Accountability in Public Service Broadcasting: The Evolution of Promises and Assessments

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Today, the world’s public service broadcasters, including NHK in Japan, are increasingly called upon to define their remits and make them public, and to present the assessments as to whether they are indeed being carried out. Since public service broadcasters throughout the world operate with funds collected through license fees (receiving fees in Japan) or public funds such as government subsidies, they are obliged to be accountable to the audiences and citizens paying for the service. Until now, public service broadcasters have sought to ensure accountability by meeting institutional requirements such as publication of mandatory annual reports and accounts, handling of audience complaints, and responses to audience needs through broadcasting committees. Public service broadcasters obviously need to be accountable in order to maintain trust with their audiences. This basic assumption is shared by European media scholars and researchers. Cultural Dilemmas in Public Service Broadcasting, by Gregory Ferrell Lowe and Per Jauert (Lowe and Jauert, 2005), which not only focuses on public service broadcasting quality, performance assessment, and the need for accountability but also suggests possible strategies for public service broadcasters in the face of a changing media environment, offers valuable thought on these issues. This paper will present case studies of the initiatives taken by public broadcasters in Sweden, Denmark, the U.K., and Japan regarding accountability and discuss mainly institutional reforms for strengthening accountability.

REASONS FOR STRENGTHENING ACCOUNTABILITY

Since the 1990s, advances in cable television technology and the availability of satellite broadcasting have made it possible for broadcasters across the world to provide multiple channels. Commercial broadcasting in most European countries began in the second half of the 1980s, spelling the end of public service broadcasting’s monopoly in those countries. Commercial broadcasters became more competitive, and media enterprises—for example, Bertelsmann’s RTL in Germany, Canal Plus in France, Mediaset in Italy,
MTG in the Scandinavian countries and so on—carved out a position for themselves. And despite the language barrier in Europe, Hollywood films and cable network programs from the United States have flowed readily over national boundaries.

Decline in Status of Public Service Broadcasting
The emergence of new media platforms and media enterprise activities in international settings have led to growth in the number of channels available in each country over the past 15 years, greatly changing the viewing environment for television audiences accustomed to watching mainly terrestrial broadcasts. And now the switchover to digital of various platforms, including terrestrial broadcasting, is further accelerating the shift to a multichannel environment.

A look at this development from the perspective of changes in television audience share shows that public service broadcasting continues to hold a 40 percent share in several countries, such as Finland and Italy, but that the share is clearly dropping. Even the BBC, the model for public service broadcasting throughout the world, registered a drop in its audience from 40 percent at the beginning of the 1990s to less than 30 percent,\(^1\) showing a greater decline in the relative status of public service broadcasting in the U.K. than in any other country. In France, where digital terrestrial multichannel broadcasting began in 2005, there has been a clear increase in the audiences for television channels other than the long-established public service broadcasters and commercial broadcasters, which have been carrying programs mainly over terrestrial networks.

In terms of the impact of satellite and cable television on public service broadcasting, the decline in audience share partly due to the transition to multimedia platforms and partly due to global media conglomerates’ entry into the market does not apply to Japan’s NHK. Although satellite broadcasting and cable television reach over 50 percent of Japanese households, even popular television programs viewed on new platforms continue to be provided mainly by traditional terrestrial broadcasters. The problem for NHK, which broadcasts in a country that is linguistically and culturally different from the rest of the world, is that its fierce competitors—the country’s five commercial broadcasters—are luring its traditional audience away.\(^2\)

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1. According to the BBC operations and accounting report for fiscal 2006 released on July 3, 2007, the BBC audience share had recovered to 30.7 percent.
2. Data from Video Research, Inc. put audience share figures in 2007 at 16.5 percent for NHK versus an aggregate total of 76.7 percent for five commercial terrestrial broadcasters.
Questioning the Need for Public Service Broadcasting

