectively restricting unfriendly propaganda in broadcasts retransmitted in Lithuania.

Regulatory authorities

Aiming to further cooperation with the European authorities carrying out the same duties as the RTCL, the Commission organised a working visit to the Polish National Broadcasting Council in April of 2015 and discussed with the NRA of the neighbouring country such matters as the development of digital terrestrial television and aspects of programme indexing and monitoring in more detail.

The reporting period was also characterised by intensified cooperation with the Swedish Broadcasting Commission and the UK's regulator, OFCOM – two authorities that licensed or registered Russian language television channels intended for Lithuanian audiences, and closer cooperation with the European Commission.

Having ascertained the persistent dissemination of arbitrary, biased information incompatible with the principles of public outreach or inconsistent with reality in the OFCOM-licensed channels NTV Mir and Ren TV Baltic, the RTCL asked the UK regulator to conduct over 20 investigations into selected programmes, mostly news (shows), aired on these channels. The OFCOM's investigations had also determined these channels were in breach of the Ofcom's Broadcasting Code. The findings of these investigations are available in the Ofcom's Broadcast Bulletins (*see footnotes on page 41.*).

In March of 2015, the RTCL organised a meeting of regulatory authorities regulating the audiovisual sector in the Baltic States. The meeting was dedicated to proposals by the regulators with regards to possible amendments to the AVMSD, matters of determining broadcaster jurisdiction, issues in relation to the regulation of content intended for Lithuania and produced outside the EU by EU-licensed or registered television broadcasters, as well as the outlook of closer and more effective cooperation between the regulatory authorities. It is important to note that the meeting was attended by UK's OFCOM, which licensed NTV Mir Lithuania and Ren TV Lietuva intended for Lithuanian audiences and the Swedish regulator which registered RTR Planeta (in 2014 and 2015, the RTCL provisionally suspended the re-broadcasting of certain programmes aired by these channels on several occasions), plus a representative from the European Commission and the British Ambassador to Lithuania.

The meeting was used to discuss the state of play. It was proposed that the licensing authorities should more closely inspect the contents of television broadcasts intended for other countries, discuss the possibility of improving a joint database of jurisdiction over television channels in the European Union Member States, and to more actively publish the decisions of regulators, etc.

Traditionally, meetings of the Baltic regulatory authorities take place every year on the basis of the cooperation agreement signed in 2005. These meetings serve as a platform to discuss the

most sensitive issues faced by the regulatory authorities overseeing very similar audiovisual media services markets.

European Platform of Regulatory Authorities (EPRA)

The need for even more active cooperation with foreign colleagues became apparent with the approaching AVMSD review, during which it is useful to have allies and like-minded persons so that the future directive reflects the needs of Lithuanian society.

One form of international cooperation is participation in the EPRA activities (<u>www.epra.org</u>.). The RTCL has been member of the EPRA for 17 years. Twice a year, RTCL members attend conferences organised by this organisation, contribute to the resolutions discussed during these meetings, complete thematic questionnaires, etc.

The 41st EPRA Conference took place in the spring of 2015 in the city of Bern at the invitation of two Swiss authorities regulating the audiovisual sector, i.e. the Federal Communications Commission and the Independent Complaints Authority for Radio and Television.

One of the topics discussed was "How can a sustainable ecosystem of media content be ensured in Europe?" The conference paid particular attention to the aspects of content production, its use and dissemination given the economic capabilities, market fragmentation trends, changes to content consumption habits following the introduction of digital technology, and analysis of the role of the regulatory authorities, highlighting the necessity to proportionately represent cultural, gender and religious diversity, diversity of political views and opinions, etc. in the content.

The 42nd EPRA Conference took place in October in the city of Nuremberg at the invitation of the Bavarian Regulatory Authority for Commercial Broadcasting. Participants of the conference discussed how to ensure sustainable funding of good quality European audiovisual media content and the regulator's possibilities of encouraging more diverse productions. Other relevant topics were also discussed, such as the diversity of programme content offered by a public broadcaster in a multiplatform environment, audiovisual commercial messages – novelties and challenges, local and regional televisions, models for its funding and others.

