Interim Decision Concerning the Governing Bodies of the Public Broadcasting System of BiH

Recalling the Decision on Restructuring of the Public Broadcasting System in Bosnia and Herzegovina issued on 30 July 1999 by the High Representative (Official Gazette of BiH, no. 14/99) establishing the Public Broadcasting System in Bosnia and Herzegovina;

Further recalling that in the Second Decision on Restructuring the Public Broadcasting System, dated 23 October 2000 (Official Gazette of BiH, no. 28/00), the High Representative instructed the Broadcasting Agent of the High Representative to "co-ordinate, supervise and direct the restructuring of Public Broadcasting System of Bosnia and Herzegovina";

Bearing in mind the Decisions of the High Representative in May 2002 imposing the laws on the Public Broadcasting System and its component public broadcasters, namely the laws on the Basis of the Public Broadcasting System and on the Public Broadcasting Service of Bosnia and Herzegovina, the Radio-Television of the Federation of Bosnia and Herzegovina and the Radio-Television of the Republika Srpska;

Noting that despite the adoption by the respective parliaments of the laws imposed by the High Representative, none of the parliaments has fulfilled its legal obligation to appoint, within sixty days of adoption, requisite members of the respective governing bodies;

Recognizing that the component public broadcasters of the Public Broadcasting System are in a critical financial situation brought on by, among other things, poor income derived from uncollected subscription fees and a largely un-restructured staff structure and cost base;

Recalling that the Executive Committee of the Public Broadcasting Service Founding Board adopted measures to address these financial problems and shall compel the component public broadcasters to be operating at break-even by the end of 2003;

Noting that the tenure of the Broadcasting Agent of the High Representative ends 30 June 2003 and that the authority over the restructuring of the Public Broadcasting System given thereto by the High Representative requires redistribution among the appropriate parties, including the governing bodies;

Bearing in mind that with the departure of its chairman, the Broadcasting Agent, the Public Broadcasting Service Founding Board should be reconstituted into a governing body for the Public Broadcasting Service;

Recognizing that the current membership of the governing bodies is insufficient to ensure the continuing operation of the Public Broadcasting System;

Further recognizing that there is an urgent need to appoint individuals with relevant financial expertise to the governing bodies in order to responsibly and effectively address the current financial crisis;

Bearing in mind the necessity of putting in place interim arrangements until legal amendments proposed to the authorities of Bosnia and Herzegovina by the Office of the High Representative are adopted;

Having taken all of the above mentioned into account, I hereby issue the following:

INTERIM DECISION

Concerning the Governing Bodies of the Public Broadcasting System of Bosnia and Herzegovina

1. Based on the departure of the Broadcasting Agent, the Founding Board of the Public Broadcasting Service of Bosnia and Herzegovina is hereby dissolved.

2. The governing bodies of the three component public broadcasters of the Public Broadcasting System (hereinafter the "System") shall be legally established and fully constituted each by a four-member body, as

described herein. These governing bodies shall supervise the public broadcasters by the exercise of the following powers:

- To appoint and dismiss the respective Director of Broadcasting or Director General and act as that individual's employer;
- To approve the programme and financial plans of the respective Broadcaster;
- To set strategic objectives for the respective Director of Broadcasting or Director General and to monitor his/her performance and that of the Broadcaster;
- To approve any expenditure or disposal exceeding 100,000 KM.

3. Individuals shall be appointed to the governing bodies by a formal Letter of Appointment, which shall contain conditions of their membership. Adherence to such conditions is a requirement for continued membership on the governing bodies.

4. The governing body of the Public Broadcasting Service shall be called the "Public Broadcasting Service of Bosnia and Herzegovina Broadcasting Board of Governors" (hereinafter: PBS Broadcasting Board).

5. The four members of PBS Broadcasting Board and each one's position shall be:

- Plamenko Custovic Chairman
- Nada Sljivic Financial Expert
- Josip Pejakovic Member
- Nedzad Fejzic Member

6. The governing body of the Radio-Television of the Federation of Bosnia and Herzegovina shall be called the "Radio-Television of the Federation of Bosnia and Herzegovina Broadcasting Board of Governors" (hereinafter: FRT Broadcasting Board).