The spread of satellite broadcasting and cable TV has not only rendered the status of public service broadcasting comparatively weaker, it has also affected attitudes toward paying license fees. In Europe, free satellite television, available with simply an antenna and receiver and requiring no special fees, has become more popular over the past few years. But in many cases, satellite broadcasting and cable TV are operated on a subscription model offering multichannel packages. A pay-per-view system of charging a fee for viewing individual programs is also being introduced. Not only can audiences now choose from among multiple channels, they have become accustomed to paying for watching the channel they want to watch, just as when they buy a product they want, and this type of behavior has become established. The Office of Communications (Ofcom), an independent regulatory body in the U.K., conducted a study of broadcasting and telecommunications in international perspective and issued a report in December 2007 (Ofcom 2007). According to this report, per capita support for the country’s television market (not per household) was highest in the U.K. at £166, broken down as £58 for advertising, £67 for subscription and £41 in public funding (license fees and tax covering the license fee exemption for persons aged 75 and over). This was followed by £106 in France (advertising £37, subscription £50, public funding £20) and by £146 in Japan (advertising £74, subscription £45, public funding £26).

A comparative study among seven countries on attitudes toward public service broadcasting conducted by the NHK Broadcasting Culture Research Institute revealed broad support for public service broadcasting in all the countries surveyed, but weaker feelings toward the necessity of paying license fees (Yokoyama 2006; Nakamura and Yonekura 2008).3 For example, 87 percent of survey respondents in the U.K. believe that the BBC is necessary but only 64 percent recognize the importance of license fees. This difference of over 20 percent cannot be attributed only to people feeling they want to “get their money’s worth,” but this trend is also having a serious impact on public willingness to support public service broadcasting.

In addition, since the late 1990s public service broadcasters everywhere have been spending heavily on digitization of terrestrial broadcasting and have faced the urgent need to raise license fees, which account for the bulk of their income. Members of the Davies Committee, which from 1998 to 1999 discussed how to raise funds for BBC digitization, stated that “we decided

that we may not be able to offer a tight new definition of public service broadcasting, but we nevertheless each felt that we knew it when we saw it,”4 and the committee recommended to the government that license fees be raised without embarking on a redefinition of BBC public service broadcasting. However, the amount of the increase was kept below what the BBC said it needed to carry out its proposed plan. Subsequent evolution in the digital environment and changes in audience attitudes toward license fees mean that audiences are now not convinced that they will “know it when we see it.” Thus public service broadcasters themselves will have to redefine the role of public service broadcasting and come up with a persuasive explanation for government and audience.

Public Service Broadcasting Arrangements within the EU

Public service broadcasters in Europe face the need, on the one hand, to consider the role and source of financing for public service broadcasting in their own countries in order to survive in the digital age. On the other hand, the governments of EU member countries are being required to clarify the role of and services offered by public service broadcasting supported by public funding, in accordance with the guidelines of the European Commission.

The Television without Frontiers Directive went into effect in 1991, giving television broadcasting services within the EU the freedom to broadcast across national borders. At the same time, the state aid rules of the EU Treaty prohibit the use of state funds to support specific enterprises participating in market competition or preferential treatment given to specific goods, because this would impede fair competition (Ichikawa 2002). Given its important social role, public service broadcasting receives preferential allocation of airwaves and is operated with public funding, that is, license fees. This treatment of public service broadcasting would contravene the EU Treaty if the treaty provisions were applied literally. However, public service broadcasting originated to meet social needs in the respective countries and it helped democratic society develop and take root. Strictly speaking, there is no uniform definition of public service broadcasting, but the governments of EU member countries worked on developing a common idea for public service broadcasting. The Treaty of Amsterdam (a revision of the Treaty of Rome), which went into effect in May 1999, gives each member country the right to operate public service broadcasting and allows those countries to determine the role of and funding for public service broadcasting insofar as such funding does not

affect competition in the community. In accordance with this, the European Commission, which oversees competition, set down the following guidelines relating to the state aid rules in 2001.