The thing that matters is that these conferences present an opportunity to not only discuss the relevant matters, but to also become familiar with the specifics of the audiovisual regulatory authorities' activities of different countries, discuss sensitive issues and draw on the experiences of others. It allows colleagues to talk informally and inform them of RTCL activities. Certain decisions of the RTCL, for example, with regard to the provisional suspension of television channels disseminating information inciting discord and war, raised questions and concerns to many regulating authorities of other countries. Some foreign colleagues disagreed with these decisions, and some agreed that the freedom of speech should not be confused with the freedom to spread lies or information that does not reflect reality or incites hatred.

European Regulators Group for Audiovisual Media Services (ERGA)

The RTCL is a member of the European Regulators Group for Audiovisual Media Services, launched by the European Commission.

In 2015, this working group worked in sub-groups on matters such as subject-matter jurisdiction, protection of minors, independence of regulatory authorities and territorial jurisdiction.

A representative of the RTCL worked in the sub-group of the Working Group for Territorial Jurisdiction. The national regulatory authorities of 25 EU Member States out of 28 expressed their desire to participate in the work of this sub-group. The sub-group focused on insufficiently clear and precise criteria for determining broadcaster jurisdiction in the Audiovisual Media Services Directive. This issue is closely related to discussions regarding the RTCL's actions, that is, the provisional suspension of the free reception in Lithuania of certain television broadcasts produced in Russia. In an attempt to find a way to reconcile the requirements of the state in issuing a television broadcast licence and the requirements of the state where that certain broadcast will be transmitted, a new term, "territorial jurisdiction" was suggested, which better details who is responsible for the television broadcast transmitted in another state. During various meetings, the RTCL talked about the flaws in the current AVMSD, dealing with broadcaster jurisdiction that are highly important to Lithuania, the time consuming process of infringement investigation, the necessity to supplement the list of prohibited information by including information that threatens the national security of a country, etc.

It is expected that the RTCL will be represented even more widely in the other two ERGA working groups, i.e. the Regulator advice to the EC in applying the new regulatory framework and the Setting of key areas in the audiovisual media field to be regulated. Documents adopted by ERGA – the result of joint efforts by all EU regulatory authorities – are available on the ERGA website at <u>https://ec.europa.eu/digital-agenda/en/search/site/ERGA</u>.

European Commission

During the reporting year, the RTCL coordinated the drafting of a national report on the costs and benefits of the AVMSD initiated by the European Commission. This exercise was aimed at collecting the opinions of stakeholders in European countries about the benefits and drawbacks of the AVMSD in relation to audiovisual commercial messages, quotas for European works, the protection of minors against the harmful effects of public information and the principle of country of origin. In the course of the preparation of this report, the RTCL had to cooperate closely with international companies contracted by the European Commission and tasked with analysing information about the annual revenues of market players, the direct and indirect costs of compliance with the AVMSD provisions and other information. This information will be required for the review of the Directive.

It is likely that the recast directive will take the remarks and details presented by the RTCL to the European Commission into account.

European Council

For many years now, the RTCL has been active in the activities of the European Council's publication, European Audiovisual Observatory, dedicated to the audiovisual media market, and as a member/correspondent, has been preparing legal articles annually of an informational nature (<u>http://www.obs.coe.int/</u>) for the supplement of this publication, *iris plus* in English. In these articles, the RTCL writes about current affairs and developments in the regulatory framework of the Lithuanian audiovisual media services market.



The Iris newsletter is a very informative analytical publication about the audiovisual media market and its regulation, not just in the European Union, but across all of Europe. As many as 39 European states provide information to this publication.

COMPETITION OF THE BEST IN RADIO AND TELEVISION *PRAGIEDRULIAI*



In carrying out one of its key functions – the regulation of audiovisual content – the Commission always pays particular attention to the quality of radio and television programmes. When issuing licences, the Commission prioritises stations that include more educational and cultural programmes in their offer. Last year,

aiming to promote higher volumes of quality radio and television productions, identify and award authors of the best productions, the Commission organised, for the thirteenth time already, a competition of the best in radio and television, *Pragiedruliai*. The competition awarded the best radio and television programmes (shows) in 2014.

The Commission's goal is to make this competition a prestigious and significant cultural event and the highest recognition for participating creators where an award won would encourage better quality and more relevant productions.

Between 2014 and 2015 aiming to attract more creators, the RTCL made it possible for the applicants to make their submissions on a server using a special account. This helped save time of both the programme authors and members of the jury.