7. The four members of the FRT Broadcasting Board of Governors and each one's position shall be:

- Slavo Kukic Chairman
- Kadrija Hodzic Financial Expert
- Josip Blazevic Member
- Dusan Babic Member

8. The governing body of the Radio-Television of Republika Srpska shall be called the "Radio-Television of Republika Srpska Broadcasting Board of Governors" (hereinafter: RTRS Broadcasting Board of Governors).

9. The four members of the RTRS Broadcasting Board of Governors and each one's position shall be:

- Danko Ruzicic Chairman
- Marijan Misic Financial Expert
- Sunita Sukalo Member
- Zdenka Babic Member

10. There shall be a twelve (12) member governing body of the System called the "Board of Governors of the Public Broadcasting System" (hereinafter: System Board of Governors). The twelve members shall be comprised of the members of the three public broadcasters' Broadcasting Boards. The System Board of Governors shall make binding decisions concerning issues that affect the System, including but not limited to, programming, editorial standards, human resources, property, transmission, corporate development, audience research, etc. The members shall represent the System when deciding issues placed before the System Board of Governors and shall not act in the interest of any of the individual public broadcasters that make up the System.

11. The Chairman of the PBS Broadcasting Board of Governors shall chair the System Board of Governors.

12. The System Board of Governors shall be responsible for approving the annual programme proposition and annual finance plan of the System to ensure they are providing services that complement one another and to

ensure the sustainability of the entire System.

13. All three governing bodies shall be required to meet at least once monthly on the same day, with half the day allocated to individual public broadcaster business and with the System Board of Governors meeting the other half of the day on System business. The location of these meetings shall rotate among the seats of the three component public broadcasters on a regular basis. Travel, accommodations and food for these meetings shall be arranged by the Secretariat (as described below). The costs of the governing bodies shall be borne equally by the three component broadcasters.

14. Within the calendar year 2003, the System Board of Governors shall take all necessary steps to achieve the strategic decision made by the Executive Committee of the Public Broadcasting Service's Founding Board dated 21/22 May 2003, requiring all component public broadcasters to break even by the end of 2003. This shall be accomplished by the following.

- To this end, the broadcasters shall introduce a Staff Plan to enable each broadcaster to operate at break even by the end of 2003 and for the duration of the Implementation period (as described below), despite the launch by PBS BiH of BHTV1. This Plan shall be based on the agreed Job Systemization (developed by the BBC Consultancy to the Public Broadcasting System of Bosnia and Herzegovina) and based on the management structures contained in the legal amendments that the Office of the High Representative shall propose shortly. It shall also be based on the levels of income currently realised by each broadcaster.
- During this time, the broadcasters shall be precluded from taking commercial loans, except for those that may be required to finance permanent reductions in staff numbers in line the broadcasters' legal obligations.
- With the exception of the above-referenced loans, neither the System Board of Governors nor the individual governing bodies shall take any other decisions that result in an increase in the debt of any of the component parts of the System.
- In order to clarify the break-even targets of each broadcaster, the Executive Committee shall identify all intra-company debt and assigned it to the relevant broadcaster within thirty (30) days.
- All of the broadcasters shall have repaid current debt and any commercial loans incurred to finance permanent staff reductions by the fulfillment of the Implementation Plan.

15. There shall be an Executive Committee of the System Board of Governors (hereinafter: the Executive Committee) whose membership shall consist of the chairmen of the three component public broadcasters and which shall be chaired by the Chairman of the PBS Broadcasting Board of Governors.

16. The Executive Committee shall convene, along with the Secretary General of the Secretariat (as described below), two (2) weeks prior to each scheduled meeting of the governing bodies in order to ensure all issues of importance are added to the relevant agenda and that all parties contacted for any relevant submissions. All relevant documents shall be circulated at least one (1) week prior to the scheduled meetings.

