

V THE DIGITALIZATION PROCESS

Public consultations about the Draft Amendments to the Rulebook on the Transition from Analog to Digital Broadcasting and the Draft Decision on the Amendments to the Strategy for the Transition from Analog to Digital Broadcasting, which started on December 22 last year, were completed on January 5. While RATEL criticized a whole array of proposed concepts, it also claimed it had never participated in the drafting of the aforementioned Draft Amendments to the Rulebook. This is a highly controversial statement, since under the Law on Electronic Communications, it is in RATEL's competence to make the draft and submit it to the ministry. However, in the objections voiced on the public debate, RATEL called on the Ministry of Culture, Media and Information Society to "rewind" a year back the whole procedure of amending the Rulebook and reconsider the draft of the same Rulebook written by RATEL back in November 2010. The purpose of initiating the procedure of amending the Strategy and the Rulebook were to transition to a new, more realistic concept involving digitalization in stages, which is believed to suit everyone. The old concept namely foresaw the digital switchover in Serbia to take place in one day, as early as in April, without simulcast, which would enable the testing of the new network and avert the possibility of the citizens to remain without any kind of terrestrial television signal. In view of the above, it is difficult to understand the reasons for the latest rown between the Ministry and the sectoral regulator. Anyhow, by late February, it became clear that the government had given up the simultaneous adoption of both the amendments to the Strategy and amendments to the Rulebook and that RATEL and the Ministry would engage in a new round of talks. We have already written in our previous report about the text of the amendments to the Strategy, which was ultimately adopted on March 1, but we will nonetheless go over the most important ones.

By adopting the amendments to the Strategy, Serbia has given up April 4, 2012 as the date of the complete transition to digital terrestrial television broadcasting and the one-day switchover concept. Instead, it opted for a switchover in stages and in the time period provided for in Serbia's international obligations, i.e. no later than by June 17, 2015. The regions that will be switching to digital broadcasting will contain one or several allocation zones. It is foreseen that the Government will adopt a Digital Switchover Plan, which will lay down the sequence and time schedule for the "phased switchover" in each of the regions, as well as that it will define a period of no more than six months for the shutdown of the analog signal in each of these regions. Prior to the adoption of the Digital Switchover Plan, consultations will take place with RATEL, the RBA, the public company "Broadcasting Equipment and Communications", public broadcasting services and holders of TV broadcasting licences. Furthermore, the Government will determine,

at least nine months in advance, on which exact day in the six-months period prescribed by the Digital Switchover Plan the analog signal will be switched off in a particular region. In that way, the Government will have room for planning the digital switchover according to the circumstances, as well as to set the framework it will have to adhere to and how to guarantee to all stakeholders the predictability of the entire process. Prior to switching off the analog signal and switching over to digital broadcasting, the RBA will have the broadcasting licenses replaced, by replacing licenses for radio stations, as integral parts of the broadcasting license, by a single license for the use of radio frequencies, issued to the public company "Broadcasting Equipment and Communications". The result will be that broadcasting licenses will still be valid after the switchover. Technical and commercial requirements for access shall be regulated by an agreement entered into between "Equipment and Communications" and each particular broadcaster. During the digital switchover process, two multiplexes will be put into operation. Additional multiplexes will be put into operation and filled in after the switchover, subject on market needs and financial feasibility.

After the adoption of the amendments to the Strategy and to the Allocation Plan, the public company "Broadcasting Equipment and Communications" will be enabled to put into operation the initial digital signal testing network, which will secure a simulcast for about 40% of the Serbian population. The said initial network is expected to include public broadcasting services at the level of the Republic and the province, as well as national commercial channels. In any case, provided a successful and timely resolution of the disputes between RATEL and the Ministry about the text of the Digitalization Rulebook, Serbia will have obtained a more realistic and feasible Digitalization Strategy. However, the key risk that remains unaddressed – in addition to the said row between RATEL and the Ministry, remains the fact that the broadcasters are yet to be included in the planning of this process, without knowing what will be their specific obligations imposed by the coming digitalization.