1) Make the definition of the public service remits clear and precise
2) Entrust the specified public service by legislation or contract and have an appropriate body monitor its fulfillment
3) Separate accounts between public service activities and commercial activities

Ten years after the Television without Frontiers Directive went into effect, these were the rules arrived at to justify the existence of and funding for public service broadcasting at the EU level. This marked the start of a review of public service broadcasting in earnest by each country’s government.

ENSURING TRANSPARENCY OF SERVICES AND FUNDING

Against this background discussions were carried out concerning governance and accountability in public service broadcasting in Europe. That discussion led to the creation of a regulatory framework consisting of a legal basis for setting out ideal goals for public service broadcasting in general; a service contract between the broadcaster and the government or an independent regulator; and a set of promises to audiences. The service contract and the promises clarify what the license fee-payers can obtain from public service broadcasting. They also work as measurements by which to assess whether public service broadcasting is fulfilling its remits in line with stated purposes. Accordingly, these elements provide a yardstick for judging fair competition in the market, which is of concern to the European Commission.

The service contract, as I shall refer to it in this paper, is termed differently in different countries: in France, it is called the “Contrat d’objectifs et de moyens” (Contract of Objectives and Means), in Sweden and Ireland the “Charter,” and in the U.K. the “Agreement.” In most countries, the service contract is valid for three to five years; in the U.K., it is valid for ten years. The service contract sets out the criteria for public services and the specific content of programs and services, mandates an annual report, and requires

5 More details regarding public service broadcasting in the EU can be found in Murase Mafumi, “EU no shijo seisaku to kokyo sabisu hoso” [EU Market Policies and Public Service Broadcasting], Hosei kenkyu to chosa (February 2000), and Vincent Porter, “The Global Future of Public Service Broadcasting,” NHK Broadcasting Studies 1 (September 2002).

compliance with program standards and quotas for programs produced in Europe. The service contract in France and Ireland includes a work schedule for operations. In Italy, it not only clarifies the services but also includes provisions for testing for public value. For Italian public service broadcaster RAI, the service contract renewed in 2007 contains an additional clause regarding the quality and public value of programs aired and mandates development of a system for assessing programming and content of operations within six months of the service contract coming into effect. It also includes provisions for conducting surveys and research on audience perceptions of public services and for evaluating corporations with the aim of improving corporate and professional ethics. The service contract requires periodic assessments of RAI’s performance in the media market, its public value, and value for money. The BBC service contract requires that, in the event that it introduces new services in the future or makes major changes to its current services, the public value of these services should be examined, thus giving audiences and related industries a major voice in determining public services (Department for Culture, Media and Sport 2006).

### Institutional Mechanisms for Sustaining Public Service Broadcasting

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7 “Contratto di servizio” (2007–2009). The content of this contract can be viewed at http://www.comunicazioni.it, the website of Italy’s telecommunications ministry.
On the other hand, the promises to audiences, called variously “Statement of Programme Policy” (U.K.), “Statement of Commitments” (Ireland), or “Selbstverpflichtung” [our promises] (Germany), are mainly concerned with setting numerical goals for output volume such as hours of programming. They assess annually whether the year’s targets have been met, and the results are published in the broadcaster’s annual report. These promises do not set goals for management-related activities, such as efficient operation, but are intended to strengthen direct accountability to audiences regarding programs and services. Among public service broadcasters that carry out promises, the BBC has been making promises to audiences since 1996, when its previous Charter went into effect. In addition, BBC Trust, the governing body of the BBC, has been issuing service licenses for television, radio, and online services since 2007 that detail remits, volume of broadcasting, budget, and assessment method for the respective channels or services. Meanwhile, Germany’s public service broadcasters—state-wide public service operators—have been required since 2004 to make promises under an agreement with the respective states since 2004.8

ACCOUNTABILITY UNDERTAKINGS

Due to domestic factors and the issue of compliance with the state aid rules, the EU member countries have conducted reviews of their public service broadcasting and strengthened accountability by adopting either service contracts or promises or by introducing both, thereby creating a dual accountability system. Which is adopted appears to hinge on how strong the presence of public service broadcasting is in the respective countries. In other words, the difference reflects the degree to which the continued existence of public service broadcasting is threatened in a particular country. The following describes the current situation and undertakings of public service broadcasting in Denmark, Sweden, and the U.K., based on research and interviews conducted in these three countries in March 2007.

