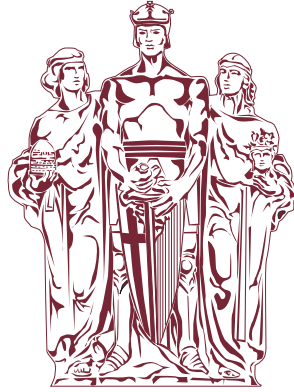


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Broadcasting Authority Malta

ANNUAL REPORT 2022

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The Hon. Dr Robert Abela, K.U.O.M., B.A., LL.D., Adv. Trib. Melit, M.P.
Prime Minister
Office of the Prime Minister
Auberge De Castille
Valletta

June 2023

Honourable Prime Minister,

Broadcasting Authority Annual Report 2022

In accordance with sub-article (1) of Article 30 of the Broadcasting Act, Chapter 350 of the Laws of Malta, we have pleasure in forwarding the Broadcasting Authority's Annual Report for 2022.

Yours sincerely,

A handwritten signature in black ink, consisting of a large, sweeping initial 'F' followed by several loops and a horizontal line at the end.

Frank V. Farrugia
Chairperson

A handwritten signature in black ink, appearing to be 'J. Spiteri' with a stylized, cursive script.

Dr Joanna Spiteri
Chief Executive

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01 MESSAGE FROM THE CHAIRMAN



The year 2022 has been another challenging and interesting year for the broadcasting regulator and the broadcasting sector in general. It was meant to be a continuation of what had started the previous year, be it the revamp of the broadcasting infrastructure, the transmission site at Għargħur, the future of the free-to-air transmission, the discussion and analysis of national broadcasting laws reforms. It brought with it an electoral campaign as well, leading to the General Elections 2022.

As expected, and as has always been the case, an electoral campaign means that almost all the Authority's resources were dedicated to the regulation of broadcasting content, particularly political content. Notwithstanding a tough time of preparation, organisation, issuing directives and seeing that all is being implemented according to the relevant directives and legislation, the six weeks of the electoral campaign were successful and the Broadcasting Authority, with its team, the Board of Directors and the Executive Team, managed the task of regulating the broadcasting content during such a sensitive period with flying colours. It also managed with excellent results the usual production of political broadcasts that fall under the scheme

organised by the Broadcasting Authority to ensure the fair apportionment of time among political parties.

Another positive result obtained during 2022 was the finalisation of all the painstaking procurement procedures which lead to the kick-off of the long-awaited maintenance project of the Għargħur transmission tower. This had become a priority because it had been neglected for several years despite being the only source of transmission for radio broadcasting and other telecommunication hub services. The actual maintenance work will begin early next year, and it will be one of the major projects which the Authority will have successfully finalised for the benefit of the broadcasting industry, particularly the radio industry. Furthermore, the project also entails the clearance of unused cables and their replacement with more enduring ones that will deliver a smoother service to the users.

The Authority also embarked on a project to identify a new alternative transmission site. Such an essential project requires time and meticulous technical study to explore a good transmission site that would act as an alternative to the Għargħur site. Due to high-rise buildings such a study needs to be conducted in detail and attention since the Maltese topography has left an impact on which site to choose and the reach of the transmission tower. Indeed, high-rise buildings are also leaving an impact on radio transmission and telephony services, and hence the Authority is seriously embarking on this task knowing that such services are also used for emergency services. Thus, it is of critical importance to have a state-of-the-art transmission site and tower.

Apart from infrastructure, media content and media policy were on the priority list for the year in review. There is a lot more to do, however 2022 was another year of brainstorming on how media policy can adapt and change to be in sync with the changes facing the media. Work on revisiting the Broadcasting Act to come up with new proposals continued also during 2022. Media policy safeguards the fundamental rights of freedom of speech and freedom of expression, hence the Authority is continuously working on finding ways on how to

enhance media policy. Disinformation and hate speech have been given a priority within European discussion, and it is understandable that there is a need to invest in language sensitivity, particularly to tackle disinformation. Editorial and integrity are also two aspects which are being discussed within the framework of the Media Freedom Act. The Authority is continuously working on such a framework together with European regulators and is giving its input in working documents and position papers with regards to the provisions brought forward by the Media Freedom Act which is currently being discussed at a European level.

Without doubt the coming months will continue to bring further challenges for traditional media services in the new communication landscape. Notwithstanding the fact that media use has changed drastically during the recent years, we understand that there is still a percentage, albeit small, of the Maltese population that does rely on free-to air-transmission (DTTV). In view of this, the Authority worked hard to ensure that the network that provides such transmission remains operational even though the technology is moving forward at a fast pace. While this matter was one of the biggest headaches that necessitated prompt action, the

Authority is satisfied that a solution has been found and that free-to-air transmission remained operational.

As I look back to the past three years, I can see that we have achieved a lot, though much more is left in venturing. While the first years were focused on re-organising the structure of the Authority and keeping in touch with the present media infrastructure, I look forward to addressing more content issue, focusing on other audio-visual media services and not just traditional broadcasting. We are now committing ourselves to continue maintaining the Għargħur transmission site but also addressing audio-visual media services that until now are not under the broadcasting legislation framework. Hence, we still need to work on a licensing framework and update the licensing sector. In the coming months we will put our attention to the different platforms which are growing, and which are producing audio-visual media content. This is one of the next challenges for the coming months for the Authority. In pursuing this, the Authority will adhere to its European obligations.

To achieve all this, the support of all the Board members is essential and, the more so, the dedication and commitment of the Executive team led by the CEO and the supporting operational staff.

Broadcasting Authority Board Members

The Broadcasting Authority is entrenched in the Constitution of Malta and as per Article 118(2), “The members of the Broadcasting Authority shall be appointed by the President, acting in accordance with the advice of the Prime Minister given after he has consulted the Leader of the Opposition”

The Authority is composed of four Members and a Chairperson.

The Authority’s board members were re-appointed from 1st January 2022 for a period of two years.

- Dr Peter Fenech - Board Member
- Dr Alessandro Lia - Board Member
- Mr Frank V. Farrugia - Chairperson
- Dr Joanna Spiteri - Chief Executive Officer
- Mr Charlo Bonnici - Board Member
- Mr Francis Ghirxi - Board Member



02

REVIEW OF THE YEAR BY THE CEO

The executive arm of the Broadcasting Authority pursued its work and continued on projects started in previous years but also embarked on new ones. Following previous successes, the Authority continued with several initiatives for the benefit of the local broadcasting industry and contributed to the implementation of the Broadcasting Act, while keeping a good relationship with stakeholders, particularly licencees and producers. During 2022 the Authority worked on these four topical pillars:

- implementation and regulation
- education
- contribution to the European and international broadcasting frameworks
- studying and working on proposals for changes to broadcasting legislation.

Furthermore, in 2022 the Authority continued building and improving on its internal capacity to prepare itself for the future in view of the continuous changes in market realities which systematically pose new issues and challenges that will always be our priority in view of our mission to safeguard public interest.

Educational aspect

Once again, this year, in February 2022, as part of its objective to strive for good quality in broadcasting, the Authority sponsored four media workers, mostly journalists, for the diploma course in proofreading – Ċertifikat fil-Qari tal-Provi bil-Malti – organised by the University of Malta in collaboration with the Kunsill Nazzjonali tal-Ilsien Malti. The participants were:

Mr Joe Mikalief –
Media.link Communications Company Ltd
Ms Francesca Marie Attard –
Public Broadcasting Services Ltd
Ms Joanna Camilleri – Public Broadcasting Services Ltd
Mr Stewart Said – Għaqda Ġurnalisti Sports ¹



This University course trains participants in Maltese language rules and writing in good Maltese. This sponsorship is a further step towards good quality in broadcasting as it enables local mediapersons to possess the skills required to write good Maltese in their media productions and enhance the media content within their organisation.

Implementation and regulation

During 2022 the Authority continued to work on new provisions which were introduced following the AVMS Directive. Reporting obligations prescribed by the Audiovisual Media Services Directive, and which now have been transposed into the Broadcasting Act, started to be complied by the Authority. These reports concern specific measures which audiovisual media services are obliged to take, or are working on,

¹ Mr Stewart Said is absent from photo (on next page)



to ensure a consistent and harmonised approach in terms of audiovisual rules.

Apart from this, the day-to-day regulation continued. However, in view of the revised Audiovisual Media Services Directive, the monitoring team noted a drastic decrease in the number of issues regarding non-adherence to the advertising and sponsorship provisions, even though in the past these were the main issues that were brought up. New provisions introduced by the Audiovisual Media Services Directive on audiovisual commercial communications mean that audiovisual media services now have more flexibility in the use of advertising and sponsorship. However, monitoring issues regarding the political content and complaints increased, as normally happens during an election year. Furthermore, the Authority saw an increase in people’s awareness and participation especially regarding the use of the Maltese language. In fact, there was a marked increase in the number of complaints regarding the adherence to the Code on the Correct Use of the Maltese Language on the Broadcasting Media.

Contribution on a European Level

Through its participation in ERGA (European Regulators Groups for Audiovisual Media Services), the Authority contributes to a number of questionnaires, surveys, working reports and position papers issued by the European regulators following seminars or workshops held to discuss broadcasting issues, such as disinformation, media literacy, Media Freedom Act provisions, the use of AI in broadcasting regulation, and the role of the public service.

During 2022, the Authority gave its input during the discussion on the European Media Freedom Act (EMFA) and on a number of provisions of the Digital Services Act. This legislative initiative went to the top of the European agenda in 2022, however the Authority had participated in the discussions with its fellow regulators on this matter since inception. Discussions dealt with red lines on such a proposal, the challenges which regulators could face in its implementation, the importance of the role of public service media, and the importance of the independence of regulators.

Building bridges with stakeholders

The Authority followed the GIO issue closely and constantly kept itself abreast of the issues raised by stakeholders on the matter. It was also aware of several complaints and observations made by viewers during this transition period. Together with technical experts the Authority participated in a series of discussions to find a way forward regarding obligations of general interest. Moreover, the Authority provides guidance to media houses, producers and audiovisual media services on aspects of the Broadcasting Act and the implementation of a number of relevant provisions. For this reason, Broadcasting Authority officials hold ad hoc meetings with producers providing guidelines to avoid any potential breaches.

Proposals on the current Broadcasting Act

During 2022 the Authority continued on one of its major tasks, that of proposing amendments to the current Broadcasting Act. It has long been felt that certain provisions of the current Broadcasting legislation need to be changed. The Authority wanted to address this by submitting proposals before these go through the consultation process and follow the usual legislative procedures.

Through the setting up of two sub-committees, the Authority held a series of brainstorming sessions on the changes that need to be made to the Broadcasting Act and its subsidiary legislation. During 2022 the sub-committees came up with a number of proposals which were not of merely cosmetic nature but address core issues in the current legislation.

It is felt that the current licensing framework also needs an overhaul, not only to be in line with new audiovisual media services but also to be standardised with licensing procedures that reflect the current scenario.

Tenders

2022 also meant diligent work on a significant number of tender reports and procurement procedures. An important tender which the Authority worked upon during 2022 was related to the proposal to build an alternative transmission site. As has been already stated in previous years, the need of a new transmission site is strongly felt because the Għargħur transmission site does not have a proper back-up transmission. For this reason, the Authority embarked on the preliminary stages of this project by identifying a location for this site. In view of this, the Authority worked on a tender report that requested an RF study for site identification. Given that

such a report requires technical and specific details, such tender will be issued next year.

During 2022 the tender for the maintenance of the Għargħur tower was finalised. Thus, finally, work on the tower, which has been waiting for maintenance for years, can start in the coming year.

Management worked on another tender, this time to replace the existing website. Apart from aesthetic changes, the new website needs to address current needs and be more user-friendly.

Human Resources

In 2022 the Authority management kickstarted the renewal of the present collective agreement. A series of talks were held with UHM (Union Haddiema Magħqudin) to discuss a new collective agreement for the Broadcasting Authority's staff. It is being envisaged that by the end of next year, such discussions would be completed, and a new collective agreement will be signed.

Concluding remarks

The prospect of another challenging year ahead is clear since the media industry is evolving. From a European perspective the remit of the regulators is being widened. While certain aspects, such as the independence and autonomy of the Authority, will still hold, it is envisaged that there will be an increase in the number of services which will fall under the Authority's remit.

Furthermore, issues like media literacy need to be seriously tackled. While the transposition of the AVMS Directive led to the establishment of the Media Literacy Development Board (to which the Authority also offers it assistance), the Authority needs to be one of the major promoters of programmes on media literacy, particularly within the media/broadcasting industry. The Authority also needs to focus more on reaching out to the industry, providing training where this is necessary. Quality in broadcasting is another aspect which the Authority needs to focus upon in the coming years.

While the Authority needs to keep investing in its human resources and expertise to accomplish all this, it is not just hard work and commitment that count but also the financial means which the Authority undoubtedly needs to up its performance.

03

BROADCASTING LICENSING

Under Part III of the Broadcasting Act, in order to carry out its regulatory role, the Broadcasting Authority uses a licensing system that covers all broadcasting services that fall under its purview. In terms of radio services, this includes nationwide analogue radio services, short- and long-term community radio services, and digital radio services. From an audio-visual perspective, the Broadcasting Authority licenses a wide range of commercial television channels that range in nature from local to foreign (satellite channels), linear to non-linear, and from thematic to general interest objective services. The Broadcasting Authority also regulates one-off events such as drive-in cinemas which make use of a broadcasting frequency.

Furthermore, the Broadcasting Authority also liaises with the Public Broadcasting Services (both radio and television) which, despite not being licensed by the Broadcasting Authority as foreseen by Article 10(4D), is nonetheless subject to rules and regulations under the Broadcasting Act. To this effect, from the end of September, the Public Broadcasting Services launched their new sports channel, TVMSports+. While the Authority does not issue its licence, it still regulates the content aired on this new service by the public service broadcaster.

