

Republika e Kosovës Republika Kosova - Republic of Kosovo



Komisioni i Pavarur për Media Nezavisna Komisija za Medije - Independent Media Commission

CIMC-2008/01

Pursuant to the Article 16 of the Law No. 02/L-15 on the Independent Media Commission and Broadcasting the Council of the Independent Media Commission adopted

Decision

on Level, Manner of Determination and Payment of Fees for Licences for Radio and TV

Article 1

Content of the Decision

This Decision shall regulate:

- 1.1. Level of a single fee for processing of tender applications for licenses for terrestrial analogue broadcasting of radio and TV signals;
- 1.2. Level of a single fee for activities related to registration of an applicant for issuing, change or renewal of license for terrestrial analogue transmission and/or broadcasting of radio and TV signals;
- 1.3. Level, manner of determination and payment of an annual fee for license for terrestrial analogue transmission and broadcasting of radio and TV signals;

Article 2

Level of a single administrative fee for tender application processing

2.1. A single administrative fee shall be charged for the tender application processing, whose level shall be determined according to the type of broadcasting activity and size of the area where the activity is performed.

- 2.2. This administrative fee shall be paid to the Independent Media Commission during the submission of the tender application, without the possibility of refunding.
- 2.3. The level of this administrative license fee will be determined by a separate decision.

Article 3

Level of a single registration fee

3.1. A single fee for registration of a legal or natural person who has obtained the right to broadcast, as well as of persons who renew their licenses, shall be charged according to the expenses of issuing the license broadcasting, technical examination and registration by the Independent Media Commission.

The level of single registration fee is for

- a) Radio: 10% of the annual fee appropriate for the given broadcaster
- b) Television: 10% of the annual fee appropriate for the given broadcaster
- 3.2. During the submission of application for temporary license, a fee in amount of 10% of the single annual fee shall be paid. During the submission of application, a single registration fee shall be paid to the Independent Media Commission, without the possibility of refunding.

Article 4

Criteria for estimation of the annual fee

The Annual Fee for license for broadcasting of radio and TV signals shall be determined on the basis of:

- Overall annual income declared by the media broadcasters;
- Population size in the respective coverage zone;
- Type of broadcaster (radios or TVs);
- Category of the broadcaster.

D - Coefficient of Categorization

Coefficient D is based on the categorization depending on the broadcasters' category:

- Low power broadcaster's coefficient will be equal to 1;
- Local broadcaster's coefficient will be equal with 1.5, and
- National broadcaster's coefficient will be equal with 2.

Article 16.1 of the IMC Law states:

"Upon recommendation of the Executive Chief, the Council shall establish a license fee schedule for various classes of broadcasting licenses that shall be payable annually by the licensees. In establishing the schedule, the Office of the Executive Chief shall consider prevailing and projected market conditions. The license fee shall be the same within each class of license. The fee schedule shall be submitted for approval to the Council".

The IMC has licensed media broadcasters, radios and TVs, in three categories:

- with low power (50 Watts ERP for radio and TVs);
- local (1 KW ERP for radio and 5 KW ERP for TV); and
- national (radios and TVs are licensed with national frequencies determined according to the ITU; for the positions registered as national broadcasting sites, also according to the ITU).

To fulfill the legal obligation that rise from the Article 16 of the IMC Law, after calculation of individual amounts, was done the division according to the category, by which it was done a calculation according to which are taken flat rate amounts for national, local and low power categories (separately for radio and TV).

More exactly: categorization of the broadcasters was done and the total of the annual amount was summed up for each category separately, with which was done calculation according to that was taken a single amount of annual fee for national, local and the one with the low power category (each for radio and television).

Through abovementioned phases the IMC managed to determine the same annual licensing fee for each category of the broadcasters. The Annual Fee is determined for low power radio and TVs, local radio and TVs and national radios and TVs.

Category	Annual Fee
	'
16 / Low power radio	135 €
2 / Low power TV	385 €
73 / Local radio	395 €
15/ Local TV	650 €
4 / National radio	7752 €
3 / National TV	11628 €

Article 5

Manner and Calculation of the level of Annual Fee

Formula

For the determination of the level of licensing fee the IMC applies the following procedure to establish the amount of the licensing fee as it is foreseen by the Article 16.1 of the Law on IMC.

Phase 1: Calculation of the licensing fee for each media broadcaster shall be determined based on the following formula:

$A \times B \times C \times D \times 12 = amount$

A – Basic value

Basic value is based on calculation of the cost of program produced for one hour. Calculation is done based on the average of general annual incomes declared for the year 2007 by all media broadcasters licensed in Kosovo, including all categories.

A = 19 Euro

B - Coefficient of the coverage

Coefficient B is based on the number of population in the coverage zone of the media broadcaster. Taking into account general number of population in Kosovo to be 2,200,000, this factor will take its value based on the coverage zone. Data about the population have been taken from the Ministry of Economy and Finance.

B = 1 unit = 100.000 people

Coefficient **0.05** has been determined for the media broadcasters that broadcast with low power and for which data about the number of population are missing from MEF document, therefore this coefficient was grounded based on Novoberdo Municipality which contains 5.000 inhabitants.

For national broadcasters the coefficient B is calculated 17 (not 22 as it should be according 1 unit = 100.000 inhabitants due to fact that these media do not cover the whole territory of Kosova).

C - Coefficient of the type of the media broadcaster

Coefficient C is based depending on the type of broadcaster, and amounts to:

Radio 1.00 Television 1.50

E-Discount coefficient for minority media

Minority Media will have 10% discount from the total annual fee determined by this decision.

Article 6

Manner of payment of fee

- 6.1. Annual fee for the license shall be paid to the bank account of the Independent Media Commission.
- 6.2. The Annual fee for issued licence for broadcasting of radio and TV signals shall be paid to the bank account of the Independent Media Commission not later than 5th day of the current month.
- 6.3. In case when broadcasters fail to inform the Independent Media Commission that it does not intend to broadcast programme any longer, the undertaken financial liabilities from the licence shall be valid until the IMC receives the written notification.
- 6.4. If the licence holder stops broadcasting radio and TV signals prior to the expiry of time for which the fee has been paid, a part of fee that refers to the time left shall not be refunded.
- 6.5. If it is determined that a licensee has broadcast outside the coverage area set out in its license, the IMC may retroactively assess on the licensee [double] the amount of the fee it would have paid for its unlicensed coverage area if that coverage area had been set out in its license. This payment is in addition to any sanctions that the IMC may impose.
- 6.6. In case of late payment of the fee, referred in paragraph 2 of this Article, the person with the issued licence for broadcasting of radio and TV signals shall pay the interest on areas.
- 6.7. The level of interest will be determined according to the level of interest that is applied by the Kosovo tax Administration regarding arrears.
- 6.8. Failure to pay the License fee will result with the sanctioning of a broadcaster in accordance with the Law and Regulations of the IMC. The sanctioning may result with a revocation of a License.

Article 7

Validity of the decision

This method of determination of the licensing fee shall be valid only for the period media broadcasters operate based on the temporary license issued by the IMC. According to Article 16.2 of the IMC Law, The Office of the Executive Chief shall review and may amend the schedule of license fees every two (2) years.

Article 8

Transitional Provizion

For 2008, broadcasters will pay the licensing fee for the period from 1 August 2008 to 31 December 2008. Whereas after this first licensing fee, they will pay licensing fee in accordance with the Article 6.2 of this decision.

Article 9

Entering into force

This decision enters into force on 21 July 2008.

Argjentina Grazhdani

Chairperson of the IMC Council

4/07/200P Date