Denmark

Denmark, with a population of 5.4 million and approximately two million households, is the smallest of the Scandinavian countries. Public service broadcasting in Denmark consists of two services: DR, which began as a radio broadcaster in 1925, and TV2, which began television broadcasting in 1988. The aim of both DR and TV2 is to broadcast nationwide, but TV2 is required

8 Staatsvertrag fur Rundfunk und Telemedien, § 11(4).
to broadcast regionally through a network of eight regional broadcasting stations. As of 2005, 66 percent of Danish households subscribed to cable television and 16 percent to satellite television, giving them access to over 50 foreign channels in addition to public service broadcasting. The overwhelming percentage of Danish viewers watch public service broadcasting: audience share was 32.7 percent for DR and 35.8 percent for TV2, a total of 68.5 percent. This may be because daily per person television viewing time in Denmark is relatively short (averaging around 2 hours 40 minutes), but an additional factor is that public service broadcasting has been successful in strengthening the connection with audiences by developing entertainment programs firmly entrenched in Danish culture.9

In 2001, in accordance with European Commission guidelines, Denmark reviewed its media policies, focusing on public service broadcasting. The main elements of the review were structural reform of public service broadcasting and the creation of the Radio and Television Board (RTB). This body regulates and oversees broadcasting and is operated separately from the government. Under these reforms, DR was made the core of public service broadcasting, and it was decided to separate TV2 from its regional broadcasting functions and privatize it. Until then, 87 percent of the revenue for operating TV2 came from advertising, along with license fee income and earnings from commercial activities. TV2 revenues from advertising accounted for over 60 percent of the TV advertising market in Denmark, and with the decision to privatize this network, it has not been allocated any license fees since 2004. TV2, meanwhile, is granted a public service broadcasting license by the government, whose terms are regulated and supervised by the RTB.

On the other hand, DR is required to make a public service broadcasting contract with the Ministry of Culture (which oversees it) and report annually on how well contract provisions have been fulfilled. Assessment and oversight of the status of fulfillment of public services is carried out by the newly created RTB. DR currently operates on the basis of a public service broadcasting contract in effect from 2007 to 2010. It has set out five targets, including the purposes of public services, specific targets, and organizational reforms (DR 2007). The service contract also guarantees funding for DR’s public service activities, and it was decided to raise license fees every year during the contract period.

Sweden

Sweden, the largest Scandinavian nation, has a population of 9.1 million. Public service broadcasting in Sweden is provided by three companies: SVT for television, SR for radio, and UR, which produces educational programs.

SVT was the second public broadcaster in Europe after the BBC to launch digital terrestrial broadcasting, in April 1999. In addition to two channels broadcasting simultaneously in analog and digital formats, SVT has channels for news, children’s programming, and education and culture. SVT also showed interest in HDTV early on and has a dedicated high-definition channel, SVT HD, which broadcasts on satellite and cable TV. Like other European countries, Sweden has adopted a policy of digital terrestrial broadcasting to provide multichannel service and began subscription broadcasting of foreign TV channels such as CNN and Eurosport. Viewing of specialized channels has gradually spread among Swedes as well, and audience share of SVT, which was 51 percent in 1995, dropped to 40 percent in 2005.

Sweden’s first commercial broadcaster began operations in 1992, and a review of public service broadcasting was undertaken along with the creation of a legal framework for satellite broadcasting and cable TV. Since 1994, SVT has operated under the “Charter for television broadcasting services in Sweden” approved by the government under the Radio and Television Law. This change was effected to heighten transparency in public service broadcasting management. The Charter is STV’s service contract, stating that it is an independent entity, describing its duties and funding, and requiring that it present an annual business report to the Radio and Television Standards Committee, a third-party body that monitors public service broadcasting. The annual report details performance in three areas: output (such as number of broadcast hours, in accordance with SVT obligations as stated in the Charter); how its audience feels about SVT (measured in terms of audience share), evaluation of program quality and other matters; and effectiveness of use of license fees (SVT 2007).