The following is a list of services licensed or renewed by the Authority in 2022:

- 22 community radio stations (renewed)
- 4 nationwide analogue radio services (renewed)
- 2 digital radio stations (renewed)
- 2 drive-in cinemas (new)
- 1 tv service (own broadcast channel) (new)
- 1 tv service (commercial television teleshopping) (renewed)
- 3 on-demand web services (new)

Furthermore, the Broadcasting Authority also approved EPIC's promise of performance in view of its request for the provision of a new television distribution

service. Once available on the market the service will provide local customers more choice in terms of linear television offers.

By the end of 2022, the Broadcasting Authority's registry comprised 72 services² distributed as follows:

- 19 community radio services (long-term)
- 17 own broadcasts television services
- 13 analogue nationwide radio services³
- 6 digital nationwide radio services
- 6 general interest objective television services
- 6 on-demand audio-visual media services
- 3 public service broadcasting channels
- 3 satellite television services

Radio Broadcasting Licences

Nationwide Analogue Radio (FM/AM)

Four nationwide analogue radio services on the FM dial had their licences renewed during the year under review. In chronological order, the licence for Smash Radio was renewed on June 8th; the licence for NET FM was renewed on June 15th; the licence for VIBE FM was renewed on November 6th; and the licence for 103 Malta's Heart (formerly RTK Radio) was renewed on December 30th. All of these services were granted an eight-year term subject to technological developments which might affect future distribution. To this effect, in terms of nationwide analogue radio services, the Broadcasting Authority's registry remained unchanged, with thirteen national stations available to the general public on the FM spectrum as well as on the digital platform.

² Excluding temporary services, i.e. community radio service (short-term) and drive-in cinemas.

³ Three of which form part of the Public Broadcasting Service (Radju Malta 1, Radju Malta 2, and Magic Malta).

Nationwide Radio Service (Analogue)

Service Name	Company	Term	Period		Freq.
Smash Radio	Smash Communications Ltd	8 years	8/06/2022	7/06/2030	104.6
NET FM	Media.Link Communications Ltd	8 years	15/06/2022	14/06/2030	101.0
Vibe FM	Capital Communications Ltd	8 years	06/11/2022	05/11/2030	88.7
103 Malta's Heart	Beacon Media Group Ltd	8 years	30/12/2022	29/12/2030	103.0

Digital Radio Stations

In 2021, the Broadcasting Authority also renewed the licence for 2 national digital radio stations. Both stations, Bay Easy, of Eden Entertainment Ltd, and All Rock, of Digi B Network, are music radios. These services were renewed

on the 5th of July and on the 2nd of October respectively. Thus, the Broadcasting Authority closed off the year with 6 digital radio services (5 own broadcasts by Digi B Network; the other owned by Eden Entertainment Ltd) in its registry.

Nationwide Radio Service (Digital)

Service Name	Company	Term	Period		Type
Bay Easy	Eden Entertainment Ltd	4 years	05/07/2022	04/07/2026	Music
All Rock	Digi B Network	4 years	22/10/2022	21/10/2026	Music

Community Radio Stations

Community radio licences are divided into two types:

- long-term (issued for a 3-year term); or
- short-term (not exceeding 1 month)

In both cases, these are characterised by an effective radiated power (E.R.P.) not exceeding 12 Watts, which limits the services' reach as opposed to nationwide radio services. Community radio licences are typically granted for a three-year term or for a brief period of not more than one month, typically during the Christmas and Easter seasons or when

the relative town or village celebrates a special occasion, like the feast of the parish's patron saint.

In the year under review, the 22 community radio services licences granted were divided as follows:

- 12 long-term community radio services; and
- 10 short-term community radio services

Community Radio Services

Service Name	Locality	Term	Period		Freq.	ERP	Term
Radju Katidral	Victoria, Gozo	3 years	31/01/2022	30/01/2025	90.9	2.8	Long
Radju Bambina	Ix-Xagħra, Gozo	3 years	31/01/2022	30/01/2025	98.3	7.6	Long
Radju Luminaria	In-Nadur, Gozo	3 years	31/01/2022	30/01/2025	106.9	4.2	Long
Radju Prekursur	Ix-Xewkija, Gozo	3 years	19/02/2022	18/02/2025	99.3	4.6	Long
Radju Sokkors	Ta' Kerċem, Gozo	3 years	01/03/2022	28/02/2025	95.1	2.8	Long
MICS FM	Ir-Rabat, Malta	3 years	01/02/2022	31/01/2025	93.3	12	Long
Radju Leħen il-Qala	Il-Qala, Gozo	3 years	17/02/2022	18/02/2025	106.3	11.1	Long
Radju Għażżiela	Iż-Żebbuġ, Gozo	3 years	15/04/2022	14/04/2025	10.4	7.2	Long
Radju Leħen il-Belt Ġorġjana	Hal Qormi, Malta	3 years	29/07/2022	28/07/2025	105.6	6.7	Long
Radju Santa Katerina	Iż-Żurrieq, Malta	3 years	29/06/2022	28/06/2025	90.6	9.9	Long
BKR	B'Kara, Malta	3 years	01/08/2022	31/07/2025	94.5	7.4	Long
Radju XEB-ER-RAS	Valletta, Malta	3 years	01/09/2022	31/08/2025	90.8	6.5	Long

Radju 15 ta' Awwissu	Il-Qrendi, Malta	10 days	08/04/2022	17/04/2022	98.3	3.5	Short
Radju Każin Banda San Filep	Haż-Żebbuġ, Malta	1 month	12/05/2022	12/06/2022	106.3	7.6	Short
Radju Lauretana	Għajnsielem, Gozo	18 days	07/04/2022	24/04/2022	89.3	4.3	Short
Radju Lauretana	Għajnsielem, Gozo	8 days	29/05/2022	05/06/2022	89.3	4.3	Short
Radju Lauretana	Għajnsielem, Gozo	21 days	08/08/2022	28/08/2022	89.3	4.3	Short
Lehen il-Karmelitani	Iż-Żurrieq, Malta	1 month	01/07/2022	31/07/2022	101.4	8.5	Short
Radio Leonardo	Hal Kirkop, Malta	9 days	13/08/2022	21/08/2022	105.2	4.9	Short
Radju 15 ta' Awwissu	Il-Qrendi, Malta	26 days	08/12/2022	02/01/2023	98.3	3.5	Short
Lehen il-Karmelitani	Iż-Żurrieq, Malta	31 days	01/12/2022	31/01/2023	101.4	8.5	Short
Radju Lauretana	Għajnsielem, Gozo	25 days	08/12/2022	01/01/2023	89.3	4.3	Short

Drive-in Cinemas

Following a number of requests, the Broadcasting Authority drafted and implemented a fast-track procedure to cater for the provision of broadcasting content in one-off events (most of which are drive-in cinemas). The need for these kinds of services emerged during the Covid-19

period. Notwithstanding the gradual lifting of health protocols, in 2022 the Broadcasting Authority approved two drive-in cinema events, one in Rabat, Gozo, and another one in Tal-Qroqq, Malta.

Drive-In Cinemas

Event Organiser	Locality	Term	Period		Freq.	ERP
Soċ Fil La Stella	Rabat (Gozo)	1 Day	13/02/2022	13/02/2022	89.1	<1W
Tech +	Tal-Qroqq (Malta)	2 Day	19/02/2022	06/03/2022	89.3	<1W

Audio-Visual Media Services Licensing

Commercial Television Service (Teleshopping)

ITV Shopping Channel is currently the only local commercial television service in the Broadcasting Authority's registry that is dedicated exclusively to

teleshopping. Dedicated exclusively to the provision of teleshopping, ITV Teleshopping Channel (Ambriel Media Solutions Ltd) had its licence renewed on the 1st of September for a four-year term.

Commercial Television

Service Name	Company	Term	Period		Network
ITV Shopping Channel	Ambriel Media Solutions Ltd	4 years	01/09/2022	31/08/2026	GO Network / Melita

Own Broadcast Television Service (Film)

On the other hand, the local audiovisual media sector is characterised by a number of own broadcast television services. These are television services provided by television distribution network operators exclusively to form part of their respective channel line-ups. The year under review saw the launching of GO's Tokis, a new

thematic television service focusing specifically on local drama, series and films. The channel was launched in line with the autumn 2022 schedule and was granted a five-year term. On the other hand, GO plc requested the termination of The Weather and Information Channel, which is now no longer available on any of GO's packages.

Commercial Television

Service Name	Company	Term	Period	Network
Tokis	GO plc	5 years	01/08/2022 – 31/07/2027	GO Network

On-Demand Audio-Visual Media Service

Apart from its licensing regime, in line with Article 160 of the Broadcasting Act, the Broadcasting Authority also requires the media service providers of on-demand audiovisual media services to notify the Authority of their market presence. In view of the said Article, in the year under review, the Broadcasting Authority's registry

now also comprises three additional services of this kind. These are TVMi.mt, play.one.com.mt, and netondemand.com.mt. As opposed to existing on-demand services, all of the above mentioned services are web-based and are exclusively aimed as a complimentary on-demand service to a linear offer.

On-Demand Audio-Visual Media Services

Service Name	Company	Country	Genre	Platform/Type
TVMi.mt	Public Broadcasting Services Ltd	Malta	Generalist	Internet (OTT)
play.one.com.mt	ONE Productions Ltd	Malta	Generalist	Internet (OTT)
netondemand.com.mt	Media.Link Communications Ltd	Malta	Generalist	Internet (OTT)

04 ADMINISTRATIVE OFFENCES

By virtue of Article 41 of the Broadcasting Act, when the Broadcasting Authority determines that an offence has been committed, the Authority may apply a number of measures (separately or concurrently) which range from a simple warning to the imposition of an administrative penalty. Naturally, it is the Authority’s responsibility to ensure that the principle of a fair and public hearing is respected and guaranteed in determining whether an offence has been committed or otherwise.

In 2022, the Chief Executive issued 10 charges against broadcasters. The related procedures are governed by Section 41 of the Broadcasting Act and Ordinance 350.07. In these cases, the Authority acts as a quasi-judicial body. Consequently, the Chief Executive acts as a prosecutor, a role which is quite distinct from the other functions of the Chief Executive’s office.

2022	Station	Charges
Radio	103	1
Television	Smash TV	1
	TVM	3
	NET TV	3
	F Living	2
	Total	10



The table hereunder shows the total number of charges heard and decided upon by the Authority in 2022 according to station.

Station	Legislative Provision	Decision
103 Andrew Azzopardi on 103 – 26 th March 2022	Paragraph 6(iii) and (v) of the Broadcasting Authority's Directive for the period 28/02/2022 to 26/03/2022	The station was found guilty and a suspended penalty was issued.
Smash TV Il-Parlament tal-Poplu – 6 th December 2021	Article 13(2)(a) of the Broadcasting Act	The station was found not guilty.
TVM Gourmet Challenge – 20 th January 2022	Article 16K(1)(a) of the Broadcasting Act and Paragraph 3(g) and (f) re: good use of Maltese Language.	The station was found guilty and the Authority issued a warning.
TVM News – 24 th July 2022	Article 13(2)(a) of the Broadcasting Act, Paragraphs 2.2, 2.3, 2.4, 2.7 and 3.2.5 of S.L. 350.16 re: reporting of tragedies; and Paragraph 8.8 of S.L. 350.14 re: news and current affairs programmes.	The station admitted the charge and did not request a hearing.
European Waterpolo Championships – 5 th October 2022	Article 13(2)(a) of the Broadcasting Act.	The station admitted the charge and did not request a hearing.
NET TV Nisa ta' Suċċess – 6 th July 2022	Paragraph 2.2 of S.L. 350.23 re: tattoo advertising and sponsorship.	The station was found guilty and a warning was issued.
NET News – 20 th and 21 st July 2022	Paragraph 8.1 and 10.2 of S.L. 350.14 re: news and current affairs programmes.	The station was found guilty and a fine was issued.
NET News – 12 th August 2022	Article 8.2 and 8.3 of S.L. 350.14 re: news and current affairs programmes.	The station was found guilty and a fine was issued.
F Living Dur Darek – 6 th July 2022	Article 16K(1)(a) of the Broadcasting Act.	The station was found guilty and a warning was issued.
Proprjetà minn Wara l-Kwinti – 12 th , 13 th , 14 th , 18 th , 19 th and 21 st July 2022	Paragraph 13.1.3 of S.L. 350.14 re: news and current affairs programmes.	The station was found guilty and a fine was issued.

Complaints

During the year under review, the Broadcasting Authority received 19 complaints, all of which were investigated by the Monitoring Department. Further to an internal investigation, and in line with the time-frames set out

in the Code for the Investigation and Determination of Complaints (S.L. 350.06), 8 of these went on for a hearing. Following submissions from both parties, these cases were later determined by the Authority. The remaining 10 were not pursued by the complainant, whilst in one case an amicable settlement was reached.