17. In order to enhance the progress of the financial recovery program, the financial experts from the three component public broadcasters shall form a Finance Committee (hereinafter: the Finance Committee) to analyze the financial situation of the public broadcasters; make recommendations to the System Board of Governors regarding measures necessary to achieve break even status by the end of the year; and keep the same apprised of the material progress of the financial recovery.

18. The Finance Committee shall be chaired by the member from the PBS Broadcasting Board of Governors and shall convene, two (2) weeks prior to each scheduled meeting of the governing bodies in order to ensure all issues of financial importance are added to the relevant agenda and that all parties contacted for any relevant submissions. All relevant documents shall be circulated at least one (1) week prior to the scheduled meetings.

19. The members of the System Board of Governors shall be remunerated for their services to the individual public broadcaster governing bodies and for their services to the System Board of Governors. This remuneration shall be pro-rated in half-day increments and shall be based for chairmen, on the salary of the Director of Broadcasting, and for remaining members, on the salary of a director-level position.

20. All decisions of the governing bodies, including the System Board of Governors, shall be made by a majority vote. In the event of an equality of votes on any question, the Chairman shall have a second or casting vote.

21. A Secretariat is hereby established, which shall be responsible for all administrative, financial and operational aspects of the four governing bodies, the Executive Committee and the Finance Committee, including but not limited to advising on the bodies' obligations and responsibilities, performing public relations functions and liaising with the component public broadcaster governing bodies.

22. The Secretariat shall be headed by a Secretary General, who shall be appointed by the Executive Committee within seven (7) days of this Decision and whose position shall be a staff position of the System, not a governance position. The Secretary General shall be the primary contact between the System and the Communications Regulatory Agency. The costs of the Secretariat, including the salary paid to the Secretary General, which shall be at the rate of a director-level position, and his/her staff, of which there shall not be more than four (4), shall be borne equally by the three component public broadcasters.

23. In order to complete the restructuring of the System, the Executive Committee shall, within seven (7) days of being appointed hereunder, commission from their consultants (the BBC Consultancy to the Public Broadcasting System of Bosnia and Herzegovina) a detailed Implementation Plan that shall incorporate the agreements made within the Change Approval Group and agreed by the Executive Committee on 22 April 2003. This plan shall document the vision for the System at the end of the restructuring process; it shall describe in detail the relationships among the component parts of the System; and it shall provide a detailed timeline for activities required to achieve the end state envisioned, including:

a. establishment of the Media Centre;

b. establishment of BH TV Jedan;

c. establishment of Transco.

24. The consultants shall deliver this plan to the Executive Committee and to the Office of the High Representative, acting in place of the regulator whose role shall be defined by forthcoming legal amendments, for approval within twenty-one (21) days of its commissioning. Performance under the Implementation Plan shall begin on 1 August 2003.

25. For the interim period of this Decision the Office of the High Representative, acting in place of the regulator, shall monitor the delivery of the Implementation Plan. During the performance of the Implementation Plan, the Executive Committee shall meet monthly with the Change Approval Group to resolve any problems involved in the implementation and shall meet twice a year (in April and October) with the key stakeholders and principal donors to the Public Broadcasting Restructuring project to discuss progress against the Implementation Plan.

26. This Decision shall be in effect until new legal arrangements have been concluded.

27. Except with regard to the specific issues addressed by this Decision, which alters the relevant provisions of the laws imposed by the High Representative in May 2002 (namely the laws on the Basis of the Public Broadcasting System and on the Public Broadcasting Service of Bosnia and Herzegovina, the Radio-Television of the Federation of Bosnia and Herzegovina and the Radio-Television of the Republika Srpska), none of the other provisions of said laws are affected.

28. This Decision shall come into effect forthwith and shall be published in the Official Gazette of Bosnia and Herzegovina, the Official Gazette of the Federation of Bosnia and Herzegovina, the Official Gazette of Republika Srpska and the Official Gazette of the District of Brcko.

Sarajevo, 30 June 2003

John Shearer

Broadcasting Agent of the
High Representative