Amid the growth and emergence of commercial broadcasters, reform of the SVT system was carried out in order to give SVT guarantees that it would be independent of the government and from commercial pressure, and that its funding through license fees would be safe. But after the general election of September 2006 and the change in the governing party from center-left to right-wing forces, the Charter’s validity period was shortened from six to three years, and an overall review has begun regarding the license fee system and the way Sweden’s public service broadcasting, including SVT, should be operated. Under these circumstances, SVT on its own introduced goal-oriented management on a trial basis in 2006. Four one-year goals were set: to increase......
its audience in the 20–44 age bracket; to reduce program production costs by 2 percent year-over-year through efficient production; to make audiences feel that SVT presents innovative programs; and to offer more hours of programming aimed at young people and for regional broadcasting. SVT made public the extent to which those goals had been reached, assessed according to six indicators such as audience size, number of hours of programming, funding and resources allocated, and audience evaluations. SVT is required to devise a new method for assessing its performance from 2007, and it is considering whether to combine its annual report with goal-oriented management. For now, SVT has drawn up a vision entitled “SVT: Free television of the world’s highest standard,” which sets out its duties and goals for the current period of its charter.

The U.K.
The BBC has renewed its Charter twice since the 1990s. In the debate surrounding Charter Renewal, the role played by public service broadcasting in the environment of diverse broadcasting services brought about by multichannel digitization has been reviewed each time, and the BBC has been called on to undertake governance reforms and improve accountability to the audience. To achieve this, when its Charter was renewed in 1996 the BBC was required to carry out the following steps: to publish an annual “Statement of Promises”; to have the Board of Governors, representing the interests of license fee payers, evaluate how well the BBC meets the promises; to make those results public in its annual report; and to set the following year’s objectives for BBC management.10

Both the promises to audiences and the objectives of BBC management were set out as items constituting the pillars of programs and services improvement and efficient management.

In 2003, however, the BBC and commercial broadcasters like ITV that bear public service broadcasting obligations, were required to announce promises to audiences. The promises were renamed “statement of programme policy” and became mainly numerical targets for each channel and service; items such as efficient management and organizational ethics were simply included in the objectives. This was because, amid the process of passing the Communications Act 2003, which merged preexisting Telecommunications and Broadcasting Acts, regulation of public service broadcasting in the U.K.

underwent a review in line with debate over deregulation measures to invigorate the market. Until that time, public service criteria had been managed in the mandates by regulatory bodies with the power to issue orders, in order to ensure diverse, high-quality public service programs. However, this system was changed and public service broadcasters were left to regulate themselves, and broadcasters with public service operations, including the BBC, were required to make a statement of promises to audiences each in its own way. Therefore, in an increasingly competitive media environment, the BBC, dependent on license fees funding and facing the need to give appropriate explanations regarding funding and services more clearly than ever, took the initiative to devise new ways of displaying accountability.

In the new Charter, which went into effect on January 1, 2007, the framework for accountability was changed as shown in Figure 1. The discussion leading up to the Charter renewal may be found in previously published articles (Nakamura 2005, 2006); this paper will focus on explaining the newly adopted Service Licence, Purpose Remit, and Public Value Test.

In the previously operative framework, the BBC made promises to audiences concerning programs and services provided, based on the purposes and program policies set out in the Charter and the Agreement. In the new framework, the Purpose Remit and the Service Licence were added, and if new services or major changes to existing services are planned, the BBC is bound to undertake a Public Value Test taking into account the views of the audience and industry parties. The promises continue to be assessed annually, but the
Service Licence is renewed every five years. A review of the Purpose Remit is called for in five years, but this timing is flexible, depending on the media environment for the BBC or changes in audiences. These new arrangements are in the hands of the BBC Trust, which oversees the BBC, and the opinions of audiences must be solicited as those arrangements are carried forward.