Complaints 2022

Complaint by Mr Mark Amaira re: Use of the Maltese language in Mir-Renju tal-Animali on TVM (8th, 15th & 22nd January 2022)

Complaint by Mr Mark Amaira re: Use of the Maltese language in A Day in the Life on TVM (12th January 2022)

Complaint by Mr Mark Amaira re: Unethical and Insensitive News Reporting on TVM/PBS News (14th January 2022)

Complaint by Prof. Arnold Cassola re: Lack of Coverage of the Commissioner for Standards in Public Life Report on Minister Ian Borg on PBS news (20th January 2022)

Complaint by Mark Amaira re: Malta Film Awards reporting on TVM/PBS News (30th January 2022)

Complaint by Mr Mark Amaira re: Use of the Maltese language in X Factor (Malta) and other programmes on TVM (January 2022)

Complaint by Mr Mark Amaira re: Inclusion of Minors in Vaccine Advertising on TVM (January 2022)

Complaint by Partit Nazzjonalista re: PN's Constitutional Case vs PBS reporting on TVM/PBS News (17th February 2022)

Complaint by Prof. Arnold Cassola re: Lack of Coverage of Press Conference (in front of Tax Commissioner's Office) on TVM/PBS News (26th February 2022)

Complaint by Prof. Arnold Cassola re: Lack of Coverage of a letter sent to the European Parliament delegation in Malta (April 2022)

Complaint by Caritas Malta re: Lack of Coverage of Director's speech at the graduation ceremony at San Blas on TVM/PBS News (30th June 2022)

Complaint by Partit Nazzjonalista re: Reporting of PN's Constitutional Case vs PBS, the Broadcasting Authority, the State Advocate and the Minister responsible for Broadcasting on TVM/PBS News, and the lack of coverage of PN's press conference of the same subject (14th July 2022)

Complaint by Partit Nazzjonalista re: Lack of Coverage of a survey published by *llum* on TVM/PBS News (17th July 2022)

Complaint by Partit Laburista re: Lack of Coverage of Robert Arrigo's speech on TVM/PBS News (30th July 2022)

Complaint by Partit Nazzjonalista re: Lack of Coverage of OSCE report on TVM/PBS News (July 2022)

Complaint by Partit Nazzjonalista re: Reporting of fight in Hamrun on TVM/PBS News (18th August 2022)

Complaint by Partit Nazzjonalista re: Lack of Coverage of press release issued by Partit Nazzjonalista re: Palazzo Vilhena (Mdina) (August 2022)

Complaint by Prof. Arnold Cassola re: Lack of Coverage of Press Release re: Wied Qirda on TVM/PBS News (September 2022)

Complaint by Prof. Arnold Cassola re: Lack of Coverage of Press Release re: Iosif Galea on TVM/PBS News (October 2022)

Cases marked in grey indicate cases which were determined by the Authority.

05

BOARD DECISIONS

Complaint by Prof. Arnold Cassola re: Lack of Coverage of the Commissioner for Standards in Public Life Report on Minister Ian Borg on PBS news of the 20th of January 2022

The Authority received a complaint filed by Prof. Arnold Cassola dated 20th January 2022 regarding a report on TVM's news broadcast on 20th of January on the report by the Standards Commissioner about Minister Ian Borg and his advertising.

In a sitting on the 9th of February, Prof. Arnold Cassola and PBS representatives Dr Dustin Camilleri and Editor-in-Chief Ing. Charles Dalli were present.

Prof. Cassola said that this complaint was split in two. He explained that TVM did not report his statement after the Commissioner issued a decision about the wrongdoings of Minister Ian Borg in using the Ministry's logos for advertising. Prof. Cassola complained that PBS journalists only remained on Minister Borg's statement and did not report what was concluded in the Standards Commissioner's report. Prof. Cassola also complained that PBS had not reported what he had written about the Commissioner's decision and that he disagreed with Commissioner Hyzler's decision when he accepted that Minister Ian Borg had made a mistake regarding the advertising that appeared with his logos.

On behalf of PBS, Dr Dustin Camilleri and Editor-in-Chief Ing. Charles Dalli said that the editorial decision was to report only the Commissioner's decision and that it was not the practice of PBS to report further to the final decision of the Standards Commissioner.

After the Authority took note of the arguments of both parties, it saw that this complaint was split in two. The first part related to Prof. Cassola's reaction to not being reported, whilst the second point concerned the fact that reporting was not holistic and faithful to the Standards Commissioner's report. The Authority acknowledged that the editorial discretion in this case belonged to the Editor of PBS.

The Authority agreed that the station has the editorial discretion to select the points of news value and to include them in the news broadcast. The Authority

understands that it would be unfair to extract parts of the Commissioner's report, hence it only reported the conclusions drawn from the report. The Authority agreed that in view of the above, this complaint would not be upheld.

16th March 2022

Decision on a complaint by Prof. Arnold Cassola re: Lack of Coverage of a letter sent to the European Parliament delegation in Malta

The Authority received a complaint by Prof. Arnold Cassola regarding the lack of coverage by PBS news bulletins of a letter he sent to the European Parliament delegation that visited Malta aiming to investigate developments in the rule of law in Malta.

The hearing of this complaint was scheduled for 3rd August 2022. Whilst Prof. Arnold Cassola presented his own case, PBS was represented by Dr Mark Vassallo and its Editor-in-Chief, Ing. Charles Dalli.

Prof. Arnold Cassola argued that from April 15th onwards he had sent 42 statements to PBS but none of them had been covered. Prof. Arnold Cassola complained that although his statements did get coverage from other news portals, for an unknown reason PBS felt that his statements were not newsworthy. He said that this proved that PBS was not giving him coverage a priori because he was a private individual.

Furthermore, Prof. Cassola said that although his letter to the delegation investigating the rule of law in Malta included eight clear examples constituting evidence of corruption by Prime Minister Joseph Muscat, PBS did not report anything about it.

On behalf of PBS, Ing. Charles Dalli replied to Prof. Arnold Cassola by saying that the number of statements was not tantamount to newsworthiness. While he did not delve into the merits of Prof. Cassola's statements, Ing. Charles Dalli said that there were other criteria which determined a statement's inclusion and coverage. He also argued that the rule of law report was given due coverage and that no reactions were reported, including that of

Prof. Arnold Cassola. Furthermore, Ing. Charles Dalli noted that Prof. Cassola's statement was effectively a letter with a series of questions to the Head of the European Parliament in Malta and that therefore it could not be considered as a press release either.

After taking note of the above submissions and relative documentation, the Broadcasting Authority said that the case under examination related to PBS's failure to report a letter to the Head of the European Parliament Office in Malta holding a series of questions against Prime Minister Joseph Muscat by Prof. Arnold Cassola. The Authority further acknowledged that PBS did not report any reactions on the visit of the delegation investigating the rule of law. In view of the above, the Authority did not uphold Prof. Cassola's complaint.

20th October 2022

Complaint by Partit Nazzjonalista re: the reporting of the PN's Constitutional Case vs PBS, the Broadcasting Authority, the State Advocate and the Minister responsible for Broadcasting on TVM/PBS News, and the lack of coverage of PN's press conference of the same subject (14th July 2022)

On the 18th of July, the Broadcasting Authority received a complaint from the Nationalist Party about PBS's news bulletin aired on the 14th of July 2022. The complaint referred to the reporting of the Court judgement for the Nationalist's Party case and the reporting of the press conference given by the Leader of the Opposition, Dr Bernard Grech, in response to the judgement which had just been issued by the Court earlier on the same day.

The hearing of this complaint was split into two sittings, held on 3 August and 8 August 2022, as some documents were requested from the Nationalist Party to PBS and the Broadcasting Authority. Dr Michael Piccinino appeared for the Nationalist Party and PBS was represented by Dr Mark Vassallo and Editor-in-Chief Ing. Charles Dalli. Dr Michael Piccinino asked for a PBS official and an Authority official to testify a few days before the hearing and, after discussion of a procedure, it was decided that PBS Editor-in-Chief would answer any questions relevant to the case, and the Authority through its CEO would reply to questions from Dr Michael Piccinino.

Dr Michael Piccinino explained the complaint filed by the Nationalist Party, saying that the reporting of the news reports for the bulletin of 14th July 2022, which was broadcast on TVM and which dealt with the Court judgement of the PN case, was incomprehensible and was not clear. He said that even the reporting gave the impression that the Court ruled that there was no blame

of imbalance on the part of PBS and the Broadcasting Authority. Dr Piccinino said that the way this judgment was reported did not reflect what was decided by the Court and gave the impression that PBS was not found guilty of imbalance or of any breach of the Constitution. Dr Michael Piccinino also referred to the second part of the same complaint because PBS did not take a comment of the Leader of the Opposition, Dr Bernard Grech, in the reporting of the press conference. The Nationalist Party argued that the caption which appeared during the report gave the impression that Dr Grech was saying the opposite of what was said in the Court judgement.

On behalf of PBS, Dr Mark Vassallo stressed the broadcaster's editorial discretion to decide on what is newsworthy. Dr Vassallo said that when PBS received the complaint, the station also reported the content of the complaint made on 18 July 2022 regarding this case so that if there were any things that were unclear, they could have been clarified. With regards to the reporting of the Court judgement, Dr Mark Vassallo said that the PBS report was taken almost verbatim from the Court judgement and therefore understands that the reporting of the judgment was fair.

As regards the second part of the complaint, Dr Mark Vassallo presented statistics from PBS on the number of press releases issued by the DOI and the Nationalist Party and the Labour Party, and statistics on the number of sounds on tape aired in news bulletins between May and July 2022. Editor-in-Chief Ing. Charles Dalli also presented the station's policy on when comments should be made. Dr Mark Vassallo said that one wanted to see the combination of the two reports and considering how news conferences are normally reported. Dr Vassallo said that the editor felt that the news was fair and there was no need to present a sound on tape. Ing. Charles Dalli added that normally PBS does not broadcast reactions to court rulings but said that in this case PBS felt that the Opposition Leader's reactions to this judgment, which were made during this same news conference, were reported.

The Authority took note of the submissions of both parties and saw the relative documentation with regards to the reporting of the Court judgement which took place on 14th July and which was part of the complaint of 18th July 2022, which complaint was also distributed to all media outlets by the Nationalist Party. Since the reporting of the PN's statement gave a clearer position of what was stated in the court decision, the complaint was not being upheld.

Regarding the second part of the same complaint, the Authority observed that while there is an element of editorial discretion as to which comments are broadcast, these still had to comply with the legal provisions about

news value. Hence the Authority demanded greater attention by PBS on the inclusion of comments from politicians. The station should also ensure appropriate representation in the number of interviews broadcast during news bulletins between Government speakers and Opposition speakers.

In light of this decision the Authority ordered that the below summary would be read on TVM and TVMNews+ within forty-eight (48) hours from the publication of the decision:

In two sittings held on 3 and 8 August, the Authority heard the PN's complaint against PBS regarding the reporting of the Court judgement filed by the Nationalist Party against PBS, the Broadcasting Authority, the then Minister Carmelo Abela and the State Advocate. The Authority found PBS to be correct in the reporting of the judgement but observed that during the reporting of the press conference by Dr Bernard Grech in response to the same court judgement, PBS did not take a comment from the Leader of the Opposition. The Authority directed PBS to pay close attention to the way comments are made to politicians. Due to the fact that the statistics exhibited during the hearing show a strong and net imbalance between the sound on tape taken by the Government and those of the Opposition, the Authority directed the station to ensure appropriate representation in the number of interviews broadcast during the news bulletins between the Government spokesperson and the Opposition spokesperson.

23rd August 2022

Complaint by Partit Nazzjonalista re: Lack of Coverage of a survey published by Illum on TVM/PBS News (17th July 2022)

The Authority received a complaint from the Nationalist Party regarding the lack of coverage of a survey published by Illum on TVM News bulletin broadcast on 17th July 2022.

This complaint was decided over two hearings (on 3rd and 8th August 2022) in view of the Nationalist Party's request to PBS to exhibit the relevant documentation. Furthermore, during the first sitting, the Nationalist Party presented a number of survey reports which had to be verified by PBS. Dr Michael Piccinino appeared on behalf of the Nationalist Party, whilst PBS was represented by Dr Mark Vassallo and its Editor-in-Chief, Ing. Charles Dalli.

During proceedings, Dr Michael Piccinino argued that while over the years PBS reported several surveys (at times also followed by an analysis), a survey which dealt with a Legal Notice on music until the early hours of the morning in Valletta was not even reported. He said that the survey

under examination related to a controversial and topical subject and that the Opposition had tabled a motion in Parliament to withdraw the Government Legal Notice. Dr Piccinino therefore said that the Nationalist Party felt that this survey was of national importance and merited coverage by the PBS news bulletin.

On his part, the PBS Editor-in-Chief, Ing. Charles Dalli, said that while at times PBS did report surveys, normally it did not report surveys carried out by publishing houses or other media houses and/or online portals. He substantiated his claim by presenting the number of reported surveys reported compared to the number of surveys conducted by media houses or online portals which were not reported by PBS. On behalf of PBS, Dr Mark Vassallo stressed the importance of editorial discretion and commented that in general PBS did not report surveys as shown by the document presented during the hearing. He said that editorial discretion should remain with the station and that it was up to the Editor to determine the practices to follow in relation to survey reporting.

Having taken note of the submissions, the Broadcasting Authority, whilst understanding that this theme was of current public policy, decided that it was within the editorial discretion to decide which polls were to be published and to adhere to the same practice that the station itself has created. Hence the Authority did not uphold the complaint. Furthermore, the Broadcasting Authority requested that a summary of the decision (as per below) was to be read by TVM and TVMNews+ within forty-eight (48) hours of its decision being published.

During a hearing, which took place on the 3rd and 8th of August, the Broadcasting Authority rejected the Nationalist Party complaint about the lack of coverage of a survey published by Illum which dealt with a Legal Notice allowing music to be played until 01:00 in Valletta by TVM and TVMNews+ bulletins. The Authority decided that it was within the station's editorial discretion not to report this type of survey.

23rd August 2022

Complaint by Partit Laburista re: Lack of Coverage of Robert Arrigo's speech on TVM/PBS News (30th July 2022)

The Authority received a complaint by the Labour Party against TVM news of the 30th of July 2022 claiming that TVM news did not report the speech of the former Deputy Leader of the Nationalist Party, Mr Robert Arrigo, at the Party's General Conference during the appointment of a new Deputy Leader.

