

# Innovations

The ABA has signed three memoranda of understanding with overseas regulators this year. **Lyn Dunlevy**, ABA Policy section takes a look at what a memorandum of understanding is, and why the ABA is entering into these agreements.

## **Memoranda of Understanding**

he ABA has signed three memoranda of understanding with overseas regulators this year - with the Federal Communications Commission of the United States, the Singapore Broadcasting Authority and the Independent Broadcasting Authority of South Africa. The ABA is negotiating another memorandum with the Canadian Radio-Television and Telecommunications Commission and a co-operation agreement with the Broadcasting Standards Council of Britain.

### MOUs — What are they?

Memoranda of understanding, or MOUs, can take on many forms from lengthy prescriptive documents set out in a legal framework, to brief statements acknowledging the willingness of both parties to cooperate. Indeed the agreements the ABA has been forging with its regulatory counterparts in the Asia-Pacific region, Britain and the Americas over the past year have all had different formats.

To the ABA, it is not the format but what these memoranda symbolise that is important. Essentially they are designed to formalise friendships between organisations with similar concerns and goals. They set the parameters for equal partnerships based on mutual interest and trust. They aim to promote and facilitate cooperation and coordination in the exchange of information between both parties. They may also be used to facilitate the exchange of staff between the signatories.

These memoranda can also help both parties to better position themselves to meet the challenges and demands the changing broadcasting environment are placing on regulators. Some of these challenges are outlined below.

#### **Changing regulatory environment**

As the formerly distinct industry sectors of broadcasting, telecommunications and computing converge to create new products and markets, a number of powerful global communications com-



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panies are moving to form powerful strategic alliances and mergers to take advantage of the opportunities presented.

These new alliances and products transcend countries and in doing so, present challenges for regulators such as the ABA. Companies that might once have had a domestic focus and domestic ownership and control structures are increasingly shifting their focus to a regional or global level.

Satellites, the Internet and pay TV are breaking down traditional domestic market boundaries and creating regional and international communications markets. These developments make it incumbent upon regulators in the region and across the globe to cooperate with each other in the pursuit of domestic regulatory objectives.

The ABA has actively sought to learn about the experiences of our regional counterparts with regional and global communications companies with transborder satellite broadcasting and the regulatory issues posed by new communication services.

ABA members and senior management have held discussions with regulators in Singapore, Malaysia, Indonesia, Hong Kong, Taiwan, Japan, Fiji, Tonga, South Africa, the United Kingdom, France, Canada and the United States.

#### **Common regulatory objectives**

One of the key domestic regulatory objectives that is common to most regulators in the region is  $\triangleright$ 



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the need to preserve and protect cultural values and identities.

For many of our neighbours, television has been viewed as an effective tool in forging social cohesion, national development and economic advancement.

In Australia, the Broadcasting Services Act charges the ABA with responsibility for ensuring that our domestic broadcasting services reflect a



Rachelle Chong and Peter Webb sign the MOU at the World Summit on Television and Children in March 1995

sense of Australian identity, character and cultural diversity.

Local content regulations, and Australia's long experience of them, have dominated many of the discussions the ABA has had with other regulators.

## How the MOUs were signed

The ABA first discussed the idea of a memorandum of understanding with the Federal Communications Commission (FCC) of the United States in May 1994 during a visit to the FCC by the ABA's Director of Policy and Communications, Ms Pat Manser. The ABA undertook to draft a memorandum. That draft evolved through negotiations into the final document signed by the ABA's Chairman, Mr Peter Webb and FCC Commissioner, Ms Rachelle Chong in Melbourne during the World Summit on Television and Children in March this year.

The ABA initiated discussions on a memorandum with the new South African regulator, the Independent Broadcasting Authority (IBA) in June 1994, when a delegation from the IBA visited the ABA. Those discussions led to the ABA and the IBA signing a memorandum in June this year.

> Colonel Ho Meng Kit (SBA) and Peter Webb signing the agreement at the ABA in June 1995

Negotiations between the ABA and the Singapore Broadcasting Authority (SBA) to sign a memorandum began following a visit by the ABA's former Chairman, Mr Brian Johns to Singapore in December 1994. The memorandum was signed at a ceremony at the ABA during a visit to Sydney by the SBA's chief executive officer, Colonel Ho Meng Kit and other senior SBA management in June.

The ABA expects to sign a cooperation agreement with the British Broadcasting Standards Council (BSC) within the next few months. The ABA and the BSC agreed to formalise their relationship through this agreement during a visit by the BSC to Sydney following the World Summit on Television and Children in March this year.

The ABA is currently negotiating a memorandum with the Canadian Radio-Television and Telecommunications Commission.

#### What's it all for?

The ABA hopes to gain from the experience of our memorandum partners in dealing with regulatory issues it will, or is already, facing. The ABA also hopes that these agreements may be of assistance in helping it deal with regulatory matters that relate to companies and individuals that also come under the jurisdiction of its memorandum partners.

The memoranda may be used to get quick access to information about regulatory debates or issues in the country or region of the ABA's partners. They may also be used to gain the insights of the ABA's partners on regional and international regulatory debates.

The ABA also hopes to use the agreements to disseminate information to its partners and assist them in carrying out their functions. For example, the ABA has already sent two staff members to South Africa to assist the IBA as it begins the task of setting up a regulatory framework for the South African broadcasting industry.