Last year, for the first time ever, the competition was funded by the RTCL alone with LRT KULTŪRA acting as the event's information partner.

It is likely that this important initiative of the RTCL contributes significantly to the implementation of the LPIP and the AVMSD, helping to increase the quotas for European works in the television programming.

The competition, which included 10 nominations, was announced in February of last year and the results were added and winners chosen at the end of March. All programmes were evaluated based on their 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 of work.

The award ceremony took place on April 9 in the Town Hall of Vilnius City and was broadcast live on LRT KULTŪRA. All winners received original diplomas created by the graphic artist Egidijus Rudinskas, and monetary prizes.

Winners' list:

Best TV culture programme – Legendos

Authors: Aistė Stonytė-Budzinauskienė, Česlovas Stonys, Audrius Stonys

Best radio culture programme – Kiek kainuoja šedevras

Authors: Viktoras Gerulaitis, Rimantas Kaziukėnas, Audronė Ivanauskienė

Best regional TV programme – Iš kartos į kartą (Parts I and II from the programme cycle Dainos iš marių kranto)

Author Rasa Karpavičienė



Best radio talk show – Savaitgalio pasažai: pokalbiai apie kultūros vėjus ir veikėjus by Antanas Fokas

Authors: Nijolė Jačėnienė, Sigutis Jačėnas **Best TV documentary project** – Tolimi artimi Australijos lietuviai Authors: Zita Kelmickaitė, Juozas Javaitis, producer Lolita Bytautaitė **Best TV social journalism programme** – Prieš srovę Author Gintaras Kudaba **Best radio social journalism programme** – Pietryčių Lietuva. Tapatybė Author Indrė Anskaitytė **Best TV entertainment programme** – Lietuvos talentai Author Mindaugas Meškauskas

There also were two special prizes for:

Programme Akmens žymė – for the fostering of local culture Author Rita Ščiglinskienė Programme Ginklo broliai – for the interesting and professional approach to a relevant topic and the fostering of patriotism Author Daumantas Liekis

The competition of 2015 was also the most numerous in terms of submissions. There were 78 submissions in total: 51 television and 27 radio programmes. Traditionally, one of the most active participants was the public broadcaster, LRT, followed by authors representing different regions of Lithuania, independent producers, broadcasters transmitting national radio and television programmes, and service providers distributing television broadcasts on the Internet.

The last year's jury consisted of the following RTCL members: Deputy Chairman of the RTCL, director Jonas Korenka; poet, translator and Chairman of the Lithuanian Writers Union Antanas Jonynas; member of the Board of the Lithuanian Union of Journalists and National Association of Journalism Authors Vidas Mačiulis; theatre and film actor and director Algis Matulionis; journalist and historian Kęstutis Petrauskis; journalist Liudvika Pociūnienė; scientist Mantas Martišius, translator Laimantas Jonušys; journalist Dainius Radzevičius; political analyst Vincentas Vobolevičius.

PUBLICITY WORK BY THE RTCL

In 2015, in order to implement one of its objectives, i.e. to increase the awareness of the RTCL activities, the Commission would at least once a month organise public meetings open to all members of the general public interested in the matters discussed, representatives of the regulated market and the media. To achieve that even more members of the public are aware of the activities implemented, the Commission would hold press conferences, off-site meetings in different regions, participate in conferences on the regulated activities and meetings on both local and international level.

To make sure that the public has at its disposal as much current information as possible, the Commission initiated the development of a new website in 2015. The Commission had analysed flaws of the existing website <u>www.rtk.lt</u> in terms of information availability and user friendliness of its search engine. The new website is expected to provide the opportunity to publish audiovisual market information that is more detailed and better systemised, information about market players and the activities of the RTCL, have an improved e.complaint functionality and other fields, provide the opportunity for the economic operators to submit applications, details and information about their activities requested by the Commission directly. The Commission also hopes to transform the website into more accurate, comprehensive and user friendly to the public. Work on the new website is expected to be completed at the beginning of 2016.

PROFESSIONAL DEVELOPMENT OF RTCL ADMINISTRATION STAFF

The ever changing landscape of the audiovisual media services market and developments in the regulatory framework demand a highly qualified workforce in order to ensure the quality and efficient oversight by the RTCL of radio and television broadcasters, providers of on-demand audiovisual media services, re-broadcasters operating in Lithuania, and other persons distributing television channels and/or selected channels to Lithuanian consumers in the Lithuanian jurisdiction as provided for by the LPIP.