During the sitting held on 22nd of September 2022, the Labour Party was represented by its President, Dr Ramona Attard, and the Head of Communications, Mr Ronald Vassallo. For PBS appeared the Editor-in-Chief, Ing. Charles Dalli, and PBS Legal Representative Dr Mark Vassallo.

Dr Ramona Attard presented the Labour Party's submissions and presented a number of online news reports which reported the speech by the Deputy Leader of the Nationalist Party, Mr Robert Arrigo. She stated that however PBS did not report this speech in the news bulletins. She also referred to several Facebook posts by Mr Robert Arrigo which all shared the same theme as Mr Arrigo's speech during this general conference. She said that the Maltese people should have been informed of the way Mr Arrigo was treated by the Nationalist Party and on his views on the Leader of the Nationalist Party. She said that this was the first time that Mr Robert Arrigo spoke since the last general elections and his criticism was relevant and newsworthy given that he was the outgoing Deputy Leader.

On behalf of PBS, Editor-in-Chief, Ing. Charles Dalli said that PBS adheres to the practice that when there is a General Council, it is only the leader's speech that is reported, and PBS does not engage in the merits of other speakers' speeches. Ing. Charles Dalli also explained that PBS does report on internal rifts within political parties or between MPs. Dr Mark Vassallo clarified that news deal with facts and news whilst political controversies should be dealt with during current affairs programmes and not in a news bulletin. Dr Vassallo that such matter was more of a political controversy rather than the facts.

The Authority took note of what was presented and saw the relative documents and news clips. The Authority considers that PBS should have reported the outgoing Deputy Leader Mr Robert Arrigo's speech, who criticised the way in which the Nationalist Party treated him lately without going into the merits of Mr Arrigo's speech. The Authority also agreed that PBS practice cannot be inflexible when reporting such events and, more so, it cannot use such practice as an excuse. The Authority ruled that the Labour Party's complaint was justified and was upheld, however it did not feel that there was room for redress.

20th October 2022

Complaint by Partit Nazzjonalista re: Lack of Coverage of OSCE's report on TVM/PBS News (July 2022)

On the 21st of July 2022, the Nationalist Party filed a complaint against PBS in view of its editorial decision not to report the OSCE report in its news bulletin.

This complaint was filed by the Secretary General of the Nationalist Party, Dr Michael Piccinino. PBS was represented by Dr Mark Vassallo and its Editor-in-Chief, Ing. Charles Dalli. The hearing was held on 3rd August 2022.

Dr Michael Piccinino explained that in an election campaign the Maltese Government invites international observers – the OSCE – to analyse the functioning of the Maltese institutions during an election campaign. In turn, the OSCE compiles and publishes a report detailing the findings. He argued that despite the fact that OSCE was an important organization, PBS chose not to report it in its news bulletins. Dr Piccinino said that whilst other media houses in Malta reported the OSCE report, PBS chose not to. He argued that the OSCE report, i.e., a report by an international organization, had to be reported on the public channel so that everyone would be informed about the conclusions which amongst other things mentions PBS independence.

In turn, PBS Editor-in-Chief, Ing. Charles Dalli, remarked that PBS did not report OSCE reports since 2008. Ing. Charles Dalli also rebutted the allegation that this report was not covered because of its criticism about PBS. In fact he argued that PBS had no issue in reporting the rule of law report which also included an element of criticism towards PBS. On behalf of PBS, Dr Mark Vassallo reiterated that these OSCE reports had never been reported but said that PBS was considering a procedure which would set out an obligation to cover such reports.

After giving due consideration to both submissions, the Broadcasting Authority upheld the PN complaint. The Broadcasting Authority also said that its decision was partly motivated by the fact that in its submissions PBS said that they were considering a protocol requiring the reporting of OSCE reports which shed light on Maltese institutions during election campaigns. The Broadcasting Authority requested that as a remedy a summary of the decision in the news bulletin broadcast on TVM and TVMNews+ be read within forty-eight (48) hours from the publication of the decision. The summary read:

In a hearing held on 3 August, the Authority upheld the PN complaint against PBS for failing to report the OSCE report. The report provided an analysis by international observers invited by the Maltese Government to analyse the work of Maltese institutions, including PBS, during an election campaign. The Authority saw that such a report was not to be left out of the news bulletins broadcast by the public service.

23rd August 2022

Complaint by Prof. Arnold Cassola re: Lack of Coverage of Press Release re: Wied Qirda on TVM/PBS News (September 2022)

Prof. Arnold Cassola complained against PBS because its newsroom failed to report a statement in which he asked the Police Force to investigate why no action was taken against Ing. Fredrick Azzopardi on charges related to crimes against the environment in Wied Qirda.

The case was heard on the 22nd of September 2022. Whilst Prof. Arnold Cassola represented himself, PBS was represented by its Editor-in-Chief, Ing. Charles Dalli, and PBS Legal Representative, Dr Mark Vassallo.

Prof. Arnold Cassola referred to the complaint and explained how reports he made about Ing. Azzopardi's behaviour, then CEO of Infrastructure Malta, had led to his arraignment in Court. Prof. Cassola complained that during this time he had made several reports of relevance, but PBS only reported that Ing. Fredrick Azzopardi was arraigned. There again, his statement was not recounted. Prof. Arnold Cassola said that although from April until the date of the hearing he had issued 42 statements, PBS did not report any of them.

On behalf of PBS, Ing. Charles Dalli gave a list of coverages in relation to the Wied Qirda case and said that it was not true that PBS tried to hide anything. He further said that PBS reported facts from official reports.

Following submissions by both parties, the Authority considered the foregoing and the documents relating to the case. Regarding this case, the Authority feels that the issue of crimes against Wied Qirda has been reported and exhausted. The Authority therefore rejected Prof. Cassola's complaint.

21st October 2022

Complaint by Prof. Arnold Cassola re: Lack of Coverage of Press Release re: Iosif Galea on TVM/PBS News (October 2022)

The Authority received a complaint by Prof. Arnold Cassola against PBS owing to a lack of reporting in the PBS news bulletins of a statement dealing with the extradition of Iosif Galea in Germany.

Whilst Prof. Arnold Cassola represented himself, PBS was represented by the Editor-in-Chief Ing. Charles Dalli and Legal Representative Dr Mark Vassallo.

Prof. Arnold Cassola referred to the case of a European arrest warrant issued by the German police and kept secret from the Maltese Police. He explained that after Iosif Galea was arrested in Italy, something he became aware of through his contacts in Germany, he discovered that the Italian Magistrate granted the extradition authorisation to Iosif Galea in Germany and broke the news that he had been in Germany for seven weeks. Nonetheless, PBS did not report this news even though this was another case of national relevance.

On behalf of PBS, Ing. Charles Dalli said that in the case of Iosif Galea, PBS reported official sources on this case. He insisted that PBS reported the official position of the Police and even reported the official details about the arrests.

The Authority considered the submissions by both parties and the relative documentation, and said that the press release was not covered. As noted in another decision on 26th April 2021, the Authority said that while editorial discretion remained the station's prerogative, it also understood that in such cases PBS adheres to official statements and sources. The Authority therefore did not uphold Prof. Arnold Cassola case.

21st October 2022

06

COURT CASES

Nationalist Party vs Public Broadcasting Services Ltd, the Broadcasting Authority, the Minister responsible for Broadcasting, and the State Advocate

On 4th February 2022, the Nationalist Party filed a constitutional case against the state broadcaster PBS, the Broadcasting Authority, the Minister responsible for PBS, Mr Carmelo Abela, and the State Advocate, requesting the Court to hear the case with urgency. The Court accepted the request and the first sitting was held on 17th February 2022.

Prior to this, the Authority had decided in favour of a complaint by the Nationalist Party regarding an interview broadcast during a morning programme which it deemed to have been too political in nature. The Authority had ordered the PBS to grant a remedy which consisted of an extract from the Broadcasting Authority decision itself. However, PBS had failed to broadcast this remedy. Following this, the Nationalist Party lodged another complaint, and the Broadcasting Authority imposed on the station an administrative penalty of €4,660 under the Fifth Schedule of the Broadcasting Act. The fine was suspended following the broadcast of the extract. In their application before the Court, the Nationalist Party had claimed that its constitutional rights had been breached due to the lengthy delay by PBS to act on this case and to grant an effective remedy.

In a judgement handed down on 14th July 2022, the Civil Court in its Constitutional Jurisdiction accepted in part the Nationalist Party's requests against PBS Ltd, the Broadcasting Authority, the Minister responsible for Broadcasting, and the State Advocate. The Court stated that PBS should have immediately broadcast a declaration as ordered by the Broadcasting Authority following the hearing of the PN's complaint. The Court added that while the Authority had acted to maintain impartiality it did not do so with the required expediency and proactiveness expected in broadcasting. The Court decided that Articles 41 and 119 of the Constitution and Article 13

of the Broadcasting Act had been breached.

A second grievance regarded a series of political adverts aired on PBS regarding the 2022 budget. The Authority did award a remedy in the form of similar spots to be aired on PBS following a complaint by the Nationalist Party, but the plaintiff claimed that the impact of such spots had been neutralized because the Nationalist Party spot was sandwiched between two Government political adverts. The Court denied the Nationalist Party's request for a declaration of imbalance, lack of impartiality or any contravention of the fundamental right to freedom of expression. The Court decided that the Nationalist Party had failed to make a formal protest to the Broadcasting Authority about the issue and should have resorted to the legal remedies available.

The Court decided that PBS and the Broadcasting Authority had failed to ensure impartiality and had discriminated against the Nationalist Party. Both were ordered to pay €1,500. The Broadcasting Authority has appealed the judgement. The case is still pending.

07

POLITICAL BROADCASTS - GENERAL ELECTIONS 2022

Political broadcasts by political parties are often perceived as boring and stale. It has become a modern day cliché to say that viewers and listeners alike are put off with such programmes. This is not really the case. Indeed, on the contrary, many people believe that there should be such broadcasts and they even consider these shows as an important news source. Media outlets are the main tool in shaping public opinion. For many, traditional media is still considered more trustworthy than “new” media sources.

Despite rapidly changing technology, television and radio broadcasting remains a very important source for news and information. Furthermore, politicians’ access to mainstream media (in this case television and radio), albeit a controlled one, is still regarded as important by both broadcasters and their audiences. In this way the politicians get a fair opportunity to convey their respective message and keep people informed about the most important policy aspects, strategies and targets. Even though we are living in an era of media pluralism, be it linear or online media services, the public service broadcaster is deemed to be the platform on which the different views and opinions

should be put forward. Apart from having such a platform, the Authority’s role is to see that the audiences receive all the views – hence the production of political broadcasts during an electoral campaign.

In 2022, in the run-up to the General Elections held on the 26th of March 2022, as part of the General Elections political campaign, and in line with Article 13(4) of the Broadcasting Act, the Broadcasting Authority organised a schedule of political broadcasts. These included several debates and press conferences with access for all sides of the local political spectrum. Furthermore, and in terms of Paragraph 1 of the Third Schedule of the Broadcasting Act, the schedule also included a number of political spots and/or productions prepared by political parties.

The schedule organised by the Broadcasting Authority consisted of two press conferences, four political debates and two interviews/final messages which were broadcast simultaneously on TVM and Radju Malta as follows:

Tuesday 8th March 2022

Political Debate

Partit Laburista: Miriam Dalli | Rebecca Buttigieg
Partit Nazzjonalista: Claudette Buttigieg | Joseph Grech

Saturday 12th March 2022

Interviews

Noel Apap | Nazzareno Bonnici | Arnold Cassola | Jane Chircop

Wednesday 9th March 2022

Political Debate

Partit Nazzjonalista: Julie Zahra | Ivan J. Bartolo
Partit Laburista: Byron Camilleri | Jonathan Attard

Monday 14th March 2022

Political Debate

ABBA: Ivan Grech Mintoff
Volt Malta: Thomas Cass Mallia
Partit Popolari: Paul Salamone
ADPD: Refused to Participate



Tuesday 15th March 2022

Press Conference

Speaker: Ryan Callus (Partit Nazzjonalista)

Media Houses: Fiorella Pace (PBS Ltd) | Colin Deguara (ONE Productions Ltd) | Mark Laurence Zammit (Allied Newspapers Ltd) | Kurt Sansone (Media Today) | Samuel Lucas (Kullhadd)

Tuesday 22nd March 2022

Interviews/Messages

Noel Apap | Nazzareno Bonnici | Arnold Cassola | Jane Chircop | Ivan Grech Mintoff | Thomas Cass Mallia | Paul Salamone

These political programmes were broadcast after the 8pm News. The programmes were also broadcast in sign language to be accessible to hearing impaired audiences.

In addition, airtime in the form of party productions/ spots was assigned to all political parties and independent candidates. For this election campaign airtime was allocated as follows:

- 120 minutes (Partit Laburista)
- 120 minutes (Partit Nazzjonalista)
- 26 minutes (political parties contesting all 13 electoral districts)
- 2 minutes per district (political parties NOT contesting all 13 electoral districts)
- 4 minutes (independent candidates).

Wednesday 16th March 2022

Press Conference

Speaker: Clyde Caruana (Partit Laburista)

Media Houses: Andrea Rossito (PBS Ltd) | Keane Cutajar (Media.Link Communications Ltd) | Albert Galea (Standard Publications Ltd) | Francesco Catania (Il-Mument) | Monique Agius (Beacon Media Group Ltd)

Wednesday 23rd March 2022

Political Debate – Leaders’ Debate

Partit Laburista: Robert Abela
 Partit Nazzjonalista: Bernard Grech







08

OPERATIONS OF THE BROADCASTING AUTHORITY, STAFF RECRUITMENT, TRAINING AND TEAMBUILDING

During 2022 several changes continued to take place in the operational aspect within the Broadcasting Authority as part of the reorganisation plan of the Authority to be able to adapt itself to the changes occurring in the media sector especially following the transposition of the Audiovisual Media Services Directive (AVMSD).

