

Eurovisioni 2014, Rome: Roll-out of the new licence fee in Germany – a success story

The new television and radio licence fee ("Rundfunkbeitrag") came into effect Germany-wide on 1 January 2013, replacing the "Rundfunkgebühr". The new fee is no longer based on the keeping of a television, radio or other receiving device. Rather, each household and each workplace (based on the number of staff employed) must pay a contribution in order to finance Germany's public-service broadcasting system. The administrative cost of the new system is significantly lower because it is now much easier to prevent evasion by viewers and listeners since the public-service broadcasters no longer have to demonstrate that reception equipment is kept on the premises. In return for these cost savings, German policymakers decided to reduce the burden on a number of user groups, including individuals living in shared accommodation and non-profit institutions such as schools or universities. The level of the new fee has been kept at the old licence fee level which is at EUR 17.98 per month for each household.

Accompanying the roll-out of the new licence fee, the public-service broadcasters in 2012 und 2013 had taken numerous communication initiatives. For example, around 3.5 million members of the public were sent a letter informing them that their fee would change. Those, for instance, who had previously only registered one radio and therefore paid a reduced fee now have to pay the full contribution. As for the non-private sector, letters were sent to around 2.8 million companies and institutions informing them in advance of the new licence fee and requesting the data needed to calculate the correct licence fee in each case. Furthermore, several hundred trade and industry associations were informed of the new arrangements and given contact details. Information events were also organised in collaboration with many of these associations. A website was designed and went online since February 2012, providing a platform for the general public, businesses, institutions and journalists to find out about all the rules governing the new fee and download detailed information. In addition, the public-service broadcasters have individually made extensive efforts to draw attention to the new licence fee on their various radio and TV channels and on their websites. Another campaign initiative was to distribute millions of information booklets via selected

consumer advice centres, banks, savings banks and local authorities as well as at public events. The press offices of the broadcasters had also publicised the changes in numerous press releases and explained them in background talks with journalists.

Despite this wide-ranging information campaign, newspaper publishers did, not unexpectedly, see the switch to a blanket fee for households as an opportunity to launch an all-round media attack on public-service broadcasting. Despite the fact that nothing had changed at all for 90% of private individuals the press coverage had almost exclusively focused on negative cases, which were presented as examples of a generally bad model. The new fee has been deliberately used as a vehicle for calling into question public-service broadcasting as a whole. After the end of the first year of the new model though, we have since seen significantly fewer negative reports in the press.

Despite all the negative press coverage, there were no signs of a general outrage spreading through the population. On the other hand, a private individual had taken legal action against the new licence fee, filing a suit with Bavaria's constitutional court. Several companies have also gone to court to challenge the new system because they see themselves at a disadvantage compared to other large companies for having a wide network of individual branches. Legal challenges to the new licence fee and court cases at various levels were, however, anticipated from the outset by the Länder and the public-service broadcasters. So far, all court decisions that followed these legal actions, in general confirmed the new model as such.

The public-service broadcasters at time of the change predicted that the annual revenue generated from the new licence fee will roughly equal the amount raised under the old system. When adopting the inter-state treaty that governs the change in the licence fee regime, the Länder (as the authorities responsible for broadcasting policy in Germany) also agreed that there should be an evaluation of the new system relatively soon. Such an evaluation should consider how far the revenues are in line with expectations and whether the system is leading to any cases of hardship or creating excessive burdens.

In February 2014 the KEF, the state independent committee, that assesses the financial requirements of public service media, published its usual interim statement regarding the financial requirements of ARD, ZDF and Deutschlandradio for the years 2013-2016.

Thereby the committee reported a revenue surplus of 1.15 billion euro generated by the new public service media fee after the first year and suggested that the responsible Federal States Commission on Media reduce the monthly fee by 73 cents. In March the Minister Presidents' Conference decided to reduce the fee by 48 cents starting in April 2015 and to use the remaining money on the one hand to hold the amount of the fee per household stable for a longer period and on the other hand to introduce further exemptions for special groups (disabled persons, kindergartens, etc.). The specific decisions about the exemptions will be made after the promised evaluation analysing which groups have to pay more money after the introduction of the new fee than before. The completion of the evaluation is planned in 2015.