The particular nature of the RTCL activities requires special knowledge in order to identify incidents of incitement to war or dissemination of propaganda in the media, oversee the activities of economic operators, etc. For this reason, the Commission, in cooperation with authorities which are better placed and have special knowledge in these areas, supported continuous professional development of the Commission's staff. In 2015, the Commission actively cooperated with the Ministry of Defence which held training on the aforementioned matters. This training was aimed at ensuring more effective identification of information that should not be published (e.g., war propaganda, incitement to discord, hate, etc.) in radio and television broadcasts.

In 2015, administration staff of the RTCL attended training on state governance and fight with corruption, specialised training on corruption prevention in the public procurement procedures.

Other training to administration staff included public procurement procedures, the protection of personal information, finance management and document management, as well as accounting.

PRIORITIES FOR 2016

The promotion of quality content presentation to the general public in the context of rapidly developing new technologies remains a top priority for the RTCL which it hopes to implement:

- By conducting the licensing of broadcasting activities and of re-broadcast content, monitoring of the content of on-demand audiovisual media services and distribution of television channels and/or selected channels on the Internet, and protecting consumer rights;
- By ensuring harmonised enforcement of the regulation of broadcasting and re-broadcasting activities;



- By ensuring the proportionate conditions of operations and competition for all economic operators acting in a respective audiovisual media services market irrespective of the technology used or jurisdiction;
- By maintaining the independence of the Commission from the market and public authorities;
- By enhancing its internal administration;
- By increasing awareness of the RTCL activities.

No.	Article	Estimate	Fact
		(€)	(€)
	ESTIMATED INCOME	724,050	623,543
2	EXPENDITURE	1,239,668	743,286
21	Salaries and social insurance	973,524	554,830
211	Salaries	743,392	424,009
212	Social insurance contributions	230,132	130,821
22	Use of goods and services	266,144	188,456
221115	Communications services	10,344	8,509
221116	Car fleet costs	8,592	5,668
221118	Print publications	592	382
2211110	Other goods	47,241	28,117
2211111	Business travels	47,585	24,068
2211114	Lease of long-term tangible and intangible assets	38,937	38,054
2211116	Professional development costs	10,027	1,620
2211120	Utilities	14,137	8,542
2211130	Other services	88,689	73,496
3	TRANSACTIONS WITH TANGIBLE AND INTANGIBLE ASSETS	89,354	49,062
311312	Tangible long-term assets	26,185	16,079
312112	Intangible long-term assets	63,169	32,983
	Total expenditure	1,329,022	792,348

INCOME AND EXPENDITURE RESULTS IN 2015



2015 ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S OPINION

Private limited liability AUDITORIAUS GARANTIJA Business ID 124507632 AB Ūkio bankas Vilnius branch C/A No LT467010400001468272 Bank code 70104 Vytauto g. 46/D.Poškos g. 2-21 LT-08122 Vilnius t: 85 2759010, f: 85 2752788 E-mail: stelmokb@takas.lt

INDEPENDENT AUDITOR'S OPINION

TO THE SEIMAS OF THE REPUBLIC OF LITHUANIA

We have audited the accompanying financial statements of the *Radio and Television Commission of Lithuania* comprised of the statement of financial standing as of 1 January 2015 and 31 December 2015 and performance report for the year ended 31 December 2015, statement of changes in net assets, cash flow statement and explanatory notes (hereinafter – "financial statements").

Management's responsibility for financial statements

The management is responsible for the preparation of these financial statements and their fair presentation in accordance with legislation in force at the time in the Republic of Lithuania governing accounting and financial reporting, as well as standard of public sector accounting and financial reporting, and internal control systems which, according to the management, are essential to the preparation of financial statements free of material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with the International Audit Standards. These standards require that we observe the requirements of professional ethics and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the *Radio and Television Commission of Lithuania* as of 31 December 2015, and the financial results for the year then ended in accordance with legislation in force in the Republic of Lithuania governing accounting and financial reporting, as well as standards of public sector accounting and financial reporting.

Auditor Bronė Stelmokienė 17 March 2016 Vytauto g. 46/D.Poškos g. 2-21, Vilnius Auditor's certificate No 000267 UAB Auditoriaus garantija Audit firm's certificate No 1338