Recruitment

Following the resignation of the Head of ICT and Project Manager, Mr Chris Attard, on 30th September 2021, the Authority issued a call for a new post, that of Chief Technical Officer (CTO). Following a public call, Mr Georvin Zammit was recruited to fill this post on March 14th, 2022. The Chief Technical Officer is responsible for the management and development of ICT operations within the Authority and acts as the principal advisor on technology evolution, potential and capability. The CTO is also responsible for the technologies, infrastructure and procedures at the transmission site owned by the Authority in Għargħur.

Following a second public call, Mr Gordon Mifsud and Ms Sarah Amato were recruited as new programme monitors on March 14th. Mr Robert Gatt was recruited later and started his appointment on September 12th after Mr Sarah Amato resigned on August 5th.

During this year the Authority issued other vacancy calls. Following a selection process Ms Lorenza Grech was recruited on August 4th, 2022 as a clerk to perform reception/front desk and clerical duties.

In view of the ongoing changes and infrastructural maintenance and updates on the Authority's transmission site and its transmission tower, the Authority issued a public call for a new position, Transmission Site Custodian. The Transmission Site Custodian is responsible for ensuring that the assigned site/s is/are accessible to third parties and also that the site, including its contents and facilities, is well maintained, kept clean and protected. Furthermore,

the Transmission Site Custodian is also responsible for the site's security. One of the Authority's objectives is to keep the transmission site at Għargħur up to standard and provide good quality services to its users leading to a smooth running operation of the radio services and, partly, the mobile telephony service.

Following a public call towards the end of 2022, Mr Joseph Francalanza was selected and started his appointment on January 2nd, 2023, as site custodian.

The Authority's charwoman, Ms Anna Bugeja, retired on December 31st. The public call issued by the Authority to fill this position is still under review.

Training

As part of its continuous process to increase first aid awareness, during November and December 2022 the Authority organized a basic course in first aid for all its employees. This course, which included both theoretical and practical aspects, was delivered by Mr Shawn Mawdsley, training coordinator at Malta Red Cross. In view of the new AED equipment installed at the Hamrun premises and at the transmission site in Għargħur, the course included hands-on training for all staff members to enable them to use this equipment if the need arises. This means that apart from the Għargħur site, the Broadcasting Authority offices in Hamrun are now equipped with AED equipment.

Student Placement

Furthermore, during the months of July and August, the Broadcasting Authority gave Mr Emon Pace, an MCAST media student, a 4-week summer work experience as part of the Students Summer Work Opportunities Scheme organized by the Ministry for Education. During his experience, Mr Pace helped in the upkeep of the administrative and electronic filing system, performed receptionist duties, gathered quantitative data with

regards to gender participation during discussion programmes as part of a research process performed by the Monitoring and Research Department, and had the opportunity to understand and contribute to the monitoring process that programme monitors perform as part of their day-to-day duties.

Team Building

As part of the interdepartmental cohesion process, on June 17th the Broadcasting Authority organised a treasure hunt on wheels around The Three Cities. This team building activity helped to strengthen interpersonal relations amongst colleagues, understand one's abilities and understand the strengths within our team dynamics while having fun exploring the wonders around The Three Cities. This event was hosted by Rolling Geeks.



09

PROGRAMME MONITORING DEPARTMENT

Monitoring Reports

The main purpose of the Monitoring Reports is to monitor radio and television broadcasts and ensure that such broadcasts adhere to the Broadcasting Act and the relative subsidiary legislation.

Apart from daily monitoring, the Monitoring Department draws up other ad hoc reports, quantitative reports, and qualitative reports on themes in broadcasting.

During the year under review, the Monitoring Department had a crucial role during the general elections campaign to monitor whether local stations adhered to electoral campaign directives issued by the Broadcasting Authority. During these six weeks of electoral campaign, the Monitoring Department was focused mainly on reviewing the political content in broadcasting stations and monitoring whether such audio-visual media services adhered to the directives issued by the Authority during such a sensitive period.

Thematic Reports

Further to its monitoring function, the Monitoring Department also performs a number of thematic reports that focus on specific issues and trends arising from the daily monitoring of both radio and television services.

During 2022 the department monitored and compiled three thematic reports which focused primarily on the portrayal of vulnerable persons during telethons:

1. A telethon in aid of Puttinu Cares, aired in April 2022
2. A telethon in aid of The Malta Trust Foundation, aired in May 2022
3. A telethon in aid of Id-Dar tal-Providenza, aired in July 2022.

These reports confirmed that during these telethons, production teams sometimes still use a sort of “charitable model”. Such a model was more commonly and controversially used in previous editions. However, one could observe that the telethon production teams are increasingly adopting a more “socially-inclined” model that is more conducive to these persons’ empowerment in

different contexts rather than to reinforcing helplessness. Such outcome contributes to reducing the social stigma attached to vulnerable persons. Furthermore, in all the telethons, compliance with the provisions of Subsidiary Legislation 350.15 (Requirements as to Standards and Practice Applicable to Participation in Media Programme of Vulnerable Persons) was almost faultless.

Throughout 2022, the Monitoring Department also compiled compliance reports for the licence renewal of 7 community radio services, 2 digital nation-wide services, and 1 television nation-wide service. In spite of minor issues, which were pursued and addressed, all of the above-mentioned services were granted a further term.

1. Rapport dwar it-trażmissjoni ta’ Radju Santa Katerina
2. Rapport dwar it-trażmissjoni ta’ Radju Xeberras
3. Rapport dwar it-trażmissjoni ta’ Radju Għażżiela
4. Rapport dwar it-trażmissjoni ta’ Radju Lehen il-Belt Ġorġjana
5. Rapport dwar it-trażmissjoni ta’ Radju Lehen il-Qala
6. Rapport dwar it-trażmissjoni ta’ BKR
7. Rapport dwar it-trażmissjoni ta’ Radio City
8. Rapport dwar it-trażmissjoni ta’ All Rock Radio
9. Rapport dwar it-trażmissjoni ta’ Bay Easy
10. Rapport dwar it-trażmissjoni ta’ ITV Shopping Channel (Lulju u Novembru 2022)

Other monitoring reports

Investigation of complaints is another crucial role the Monitoring Department is entrusted with. In line with Subsidiary Legislation 350.06 (Code for the Determination and Investigation of Complaints), the Monitoring Department received and processed 19 complaints during 2022.

These complaints related mainly to the issue of partiality, allegedly resulting in unfairness to the complainant, and the poor use of the Maltese language during TV and radio programmes. All these complaints were decided by the Broadcasting Authority Board, and the decisions can be found elsewhere in this Annual Report.

The Monitoring Department investigated other complaints received from the general public and media stakeholders. These complaints did not require any formal decision by the Broadcasting Authority Board.

Apart from investigating complaints, the Monitoring Department reviews programmes. Where programme content does not adhere to the provisions of the Broadcasting Act, following a thorough analysis, a case is raised with the compliance section which in turn decides on a way forward.

10 ICT AND PROJECTS DEPARTMENT

The year 2022 saw the appointment of a Chief Technical Officer, responsible for the management and development of ICT operations within the Authority, whilst acting as the principal advisor on technology evolution, potential and capability. The Chief Technical Officer started working on several projects to bridge the gaps in certain processes and improve the quality of service both internally as well as vis-a-vis the Authority's stakeholders.

Student Placement Programme

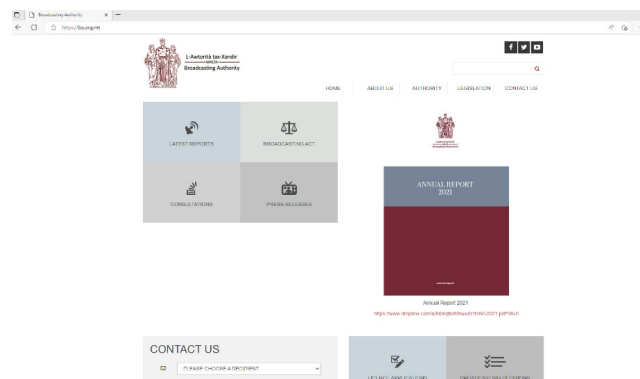
The MITA Student Placement Programme (SPP) is an annual, mutually beneficial programme for ICT and ICT-related students and employers of all sectors during the summer season. The Authority took advantage of this programme in 2022 and employed a student reading



for a Bachelor of Science in Software Development at the Malta College of Arts, Science and Technology (MCAST). The student assisted the Chief Technical Officer in troubleshooting and sorting out software faults that existed in custom-made applications used by the Authority. This learning curve has helped the student to acquire the necessary experience and skills required in a professional working environment.

Changes to the Broadcasting Authority's official website

The Broadcasting Authority's official website needed some alterations in its design and structure to make it more practical, easy to reach and secure for all the stakeholders. In 2022, the website was connected to a web analytics service to provide the Authority with statistics and analytical tools for search engine optimization (SEO).



Current Website

The 'Contact Us' online service was also improved to provide better customer experience. Cyber-attacks have increased over the years, and the Authority took this into consideration in 2022 and applied additional security measures to protect its site.

New website for the Broadcasting Authority

Although the current website saw significant improvements during 2022, it is still lacking certain functionalities and features to adhere to today's standards. Technology is rapidly evolving, so the Authority decided that it was time for a website revamp. During 2022, the Authority underwent an internal exercise to identify gaps in the current website. Based on this, the Authority embarked on identifying the technical requirements and creating a design concept for a new website. The tender will be published in the first quarter of 2023 and work on the new website is expected to commence in the same year.

Improved security

The Authority takes security very seriously whilst making sure to adhere to GDPR and Data Protection Regulations. Surveillance cameras are installed around the premises for the sole purpose of ensuring security within the Authority. In 2022, the Authority improved the system by replacing surveillance cameras with high-definition ones that produce higher quality video for viewing. This way, any criminal activity is caught on camera as clearly as possible. This will offer greater assistance to law enforcement authorities to determine what occurred on the property.

Going MITA

The Malta Information Technology Agency (MITA) is the public entity vested with the responsibility to provide ICT infrastructure, systems, and services to government authorities. Upon analysis, it was identified that the Broadcasting Authority does not make much use of MITA's services, just the basics. During 2022, the Authority held several internal discussions and even visited MITA's Data Centre in Santa Venera to understand how the Agency can better assist the Authority in its daily operations. It was



observed that there are more benefits than drawbacks in this potential way forward, therefore a decision was taken to make more use of MITA's services, where this is possible. Being supported by MITA guarantees improved security, use of the latest technologies that are always up to date, 24/7 support, and cheaper solutions.

Business Continuity

Like most organizations, the Authority depends on technology, most importantly the world wide web, to carry out its duties. Business continuity is considered of utmost importance because certain interruptions can start to affect the Authority's operations and reputation. To mitigate risks that could disrupt operations, the Authority has two internet connections in place. One is a fibre connection which acts as the main connection, whilst the other is a normal DSL connection which acts as a back-up connection in case the main one fails. The issue with this set-up is that both connections come over the same fibre cable, meaning that if something had to happen to this fibre connection from the outside, the back-up connection would still not work, and the Authority would therefore

halt its operations. During 2022, such connection was enhanced by replacing the back-up DSL connection with another physical fibre cable that is segregated from the main fibre connection. This way, if something happens to the main fibre connection, the newly configured back-up fibre connection will take over to ensure continuation of operations with very minimal disruptions.

Għargħur Transmission Site

The Għargħur transmission site has been one of the main focuses of the Authority in recent years. Since the site is considered a critical infrastructure, the Authority aims to continuously improve its facilities within the site to ensure good quality service both to the users operating from the site as well as the general public. The year 2022 continued to build on discussions and actions started in the previous year.

Fireman Emergency Switches

Fire can cause not only damages but also interruptions in operations. In a critical infrastructure such as the one in Għargħur, one of the main possible causes of fire is any equipment that generates heat or heats up with extended use. Although the Authority is continuously doing its best to prevent fire, one can never be fully prepared for such incidents especially if the fire is caused by an "act of God", such as a lightning strike. During 2022 the Authority installed two fireman switches, one connected



Fireman Emergency Switches

to Enemalta’s substation power and the other connected to the generator. The purpose of these fireman switches is to enable firefighters to turn off hazardous electrical equipment in case of fire. This will ensure the safety of the firefighters themselves who can, if a higher voltage system is still energized, suffer from dangerous shocks when they put water on the fire.

First Aid

People’s health is the Authority’s number one priority especially at the Għargħur transmission site. One can either be faced with an accident or, worse than that, be part of it. It is vital for everyone to develop the skills required to confidently manage emergency situations and provide a first aid response to a casualty. In 2022, the Authority organized a first aid course specifically for its employees whose duties include visits to the Għargħur transmission site. These personnel have been trained in essential first



New AED

aid skills that can prove vital when faced with a medical emergency. Furthermore, the Authority installed an Automated External Defibrillator (AED) on site to help anybody experiencing a sudden cardiac arrest. Training on the use of this equipment was given to the personnel by the Malta Red Cross.

Method Statement Template

Before the commencement of high-risk work on the Għargħur transmission tower, every contractor is requested to fill in and submit a *Method Statement Report* detailing

The contractor must complete the Method Statement (MS) or equivalent prior to the commencement of any high-risk work. Method Statements (MS) must be submitted 4 weeks prior works are commenced to allow time for planning and deliver the required documentation.