With regard to the six public purposes redefined in the Purpose Remit, the main duties for achieving each purpose are listed and their assessment criteria given. The Purpose Remit also sets priorities in order to evaluate the level of achievement over a medium-term span of five years. For example, the public purpose of maintaining citizenship and civil society\textsuperscript{11} sets these priorities: one, provide independent journalism of the highest quality; and two, engage a wide audience in news, current affairs, and other topical issues. The first priority of evaluating journalism should be determined by surveying audience perceptions of the BBC as a provider of higher quality independent journalism, and the second priority should be determined by surveying audience perceptions of the BBC as making the major issues of the day interesting to them.

The Service Licence was issued for all 28 services operated by the BBC (as of November 2008)—11 television channels, 16 national and regional or local radio networks and one online service. The Service Licence covers the remit in line with the six public purposes, as well as the scope of the services, means of transmission, budget, number of broadcast hours, and the method for assessing how well the services are carried out. In the promises, a numerical assessment is conducted regarding maximization of the audience through number of broadcast hours and appropriate programming. The purpose of the Service Licence, on the other hand, is to guarantee the public value generated by the services and ensure that license fees used to support the services are reasonable. So the issue is not only to assess private individuals’ consumption of services but to determine whether they value the services as citizens. To make this possible, the promises carried out under the Service Licence are assessed comprehensively not only through quantitative indicators but also through the four factors of “reach,” “quality,” “impact,” and “value for money” (RQIV).

The Public Value Test is a new approval system that must be conducted when new services not entailing additional charges are introduced or when major changes are made to existing systems. This examination consists of a “public value assessment” and a “market impact assessment.” The public value assessment is made by the BBC Trust Unit, which examines whether the

proposed services coincide with public purposes and conducts the assessment using the four factors above. Market impact assessment is conducted under the supervision of the broadcasting and telecommunications regulator Ofcom. Before it begins this assessment, Ofcom and BBC Trust set up a joint working committee to agree on survey methods and other matters. Ofcom then studies the issues from the viewpoint of market competitiveness and the economic efficiency of the services in question, and issues an opinion. The BBC Trust then examines these two assessment results from the viewpoint of public interests and decides whether to approve or reject the services proposed by BBC management.

The public value test of three new services was conducted in 2007—iPlayer (an Internet-based on-demand service), HDTV, and Gaelic Media Service. These services have already begun full scale. Examination as to how to conduct the Public Value Test in the case of iPlayer was completed in April 2007 and the BBC launched iPlayer in December 2007. iPlayer is a seven day catch-up service providing on-demand access to all BBC television and radio programs after they are broadcast and allowing them to be stored for 30 days if they have not been watched. The BBC Trust formally approved iPlayer after modifying the original proposal to take into account the concerns of the industry, shortening the saving period from the 14 weeks requested by BBC management to 30 days, banning classical music podcasts and so on.

Japan
In 2005, NHK adopted a new accountability system on a trial basis through which it will announce its promises to its audience and delegate assessment of the promises to a third party committee. Members of the audience had begun expressing dissatisfaction with NHK in 2004 by refusing to pay or withholding payment of receiving fees after several cases of abuse of funds by NHK employees came to light. NHK responded by launching the statement and implementation of promises for the purpose of restoring audience trust. A third party committee independent from NHK undertook assessment of the promises; this committee conducts assessments not only on a quantitative basis but from various qualitative aspects as well. In fiscal 2005, the first year of assessment, the Contingent Valuation Method (CVM), also used by the BBC, was adopted to determine the amount of receiving fees that the audience was willing to pay and the value they ascribed to those fees. In 2006, the

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12 Public Value Test of iPlayer began in 2006.
committee assessed audiences’ evaluations of NHK’s broadcasting services from the viewpoint of social value.¹⁴

