

## Roadmap to Digitalize Terrestrial Radio in Sweden

In response to the government directive (Dir. 2013:76) Nina Wormbs today presents the Minister of Culture Alice Bah Kuhnke with a roadmap to digitalize broadcast radio in Sweden. The report is entitled *Från analog till digital marksänd radio: en plan från Digitalradiosamordningen* (SOU 2014:77) [*From Analogue to Digital Terrestrial Radio: A Plan from the Digital Radio Coordinator*].

With the understanding that coordination between public service and commercial radio is crucial for the successful transition to digital radio in Sweden, the Swedish Digital Radio Coordinator [Digitalradiosamordningen] has since last autumn worked together with Swedish public service radio and the commercial radio industry to produce a roadmap. The work has been carried out together with the Swedish Broadcasting Authority and in close cooperation with the Swedish Post and Telecom Authority and other actors. The assignment has been to propose how to digitalize terrestrial radio, not why. The main purpose to digitalize, however, is to further develop radio in Sweden and to maintain and modernize a critical information infrastructure able to reach every citizen.

The plan consists of three parts: a mutual launch, extension of the licenses for commercial radio actors to broadcast analogue, and a conditional shutdown of FM transmissions.

### **Launch**

If the Parliament makes a decision on the roadmap in the autumn of 2015 after a round of considerations and a government bill, public service can be granted new licenses to broadcast from the 1st of January 2016. This will allow for a compulsory procurement of the distribution service and preparation of new content during 2016, and a launch before Christmas with 70 per cent coverage. Commercial radio was given licenses to broadcast digitally in October 2014, and will likewise have 70 per cent coverage before Christmas 2016.

### **Extension of licenses for analogue commercial radio**

A period of parallel transmissions of 5-8 years will then ensue, with simultaneous broadcast of both analogue FM and digital DAB+. During this period, the present licenses for commercial radio to broadcast analogue on FM will expire. To enable commercial radio to plan and invest in the new digital distribution system, uncertainties such as this need to be resolved. It is therefore suggested that the analogue licenses be extended until the FM transmissions are discontinued. This is conditioned on continued parallel digital broadcasting and will not be subject to license fees.

## **Shutdown of FM**

FM transmissions will be discontinued in 2022, given that four conditions are met. The first is that the digital transmission of public service has the same coverage as its existing FM transmissions, namely 99.8 per cent. The second is that the digital transmissions offer broader choice and more value for the listener. The third condition is that 50 per cent of the radio listeners daily listen to digital radio, and is therefore not dependent on FM. And finally, that there are economical and practical possibilities to convert car receivers for digital reception. If these conditions are met in 2020, FM transmissions will be discontinued in 2022. If the conditions are not met, FM will instead be discontinued in 2024, allowing for more time to improve the conditions.

The Swedish Broadcasting Authority will monitor how the shutdown conditions are met and report to the government. In 2018, the Authority will also evaluate the conditions as such.

## **Community radio**

Community radio will continue to broadcast on FM for the time being.

## **Investments**

Commercial radio and public service will use different transmission networks. The cost for parallel transmissions of public service will be financed through a state loan, which will be paid back when the FM transmissions are discontinued and the cost of transmissions are lower. This is the same arrangement as for the digitalization of television a few years ago. It is also important that public service is given financial possibilities to develop content for new digital services.

## **Consequences**

Listeners need to invest in new equipment. Due to this technology shift, approximately 10 million receivers need to be exchanged before their expected operating lifespan expires. If all of these are discarded in the same year, they will amount to 3 per cent of electronic waste in Sweden that year.

Digitalization of terrestrial radio in Sweden will not only give listeners more radio but will also increase overall competition in the radio industry, both within commercial radio and between commercial radio and public service.

Decreased energy costs and more efficient transmissions are long-term consequences of the technology shift.

Stockholm, December 1st 2014