L-Awtorità ta' Xandir
Broadcasting Authority

Name of Contractor responsible for compliance with MS:		High risk job description:	
Contact number:		Date:	
Company name:		Workplace location:	
Qty of Employees assigned for this task:		Site Supervisor:	

Personal Protective Equipment (PPE) required to complete the job						
Gloves <input type="checkbox"/>	Face mask <input type="checkbox"/>	Eye protection <input type="checkbox"/>	Welding mask <input type="checkbox"/>	Appropriate footwear <input type="checkbox"/>	Hearing protection <input type="checkbox"/>	Protective clothing <input type="checkbox"/>
Safety Harness <input type="checkbox"/>	High Vest <input type="checkbox"/>	Filter Mask <input type="checkbox"/>	Personal E.M Radiation Meter <input type="checkbox"/>	Rope Access PPE <input type="checkbox"/>	Welding Coverall <input type="checkbox"/>	Insulated gloves and dielectric shoes <input type="checkbox"/>

exactly how he will be carrying out the work in full compliance with health and safety rules. Such report is to describe the safety precautions to be taken in a high-risk work environment to control risks identified in the risk assessment. To maintain consistency across all the users operating from the Għargħur transmission site, a *Method Statement* template was specifically created and endorsed by the Authority’s health and safety consultants. The template was shared with all users in 2022 with a request to start using such template whenever high-risk work needs to commence on the transmission tower.

Testing of the Generator

The generator at the Għargħur transmission site plays an important role in the running of our operations. It acts as back-up for all the stakeholders operating from the Għargħur transmission site when the mains power fails. Such equipment must be frequently tested to make sure that it will serve its purpose when the need arises. To make this testing possible without causing interruptions and/or possibly damage to the live equipment, the Authority in 2022 procured a load bank (or dummy load). The load bank connects to the generator and simulates an electrical load from the output power of the generator to test its power.



Load Bank / Dummy Load



Generator Room



The New Generator

Maintenance of the Tower

During 2022, discussions continued from the previous year regarding the urgent need to repair the transmission tower. The Authority is aware of the critical condition the tower is in, and that repairs must start off at the earliest possible. The requirements to repair the tower have been defined and a contractor has been appointed to do the necessary works. The maintenance of the tower is expected to be completed in 2023.



Damage on the Transmission Tower



External Emergency Plan by CPD

Following their visit to the Gharghur transmission site in 2021, the Civil Protection Department (CPD) drafted an External Emergency Plan for the Authority during 2022 to cater for all emergencies that can occur on site. The report mentions that there are no water hydrants on site, hence the need to have water carriers on site. Owing to the narrow road leading to the site, the CPD highlighted in its External Emergency Plan that only two of their water carrier vehicles can reach the site and these can carry a very limited amount of water compared to their large vehicles. For this reason, the Authority has started discussions on a potential fire-fighting system on site.

11

INTERNATIONAL RELATIONS

European Regulators Group for Audio-Visual Media Services (ERGA)

The European Regulators Group for Audiovisual Media Services (ERGA) advises the European Commission on all matters relating to the implementation of the Audiovisual Media Services Directive (AVMSD) as well as audiovisual media in general. The Commission established ERGA in 2014, and the updated AVMSD provides more information about the organization's responsibilities. In addition to endorsing the fundamental democratic, economic, social, and cultural values outlined in the AVMSD, along with ERGA's "Statement of Purpose", the group seeks to strengthen existing relationships between regulatory agencies to promote the most consistent and effective application of regulations throughout the Union. As the national regulatory authority, the Malta Broadcasting Authority has always been a valuable member of ERGA since its inception.

Work carried out by the Broadcasting Authority within ERGA in 2022

ERGA's top priorities for 2022 were the same as those for 2021. Its main priority was to conduct further research on issues relating to the application of the amended AVMS Directive through discussions and the compilation of various surveys. Furthermore, through ERGA, the Broadcasting Authority contributed towards a broader discussion on other legislative and non-legislative acts, such as the Digital Services Act, which adds horizontal rules for all digital services to the European media framework for the online environment. Likewise, the European Democracy Action Plan, the upcoming Act on Political Advertising, the Code of Practice on Disinformation and its revision, all called for supervision and support from the broadcasting regulators, particularly on issues relating to media pluralism and disinformation in audiovisual media services as the latter continue to be a major problem for most media regulators.

Cooperation within the ERGA Memorandum of Understanding was also an essential role of the Malta Broadcasting Authority in ensuring a harmonised

application of the AVMS Directive as well as effective cross-border collaboration with due consideration to the country-of-origin concept.

Moreover, the Broadcasting Authority engaged in all of ERGA's 2022 Sub-Groups and Action Groups with a particular eye on the future of the European Media Freedom Act which is widely considered to be of critical importance both to the Broadcasting Authority as well as to ERGA itself.

ERGA's 2022 Sub-Group themes were as follows.

1. AVMSD framework implementation and enforcement on a consistent basis
This Sub-Group focused mainly on the application of Articles 7 (prominence of audio-visual media offerings), 13 (focusing on European works in on-demand services) and 28b (regulation of video sharing platforms).
2. Completion of the EU regulatory framework for media
This Sub-Group kept following up and feeding the debate on any European legislative or non-legislative proposal related to media and online content regulation, including the DSA and the possible preparatory work on the European Media Freedom Act, with a view to ensure that the role and the competences of media regulators are taken into account.
3. Combating Disinformation and Strengthening Democracy in the Digital Environment

The focus of this Sub-Group was to build on the guidance and experience of Sub-Group 3 in 2021, keeping up the work in the areas of disinformation, political advertising, and other issues related to the European Democracy Action Plan.

55th EPRA Meeting – May 2022 (Antwerp)

The 55th EPRA meeting, hosted by the Flemish Regulatory Authority for the Media (VRM), gathered 160 delegates representing 52 member authorities. The Malta Broadcasting Authority was represented by its Chairman Mr Frank V. Farrugia and Chief Licensing and Compliance, Mr Randolph Micallef. Apart from the delegates representing the Broadcasting regulators, permanent observers and media experts are also present during such meetings to discuss current issues pertaining to audio-visual media regulation in Europe, such as the effect of advertising on minors, particularly with regards to the exposure of minors to unhealthy foods.

Regulators also discussed issues of concern in relation to influencer marketing, minors on video, and content-sharing platforms. The digital environment was also an issue which was discussed at length among different media experts who discussed what is expected from the changing structures and first experiences with Video Sharing Platforms (VSP) supervision.

56th EPRA Meeting – October 2022 (Antalya)

During the 56th EPRA Meeting, hosted by the Radio and Television Supreme Council (RTÜK) of Turkey, the Malta Broadcasting Authority was represented by its Chief Executive Dr Joanna Spiteri. The first session of this meeting discussed the theme of dis/misinformation, plurality, and trust in the media. Through an analysis of media consumption in Europe, the regulators discussed effective solutions and the implementation of how to regulate and measure the impact of news consumption on political polarization in the media and how to address dis/misinformation content in the media.

In Antalya, the media in a digital environment was again analysed with particular focus on the regulation of the Video Sharing Platforms (VSPs), Artificial Intelligence (AI), Media Literacy, what should be the role of regulators, and what tools should be used to improve the knowledge of the public about regulators and regulation.

12 AUDIENCE RESEARCH

In accordance with Article 30(2) of the Broadcasting Act (Cap. 350 of the Laws of Malta), the Broadcasting Authority commissioned M. Fsadni & Associates to compile a report on audience data following an audience survey.

The data for the commissioned survey was collected during the second week of June 2022, between Wednesday, 8th June 2022 and Tuesday, 14th June 2022. The data was collected via a structured questionnaire which was conducted daily with 200 participants from different age cohorts (12 years and over) over 7 consecutive days, for a total aggregate of 2,100.

Audience Survey June 2022

An overview of TV Viewership, Radio Listenership and Online Viewership give these results:

- 9 in 10 Maltese residents are TV viewers.**
 90% of Maltese residents are TV viewers. Of these, 54% watch both local and foreign TV, 26% watch local TV stations only, and 9% watch foreign TV stations only.

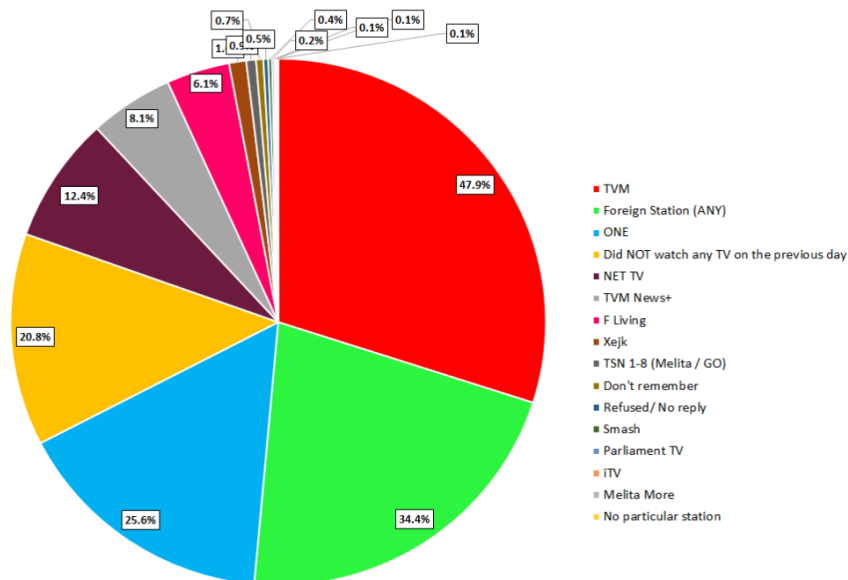
- 2 in 3 Maltese residents are radio listeners.**
 61% of Maltese residents are radio listeners. This finding was observed across all age cohorts.
- 17% of Maltese residents watch online Maltese programmes (solely produced for online portals).**
 83% of all Maltese residents do not watch any Maltese programmes that are solely produced for online portals. The remaining 17% who watch online Maltese programmes hail from the younger age cohorts (12-30 years).

Television Viewership

89.6% of Maltese residents are TV viewers. Of these, 54.2% watch both local and foreign TV, 26.1% watch local TV stations only, and 9.3% watch foreign TV stations only. TVM is the most followed local TV station with 47.9% of all TV viewers, followed by ONE (25.6%), and NET TV (12.4%). 34.4% of the participants follow foreign TV stations. In addition, the study shows that the local TV station with the highest weekly average percentage audience share is TVM, standing at 29.5%, followed by One at 17.5%.

Figure 1: Most Followed TV Stations (Monday to Sunday)

(The respondents were given the possibility of mentioning up to 3 TV stations which they had watched the previous day)



When asked about their favourite local TV programme genre, the study shows that:

- **News** is the most favourite genre for local TV programmes, with 72.3% (1,218 respondents), indicating this as one of their favourite genres. This genre was mentioned as one of the favourite genres by at least 2 in 3 of TV viewers aged 31+ years.
- **Drama** is the second preferred genre by local televiewers with 45.7% (771 respondents), indicating this as one of their favourite genres for local TV programmes. This genre is significantly more popular amongst female TV viewers (68.2%) as opposed to male TV viewers (21.4%).
- **Discussions and Current Affairs** are the third most favourite genres for local TV programmes, with 30% (505 respondents), indicating them as their preferred genres.

When asked about their favourite local programme, a considerable number of respondents replied that they did not watch any local station. Thus only 1,686 respondents could give their preferred option. Their response showed that:

- TVM's news bulletin is the most favourite local TV programme for 13.5% (228 respondents) of all local TV viewers. The TVM news bulletin was largely watched on station TVM and not on TVMnews+. However, on Thursday and Sunday of the week of assessment in question TVMnews+'s audience share during the 20:00 news bulletin was higher than usual, given that this bulletin (on TVMnews+) was followed by UEFA Nations League football matches.
- Liquorish is the second most favourite TV programme with 11% (186 respondents) of all local TV viewers.

Radio Listenership

The study shows that overall, across all radio stations, the three most followed radio time bands from Monday to Sunday are:

- 08:00 – 08:30 (118,431 radio listeners)
- 08:30 – 09:00 (108,641 radio listeners)
- 09:00 – 09:30 (105,246 radio listeners)

The respondents were asked which was their favourite local radio programme. The results were the following:

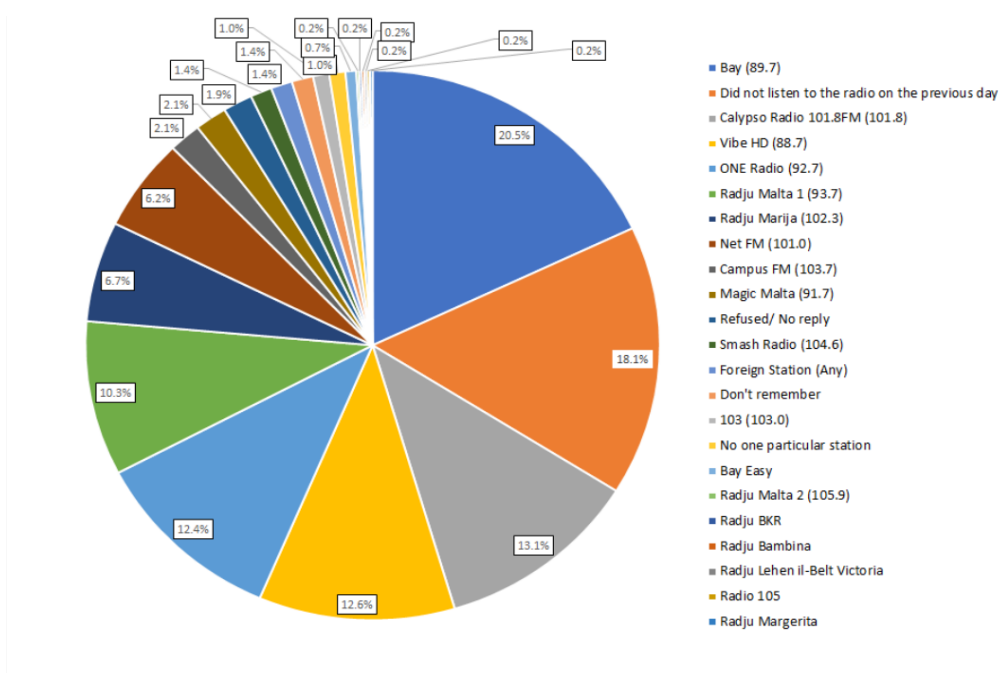
- Bay Breakfast with Daniel & Ylenia is the most favourite local radio programme, with 17.1% mentioning it as their preferred local radio programme. This radio programme is largely preferred by the younger age cohorts (12-40 years).
- The Morning Vibe with Abel, JD & Martina is the second most favourite local radio programme, with 8%. This programme is listened to by the younger age cohorts (under 40 years).
- Bongu Calypso ma' Twanny Scerri is the third most favourite local radio programme, with 7.7%. This programme is popular among the older age cohorts (40+).