Unlike public broadcasters elsewhere, NHK has long been required to submit its budget and operating plans to the Ministry of Internal Affairs and Communications and have them approved in the Diet, so it could be said that NHK had been publishing its “promises” up to now. Furthermore, where its broadcasting plans are concerned, NHK is mandated to draw up a basic plan of domestic broadcasting programming, which consists of detailed promises for each channel. Therefore, the content of NHK’s promises is in theory quite similar to its budget and programming plans. The new system is important, however, in that NHK carries out its responsibility for accountability to receiving-fee payers directly, without any governmental involvement. This is similar to the main intent of the goal-oriented management of Sweden’s SVT and the BBC’s Service Licence. NHK has also been required to issue an annual financial statement, which assesses mainly the broadcaster’s output. The assessment, however, is a general evaluation (outcome) of how the audience feels about the output and is intended to improve operations the following year. As far as this is concerned, the new “promises and assessment” is a tool for improving operations that reflects audience voices.

In the third year of NHK’s promises and assessment, NHK management for the first time gave four indices—is NHK trusted? (in broadcasting and management); is it needed? (useful, familiar, accessible); does it contribute to society? (quality, influence, far-sightedness); and is it efficient and effective? (value for money)—for assessing how well the promises had been carried out. It will periodically conduct a voluntary assessment for this purpose. Here are the NHK promises announced between 2005 and 2007:

**2005 Promises**
- To provide better programming
- To ensure fair payment of receiving fees
- To respond to audiences’ voices
- To eliminate improprieties and promote transparency and full accountability
- To manage operations effectively and efficiently
- To benefit society through digital technology

**2006 Promises**
- To provide programs only NHK can create
- To ensure fair payment of receiving fees

To respond to audiences’ voices
To eliminate improprieties
To make operational reforms
To benefit society through digital technology

2007 Promises
To contribute to the growth of society and culture through reliable, high-quality broadcasting
- Transmitting reliable information that helps to protect people’s lives and livelihood and that serves as a reliable guide
- Compiling a wide variety of high-quality and satisfactory programs
- Creating more programs that meet expectations of various age groups
- Utilizing its nationwide network to produce programs useful to local communities and helpful in building a society where people get along together
- Creating more programs geared to children and young people, who are the future leaders of the country
- Disseminating more domestic information overseas through international broadcasting to promote understanding of Japan

To deepen public trust in NHK’s operational management
- Projecting a medium- and long-range outlook for income and expenditures and formulating an operational plan, including studying how to give the audience adequate value for their receiving fees
- Developing workable mechanisms for internal control
- Reforming the organizational climate, eliminating improprieties, and achieving more thorough compliance
- Promoting information disclosure and ensuring transparency
- Establishing an efficient work system and implementing efficient operational management
- Clarifying the role of affiliated companies and making their operational management more efficient

To ensure that the payment of receiving fees is fair and consistent and that efforts to collect the fees are efficient
- Promoting understanding of the receiving fee system and making the payment of receiving fees fair
- Reducing the expenses related to collecting the fees
- Working to revise the receiving fee system into a more fair and rational one

To enhance efforts to promote a better understanding of public broadcasting
- Building closer links with audiences
- Enhancing young people’s understanding of NHK
- Better reflecting audiences’ voices in management and broadcasting
- Providing more preferential services for receiving fee payers

To take the initiative in promoting the digitization of broadcasting and offer an even higher degree of expertise
- Promoting universal digital broadcasting throughout the nation
- Enhancing audiences’ understanding of digital broadcasting
CONCLUSION AND ISSUES

The foregoing analyzes the initiatives of the BBC and other European public service broadcasters and NHK regarding accountability to audiences. In concluding, I will organize these findings and discuss issues for the future.

Promises and Assessment by Public Service Broadcasters

Public service broadcasters in various parts of the world face the issue of how to maintain the license fee system as competition in the digital multichannel environment increases, audience numbers decline, and diverse methods of viewing and listening emerge. Examples from several countries have shown how public service broadcasters have adopted either voluntarily or upon being obliged to adopt a service contract or promises (including the BBC’s Service Licence) that clarify remits and duties, and that go beyond the accountability called for in previous broadcasting laws. In addition, the BBC and NHK devised assessment methods for the services or project operations indicated in their promises and have stepped into the realm of value assessment. The BBC makes a medium-term assessment of its Service Licence and assesses the items prioritized in its Purpose Remit every fiscal year. NHK, on the other hand, announces promises every year and also has them assessed annually. These initiatives are carried out because, amid tighter budgets for public service broadcasting, NHK and the BBC are being called on more stringently than other public service broadcasters to demonstrate the validity of spending from license fees.

NHK’s promises and assessment are not only for the purpose of explaining to the audience, they are also directly connected to improving NHK’s daily operations and thus serving as part of a campaign to reform public service broadcasting. NHK’s promises and assessment differ from the BBC’s promises in this way but can be considered quite similar to the goal-oriented management of SVT. It is therefore necessary for everyone from executive officers to frontline employees to clearly understand how the promises are connected with their daily duties. The summary for fiscal 2006 prepared by the “Promises” Assessment Committee points out that “the promises are supposedly a very important guide that functions as the engine promoting management reforms at NHK and serves as a tool for clearly describing to audiences the direction of the reforms and the extent to which they have been implemented.” However, indicating that there is still a long way to go, it expresses...
concern that “employees seem already to be forgetting the promises despite the fact that the initial goals of the promises have not been adequately met even now” (NHK “Promises” Assessment Committee 2007).

**Independence from the Government**

For public service broadcasting, being independent from the government is fundamental. Therefore, the government should not be in the position of overseeing the role of public service broadcasting and how well a public broadcaster carries out its obligations. As Figure 2 shows, a certain degree of institutional distance is maintained from the country’s politics and the government’s authority. One method of achieving this is to have a regulatory body independent of both the government and the public service broadcaster monitor the report describing how well duties are being performed. In the case of the BBC, on the other hand, any new services proposed by the BBC required approval from the Department for Culture, Media and Sport, which oversees broadcasting, but this power was transferred to the BBC Trust, which now regulates and oversees the BBC. The BBC Trust, representing the audience, was given the right to issue a Service Licence to BBC management. This not only heightens the BBC’s accountability to the audience but also substantially boosts BBC independence from the government. At NHK, meanwhile, the revised Broadcast Law, which became effective in April 2008, strengthened the Board of Governors, which is NHK’s regulatory body. The Board is attempting to improve transparency of the approval process for NHK’s operational plans every fiscal year and for its medium- and long-term planning, and through the Audit Committee newly established within the Board of Governors, to improve the auditing functions for monitoring how receiving fees are used.
Audience-centered Philosophy
The course of action from promises to assessment comes across as the evolution of the accountability of public service broadcasting, with audiences clearly at the center. Tessa Jowell, then Minister for Culture, Media and Sport in the U.K., said in December 2003 at the beginning of discussions on the renewal of the BBC Charter, that past reviews adopted a broad range of methods, but that those reviews were carried out by government ministers or bureaucrats. This renewal, however, is different, she said, as this is the first time that the public has been given the power to move the discussion. Payment of license fees makes the public in effect shareholders in the BBC. Jowell thus strongly indicated that public service broadcasting is intended for its audience. This speech, and the subsequent changes made to the system, marked the changeover in public service broadcasting from fulfillment of social responsibilities as defined by an elite to creation of public value through the aggregate of individual, social and economic values.

But both the BBC and NHK, which are now attempting to implement assessments, actually are respectively still at the institutional and voluntary framework stage. There must be a consensus among the audience, which is on the receiving end, as to what the public value created by public service broadcasting should be. The issues are numerous: How well are the promises communicated to the audience? How many people can participate in public service broadcast activities? Do audiences understand how their opinions are reflected in NHK’s promises? The trust-building process between public service broadcasters and audiences has only just begun.

(Translated by Julie Kuma)

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