Regarding which are the most followed radio stations the study shows that:

- Bay is the most followed radio station, with 20.5% (264 respondents) of all radio listeners mentioning it as one of the three radio stations they had listened to on the previous day. Bay is largely popular among the younger cohorts, with most of its listeners aged 12 to 30 years.
- Calypso Radio 101.8FM is the second most followed radio station with an audience of 13.1% (168 respondents). Calypso Radio was mentioned largely by radio listeners aged 41+ years as one of the radio stations they had listened to on the previous day.
- Vibe HD and One Radio are the third and fourth most followed radio stations with an audience of 12.6% (162 respondents) and 12.4% (160 respondents) respectively.

Figure 2: Most followed Radio Stations (Monday to Sunday)

(The respondents were given the possibility of mentioning up to 3 radio stations which they had watched the previous day)



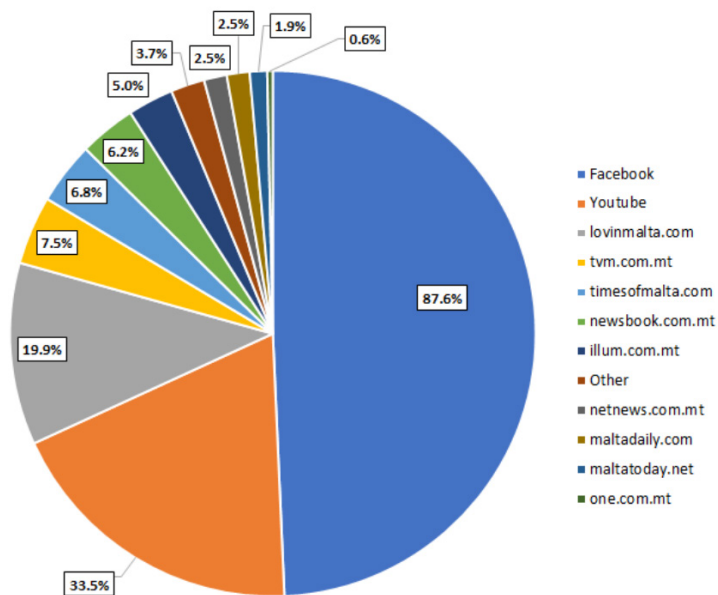
Online Viewership

As for online viewership, 83% of all Maltese residents do not watch any Maltese programmes that are solely produced for online portals. This finding is more evident with individuals aged 31+ years. The remaining 17% watch online Maltese programmes. The younger age cohorts (12-30 years) seem more inclined than the older cohorts to watch these online Maltese programmes.

The online portal/s or platform/s most used to watch Maltese programmes online are as follows:

- Facebook is the most used platform for watching online Maltese programmes, with 87.6% of all 357 online viewers mentioning it as one of the platforms used for watching online Maltese programmes. This finding is evident across all age cohorts.
- 33.5% use Youtube to watch online Maltese programmes.
- A further 19.9% use lovinmalta.com to watch online Maltese programmes.

Figure 3: Online portal/s or platform/s used for watching Maltese programmes online



The most preferred online programmes were:

- Jon Mallia Podcast / Jon Jispjega / Jon Mallia programmes are preferred by 18.7% of online viewers.
- Lovin Malta is preferred by 18.6% (66 respondents) of online viewers.

The study shows that the preferred source for local news is television with 44.5%, followed by social media with 28.1%. Social media users are largely the younger cohort aged up to 40 years. 17.5% prefer online news portals, which is also the preferred source among the younger cohorts (12-40 years), while 5.6% prefer radio as their preferred source for local news.

Amongst respondents who prefer to follow local news on tv, 55% prefer TVM, 24.9% prefer ONE, while 11.4% prefer NET TV. Among respondents who prefer local radio stations to listen to local news, Radju Malta1 (41.5%), ONE Radio (20.8%) and Calypso Radio (11.3%) are the most preferred radio stations. Among respondents who prefer to follow local news on online portals, Times of Malta (51.8%) and tvn.com.mt (9,6%) are the most preferred online portals.

Concluding remarks regarding the Audience Survey

The above Audience Survey gives a snapshot of the trends in viewership and listenership and how the audience follows broadcasting content via linear services and online.

BROADCASTING AUTHORITY ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022

Authority Board report

For the year ended 31 December 2022

The members of the Authority Board present their report, together with the audited financial statements for the year ended 31 December 2022.

Principal activity

The Broadcasting Authority was established under the Broadcasting Ordinance XX of 1961 on 29 September 1961 – later incorporated in Articles 118 and 119 of the Constitution of Malta. It operates under the provisions of the Broadcasting Act, Chapter 350 of the Laws of Malta to exercise regulatory functions regarding sound and television broadcasting services in Malta and to issue licenses for the provisions of such services in accordance with said Act.

Review of business development and financial position

The financial position of the authority as at 31 December 2022 is disclosed on page 8, while the results for the year under review are disclosed on page 9.

The Authority registered a surplus (after depreciation) of € 108,105 for the year ended 31 December 2022 compared to a deficit of € 19,777 for the previous year.

Income

Income from Radio Licence fees decreased by € 7,870 whilst income from Radio application fees increased by €15,110.

Income from TV Licence fees has increased by € 3,505 and income from applications for TV Stations increased by €28,615.

Income from Penalties decreased by € 12,822 over the previous year.

Expenditure

Expenditure decreased by € 84,554 over the previous year.

The Authority does not have any liabilities exceeding one year while those liabilities falling within one year are mainly non-financial contractual maturities.

Future developments

The Authority envisages to undergo major repairs on the antenna and to build a transmission backup site during the forthcoming year. The Authority is also planning to replace the ageing television transmissions recording system.

Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022

Authority Board report - continued

Authority

The persons responsible for these financial statements are:

Frank V. Farrugia – Chairperson
Joanna Spiteri – Chief Executive
Alessandro Lia – Member
Francis Ghirxi – Member
Peter Fenech – Member
Charlo' Bonnici – Member

Statement of the Authority Board's responsibilities

The Authority is governed by a Board consisting of Chairperson, Chief Executive and four members. Their responsibility is to prepare financial statements in accordance with International Financial Reporting Standards as adopted by the European Union which give a true and fair view of the state of affairs of the Authority at the end of each financial year and of the gain or loss for the year then ended. In preparing the financial statements, the Authority:

- Selects suitable accounting policies and applies them consistently;
- Makes judgements and estimates that are reasonable and prudent; and
- Prepares the financial statements on a going concern basis, unless it is appropriate to presume that the Authority will not continue in business

The Authority is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Authority and to enable it to ensure that the financial statements have been properly prepared in accordance with the provisions of the Act.

The Authority is also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Authority is responsible to ensure that it establishes and maintains internal control to provide reasonable assurance with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

In determining which controls to implement to prevent and detect fraud, management consider the risks that the financial statements may be materially misstated as a result of fraud.

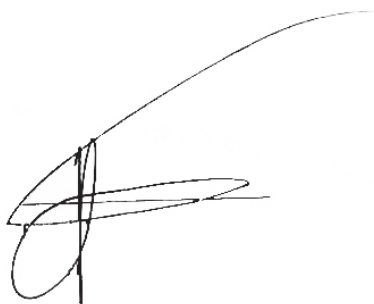
Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022

Authority Board report - continued

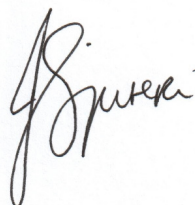
Auditor

The auditors, CSA Audit Ltd, have intimated their willingness to continue in office. A resolution proposing their re-appointment will be put before the members during the Broadcasting Authority Board Meeting of the 15 day of the month of May, 2023.

Approved by the Authority's representatives on 15 May 2023 and signed on its behalf by:



Frank V. Farrugia
Chairperson



Joanna Spiteri
Chief Executive

Registered office:
7,
Mile End Street,
Hamrun, HMR 1719,
Malta.



INDEPENDENT AUDITORS' REPORT

To the Members of Broadcasting Authority

Report on the audit of the financial statements

Opinion

In our opinion, the accompanying financial statements (the “financial statements”) of Broadcasting Authority (the “Authority”):

- Give a true and fair view of the financial position of the Authority as at 31 December 2022, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards (‘IFRSs’) as adopted by the EU; and
- Have been prepared in accordance with the requirements of the Maltese Broadcasting Act (Cap. 350) (the Act).

What we have audited

The Authority’s financial statements, which comprise of:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report.

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

Independence

We are independent of the Authority in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (‘IESBA Code’), together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.



INDEPENDENT AUDITOR'S REPORT

To the Members of Broadcasting Authority

Other information

The board members are responsible for the other information. The other information comprises the 'Authority Board's Report' but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board Members for the financial statements

The board members are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and are properly prepared in accordance with the provisions of the Act and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements the board members are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board members either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

The board members are also responsible for overseeing the financial reporting process.

Auditors' responsibility for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



INDEPENDENT AUDITOR'S REPORT

To the Members of Broadcasting Authority

Auditors' responsibility for the audit of the financial statements

- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board members.
- Conclude on the appropriateness of the board members use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the authority's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

The financial statements of Broadcasting Authority for the year ended 31 December 2021, were audited by another auditor who expressed an unmodified opinion on those statements on 5 May 2022.

The Principal authorized to sign on behalf of CSA Audit Ltd on the audit resulting in this independent auditors' report is Norbert Bugeja.

CSA Audit Ltd
Registered Auditors
 Level 6, Carolina Court,
 Giuseppe Cali Street,
 Ta'Xbiex XBX 1425
 Malta

15 May 2023

Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022

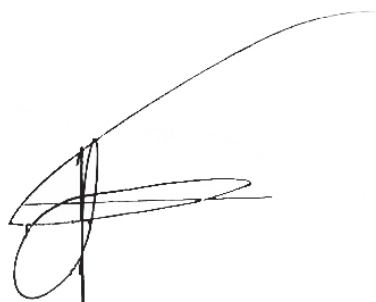
Statement of financial position

	Note	As at 31 December	
		2022 €	Re-stated 2021 €
ASSETS			
Non-current assets			
Property, plant and equipment	7	5,058,337	4,855,345
Current assets			
Trade and other receivables	8	187,310	199,169
Cash at bank	9	927,654	762,709
Total current assets		1,114,964	961,878
Total assets		6,173,301	5,817,223
EQUITY AND LIABILITIES			
Equity			
Capital reserve		2,572,739	2,572,739
Reserve fund		-	37,270
Revaluation reserve		3,418,357	3,186,357
Accumulated reserve		(30,892)	(176,267)
Total equity		5,960,204	5,620,099
Current liabilities			
Trade and other payables	10	213,097	197,124
Total equity and liabilities		6,173,301	5,817,223

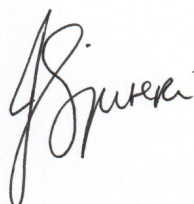
* The comparative information is restated on account of correction of errors. See Note 15.

The accompanying notes are an integral part of these financial statements.

The financial statements on pages 8 to 27 were authorised for issue by the board members on 15 May 2023 and were signed on its behalf by:



Frank V. Farrugia
Chairperson



Joanne Spiteri
Chief Executive

Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022

Statement of comprehensive income

	Note	Year ended 31 December	
		2022 €	2021 €
Revenue	12	1,056,420	1,012,893
Administration expenses	13	(949,108)	(1,033,662)
Other income		156	386
Operating surplus/(deficit)		107,468	(20,383)
Finance income		637	606
Surplus/(deficit) for the year		108,105	(19,777)
Other comprehensive income			
<i>Items that will not be reclassified to surplus or deficit</i>			
Revaluation of property, plant and equipment		232,000	2,892,658
Other comprehensive income for the year		232,000	2,892,658
Total comprehensive income for the year		340,105	2,872,881

The accompanying notes are an integral part of these financial statements.

Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022**Statement of changes in equity**

	Capital reserve €	Reserve fund €	Revaluation reserve €	Accumulated reserve €	Total €
As at 1 January 2022	2,572,739	37,270	3,186,357	(176,267)	5,620,099
Total comprehensive income for the year					
Surplus for the year	-	-	-	108,105	108,105
Other comprehensive income	-	-	232,000	-	232,000
Total comprehensive income	-	-	232,000	108,105	340,105
Other movements					
Transfer between reserves	-	(37,270)	-	37,270	-
As at 31 December 2022	2,572,739	-	3,418,357	(30,892)	5,960,204
As at 1 January 2021	2,572,739	37,270	293,699	(156,490)	2,747,218
Total comprehensive income					
Deficit for the year	-	-	-	(19,777)	(19,777)
Other comprehensive income	-	-	2,892,658	-	2,892,658
Total comprehensive income	-	-	2,892,658	(19,777)	2,872,881
As at 31 December 2021	2,572,739	37,270	3,186,357	(176,267)	5,620,099

The accompanying notes are an integral part of these financial statements.

Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022

Statement of cash flows

	Note	As at 31 December	
		2022 €	2021 €
Cash flows from operating activities			
Surplus/(deficit) for the year		108,105	(19,777)
Add back:			
Depreciation		60,914	85,571
Movements in working capital:			
Trade and other receivables		11,859	87,604
Trade and other payables		15,973	25,823
Net cash generated from operating activities		196,851	179,221
Cash flows from investing activities			
Acquisition of property, plant and equipment		(31,906)	(137,109)
Net cash used in investing activities		(31,906)	(137,109)
Movement in cash and cash equivalents		164,945	42,112
Cash and cash equivalents at the beginning of the year		575,439	533,327
Cash and cash equivalents at the end of the year	9	740,384	575,439

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements**1 Basis of preparation****1.1 Statement of compliance**

These financial statements of Broadcasting Authority (the 'Authority') have been prepared and presented in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU and with the requirements of the Broadcasting Authority Act.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the Board to exercise their judgement in the process of applying the Authority's accounting policies (Note 4 - Critical accounting estimates and judgements).

These financial statements have been prepared under the historical cost convention, except for land and buildings which are carried at a revalued amount.

1.2 Functional and presentation currency

The financial statements are presented in Euro, which is the Authority's functional currency.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Property, plant and equipment*Recognition and measurement*

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the future economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses., or under the revaluation model, that is at their fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

2 Summary of significant accounting policies - continued

2.1 Property, plant and equipment - continued

After initial recognition, land and buildings are carried under the revaluation model while other items of property, plant and equipment are carried under the cost model. Revaluations are made for the entire class of land and buildings at least every five years or with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. The depreciation charge for each period is recognised in profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

	%
Freehold land	-
Building & improvements	1
Transmitting antenna	4 - 12
Furniture & fittings	10 - 20
Technical equipment	25
Studio equipment	20
Motor vehicles	20

Depreciation method, useful life and residual value

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gains or losses arising on the disposal or retirement of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss.

2.2 Financial assets and liabilities

2.2.1 Recognition, initial measurement and derecognition of financial assets

Receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Authority becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

2 Summary of significant accounting policies - continued**2.2 Financial assets and liabilities - continued***2.2.1 Recognition, initial measurement and derecognition of financial assets - continued*

A trade receivable without a significant financing component is initially measured at the transaction price.

*2.2.2 Classification and subsequent measurement**Financial assets*

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Authority changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets – Business model assessment

The Authority makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Authority management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Authority's continuing recognition of the assets.

2 Summary of significant accounting policies - continued

2.2 Financial assets and liabilities - continued

2.2.2 Classification and subsequent measurement - continued

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Authority considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Authority considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Authority's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

2.2.3 Financial assets - Subsequent measurement

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference between the initial and maturity amounts using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in surplus or deficit.

2.2.4 Financial liabilities – Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in surplus or deficit. Other financial liabilities are subsequently measured at amortised cost using the effective interest

2 Summary of significant accounting policies - continued

2.2 Financial assets and liabilities - continued

2.2.4 Financial liabilities – Subsequent measurement and gains and losses - continued

method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

2.2.5 Impairment of financial assets

The Authority recognises loss allowances for ECLs on financial assets measured at amortised cost and debt investments measured at FVOCI to which the Authority is exposed. It measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Authority considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Authority's historical experience and informed credit assessment and including forward-looking information.

The Authority assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, and it considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Authority in full, without recourse by the Authority to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Authority is exposed to credit risk.

Measurement of ECL

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Authority expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

2 Summary of significant accounting policies - continued

2.2 Financial assets and liabilities - continued

2.2.5 Impairment of financial assets - continued

Credit-impaired financial assets

At each reporting date, the Authority assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Authority on terms that the Authority would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Authority has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For each of its financial assets that subject the Authority to credit risk, it makes an individual assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Authority expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Authority's procedures for recovery of amounts due.

2.2.6 Subsequent measurement and gains and losses

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2 Summary of significant accounting policies - continued**2.2 Financial assets and liabilities - continued****2.2.7 Derecognition****(i) Financial assets**

The Authority derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Authority neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Authority enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in statement of comprehensive income.

2.2.8 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Authority currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.3 Impairment of non-financial assets

Assets that are subject for depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment is reviewed for possible reversal of the impairment at the end of each reporting period.

2 Summary of significant accounting policies - continued

2.4 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at face value. In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks.

2.5 Provisions

Provisions for legal claims are recognised when the Authority has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.6 Reserves

The accumulated fund includes all current and prior period retained surpluses and deficits.

2.7 Revenue

Revenue relates to subventions received from the government, programmes and other rights and the rendering of services. Revenue is presented net of deductions such as VAT. Revenue comprises the fair value of the consideration received or receivable in the ordinary course of the Authority's activities. The nature and timing of satisfaction of performance obligations and significant payment terms differ between the categories of revenue. The following specific recognition criteria must also be met before revenue is recognised:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Authority; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

3 Standards not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Authority has not early adopted the new or amended standards in preparing these financial statements.

The following new and amended standards are not expected to have a significant impact on the Authority's financial statements.

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)*

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the Board, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

5 Measurement of fair value

A number of the Authority's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Authority has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as architect valuations, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Authority uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Authority recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in note 7 to the financial statements.

6 Financial risk management

6.1 Financial risk factors

The Authority is exposed to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Authority's risk management is coordinated by the Board members and focuses on actively securing the Authority's short to medium term cash flows by minimising the exposure to financial risk. The Authority did not make use of derivative financial instruments to hedge certain risk exposures during the current and preceding financial years.

Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022

6 Financial risk management - continued

6.1 Financial risk factors - continued

(a) Market risk

(i) Cash flow and fair value interest rate risk

The Authority has no material interest-bearing assets and liabilities, and its income and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. Credit risk arises from cash and cash equivalents and trade and other receivables.

The Authority's exposure to credit risk is limited to the carrying amount of financial assets recognized at the end of the reporting date, as summarised below:

(b) Credit risk - continued

	Note	2022 €	2021 €
Trade and other receivables	8	173,789	188,330
Cash at bank	9	927,654	762,709
		1,101,443	951,039

The maximum exposure to credit risk at the reporting date in respect of the financial assets mentioned above is equivalent to their carrying amount as disclosed in the respective notes to the financial statements. The Authority does not hold any collateral as security in this respect. The amounts disclosed above in respect of trade and other receivables exclude prepayments.

(c) Liquidity risk

The Authority is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise trade and other payables (Note 10). Prudent liquidity risk management includes maintaining sufficient cash reserves to ensure the availability of an adequate amount of funding to meet the Authority's obligations.

The Authority monitors liquidity risk by reviewing expected cash flows and ensures that no financing facilities are expected to be required over the coming year. The Authority's liquidity risk is not deemed material in view of the matching of cash inflows and outflows arising from expected maturities of financial instruments and commitments. The financial liabilities are payable on demand.

6.2 Capital risk management

The Authority's equity, which constitutes its capital base, is disclosed in the statement of financial position. The Authority's objectives when managing capital are to safeguard the respective entity's ability to continue as a going concern in order to provide returns and benefits for stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

6.2 Capital risk management - continued

In view of the nature of the Authority's activities and its financial position, the capital level as at the end of the reporting period is deemed adequate by the board members.

6.3 Fair values of financial instruments

At 31 December 2022 and 2021 the carrying amounts of cash at bank, receivables and payables reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation.

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7 Property, plant and equipment

	Re-stated Freehold land €	Re-stated Building & improvements €	Transmitting antenna €	Furniture & fittings €	Technical equipment €	Studio equipment €	Motor vehicles €	Total €
Cost								
As at 1 January 2021	160,270	1,862,680	823,330	541,363	138,586	161,057	56,850	3,744,136
Revaluation	2,322,730	83,320	-	-	-	-	-	2,406,050
Additions	-	-	50,219	85,605	1,286	-	-	137,110
As at 31 December 2021	2,483,000	1,946,000	873,549	626,968	139,872	161,057	56,850	6,287,296
As at 1 January 2022	2,483,000	1,946,000	873,549	626,968	139,872	161,057	56,850	6,287,296
Revaluation	127,000	105,000	-	-	-	-	-	232,000
Additions	-	-	12,476	19,430	-	-	-	31,906
As at 31 December 2022	2,610,000	2,051,000	886,025	646,398	139,872	161,057	56,850	6,551,202
Depreciation								
As at 1 January 2021	-	467,978	522,611	504,866	133,225	161,057	43,250	1,832,987
Charge for the year	-	18,629	32,549	21,218	4,395	-	8,780	85,571
Release upon revaluation	-	(486,607)	-	-	-	-	-	(486,607)
As at 31 January 2021	-	-	555,160	526,084	137,620	161,057	52,030	1,431,951

Broadcasting Authority
Annual Report and Financial Statements - 31 December 2022**7 Property, plant and equipment - continued**

	Re-stated Freehold land €	Re-stated Building & improvements €	Transmitting antenna €	Furniture & fittings €	Technical equipment €	Studio equipment €	Motor vehicles €	Total €
Depreciation								
As at 1 January 2022	-	-	555,160	526,084	137,620	161,057	52,030	1,431,951
Charge for the year	-	-	32,265	22,595	1,234	-	4,820	60,914
As at 31 December 2022	-	-	587,425	548,679	138,854	161,057	56,850	1,492,865
Net book value								
31 December 2022	2,610,000	2,051,000	298,601	97,719	1,017	-	-	5,058,337
31 December 2021	2,483,000	1,946,000	318,390	100,884	2,251	-	4,820	4,855,345
31 December 2020	160,270	1,394,702	300,719	36,497	5,361	-	13,600	1,911,149

The fair value of land and buildings within the property, plant and equipment was determined by an external, independent property valuer having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The fair value measurement for all land and buildings has been categorised as a Level 3 fair value based on the inputs to the valuation technique used, being reference to recent available market data for similar properties or, in the absence of such data, the replacement cost.

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8 Trade and other receivables

	2022	2021
	€	€
Trade receivables	192,785	220,164
Impairment allowance	(21,353)	(34,191)
	171,432	185,973
Other receivables	2,357	2,357
Indirect taxation	5,773	4,463
Prepayments	7,161	6,036
Accrued income	587	340
	187,310	199,169

9 Cash at bank

	2022	2021
	€	€
Cash at bank	927,654	762,709
Less fixed deposit accounts (maturity after 3 months)	(187,270)	(187,270)
Cash and cash equivalents – cash flow statement	740,384	575,439

10 Trade and other payables

	2022	2021
	€	€
Trade payables	28,398	20,904
Deferred income	143,411	139,457
Accruals	41,288	36,763
	213,097	197,124

11 Taxation

With reference to the Broadcasting Act, Part 9 article 39 sub-article 2, Government subventions are deemed to be exempt from any liability for the payment of income tax and duty on documents. Hence no taxation was recognised in these financial statements given the Authority's main source of income is the Government's subventions.

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12 Revenue

	2022	2021
	€	€
Government subvention	600,000	583,000
Master Antenna Facility Fees	60,541	60,554
Radio License Fees	141,298	149,168
Radio Application Fees	31,264	16,154
TV Application Fees	35,415	6,800
TV License Fees	127,913	124,408
Transmitter Rents Receivable	46,729	46,727
Penalties income	13,260	26,082
	<u>1,056,420</u>	<u>1,102,893</u>

13 Expenses for the year

	2022	2021
	€	€
Audit fee	1,769	1,769
Depreciation	60,914	85,571
Wages and salaries	645,299	587,148

Staff costs incurred during the year are analysed as follows:

	2022	2021
	€	€
Board members' honoraria	75,050	68,017
Wages and salaries	532,259	484,454
	607,309	552,471
Social security contributions	37,990	34,677
Wages and salaries	645,299	587,148

The average number of persons employed during the year, including board members was made up as follows:

	2022	2021
	No	No
Board members	5	5
Operations	19	18
	24	23

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14 Related party transactions

Broadcasting Authority operates under the provisions of the Broadcasting Act, Chapter 350 of the Laws of Malta to exercise regulatory functions regarding sound and television broadcasting services in Malta and to issue licenses for the provisions of such services in accordance with said Act.

	2022	2021
	€	€
<i>Transactions with related parties (further to note 12):</i>		
Government subvention	600,000	583,000

15 Capital commitment

The Authority is committed to build a Transmission backup site. This project mainly depends on the commitment and issuance of funds by the government. Furthermore, the Authority has finalized the tender process to commence major repairs on the antenna which is budgeted to amount to €276,437.

16 Prior year adjustment

During 2021, the Authority had a revaluation on the land and buildings that the Authority holds. As a consequence, the property, plant and equipment and the revaluation reserve have been restated. The following table summarises the impacts on the Authority's financial statements.

Statement of financial position	As previously reported	Adjustment	As Restated
31 December 2021	€	€	€
Property, plant and equipment	1,962,687	2,892,658	4,855,345
Total current assets	961,878	-	961,878
Total assets	2,924,565	2,892,658	5,817,223
Total current liabilities	(197,124)	-	(197,124)
Total liabilities	(197,124)	-	(197,124)
Capital reserve	(2,572,739)	-	(2,572,739)
Reserve fund	(37,270)	-	(37,270)
Revaluation reserve	(293,699)	(2,892,658)	(3,186,357)
Accumulated fund	176,267	-	176,267
Total Equity	(2,727,441)	(2,892,658)	(5,620,099)

17 Other information

The Broadcasting Authority was established under the Broadcasting Ordinance XX of 1961. The registered office is 7, Mile End Street, Hamrun HMR 1719.



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