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# The public interest and Mongolian digital television transition

## ABSTRACT

*Since 2010 Mongolian television has been in transition from analogue to digital. This article introduces the process of digital transition of television, and then discusses challenges television stations face in terms of the audio-visual market and policies. The Mongolian media market has structural constraints typical to those in the small media states. In addition, new challenges like the financial dependency on the mining sector tax, an unsustainable number of politically affiliated commercial television stations, and the remnants of socialist institutional routines in media organizations also shape the television sector in Mongolia. The study also explores the state of public interest media services and opportunities due to the increasing convergence of television with the Internet. The arguments are built based on an analyses of existing legal and market studies, and in-depth interview data with professionals representing media, government and civil society institutions in Mongolia.*

## KEYWORDS

digital television  
Mongolian media  
the public interest  
public interest media  
media convergence  
Mongolian media  
market

## INTRODUCTION

Mongolian television is in transition from analogue to digital. In 2010, the Government of Mongolia adopted Resolution 275, which mandates that all television broadcasting transition to digital by July 2014. Following the experiences of the transition to digital broadcasting in other countries, and

benefitting from the available technological solutions, the transition in Mongolia is to be completed in a relatively short period compared to the United States and European countries. However, the agencies carrying out the Mongolian national programme such as the Information Technology, Post and Telecommunications Authority (ITPTA), the Communications Regulatory Commission (CRC) and international assisting organizations like International Telecommunications Union (ITU) primarily focus on the technological solutions of the digital transition without careful considerations of the social consequences. The Government has invested around 17.5 billion tugriks (around ten million American dollars) to replace the rebroadcast networks in around 370 localities throughout the country; but it has completely cut off state monies planned for helping viewers who are technologically and financially worse off in the transition to digital television. Little is stated in the government programme about improving programme diversity, programme quality and advanced technological services for the public. The public is not aware of the benefits they receive in return for public spending on infrastructure and transitioning to digital. In addition to better audio and video quality, digital television uses radio frequencies more efficiently by compression, meaning that 6–8 channels can be transmitted over the radio frequency occupied by one channel. Thus digital television frees some of the air frequencies occupied by broadcasters, and these freed digital dividends are sold to mobile and next generation technology companies. Furthermore, a piecemeal approach to media legislation creates uncertainties for commercial televisions, public broadcasters and digital media service providers in terms of market structure, programmes, services and regulation. This article introduces the process of digital transition of television, and then discusses challenges television stations in Mongolia face in terms of the audio-visual market and policies. Furthermore, the study explores the state of public interest media services and opportunities due to the increasing convergence of television with the Internet.

The arguments presented in this study are based on the analyses of existing legal and market studies, and in-depth interview data with professionals representing media, government and civil society institutions in Mongolia. The list of interviewees is enclosed in Appendix 1, and twelve in-depth interviews were conducted with media professionals and television executives working for the Globe International (GI), the Press Institute of Mongolia (PIM), the Media Council; Mongolian National Broadcaster (MNB), Eagle TV, NTV television, ITPTA, CRC, Maxima Consulting and the Open Network for Education initiative. The research took place in the summer of 2015 and the interviews were conducted in Mongolian for the period of 25 minutes to two hours following a semi-structured interview schedule. For this article, the interviews were transcribed in Mongolian and the excerpts are translated into English.

### **ANALOGUE SWITCH OFF (ASO) AND THE CONVERGED TELEVISION MARKET**

Transition to digital television encompasses technological, political and social challenges that need to be solved in tandem over a long period as the experiences of many countries going through this transition show (García Leiva and Starks 2009; Iosifidis 2011). In the United States, the Telecommunication Act of 1996 mandated broadcasters to transition to digital television, and

the process was not finished until 2009 (Taylor 2010). Around one third of Mongolians rely primarily on television for their news and information needs as the most important information source (PIM 2015). That is why the untimely turn off of analogue television transmission (the process is also known as the analogue-switch-off or ASO) adversely affects people who do not have digital television sets, converter set-top-boxes (STB), or other alternative options for receiving television signals. IIPTA, the government agency carrying out the national programme in Mongolia, started the switch off this summer at the expense of viewers in approximately 120,000 households out of 823,000 households in Mongolia. In an effort to meet the ITU deadline for the digital transition for the region 1 which includes Europe and Mongolia (see ITU 2012), the Mongolian government aggressively pushed the switch off deadline without clear policies concerning the social consequences. The initial fund set aside to help vulnerable groups to purchase STBs or digital television sets has 'disappeared' in the process of transition. Senior officer Oyuntsetseg, IIPTA, explains how the cash restrained Mongolian government cut off the monies for alleviating the burden for economically disadvantaged people, yet, decided to switch off the analogue transmission earlier than the set deadline of January 2016 by saying:

Users are required to buy their own digital television sets or STBs... The reasons for this decision are, first, the government has run out of funds, and second, each family has a different preference for an end-user device in terms of price, brand, and available functions... So, users have been purchasing their own end devices and some – 30–40 per cent of them – already transitioned at this point... Now, we are 'experimentally' stopping the analog television transmission region by region because simulcasting in both analog and digital is expensive for the government, which pays double for electricity, as well as for work force.

STB or digital sets cost around \$30–40 US dollars, and the rushed switch off of analogue transmission without helping people creates frustration among the public, who started to complain to the public broadcaster.<sup>1</sup> According to the Law on Public Radio and Television of 2005, the Public Broadcaster in Mongolia collects television set fees from each household, and this fund creates one third of the yearly budget of the public broadcaster. In addition, the Law on Information Transparency and the Right to Information of 2011 guarantees the citizen's right to information (GI 2015: 8), which will be in jeopardy when some people are cut off from their only information resource. Interviewee Naranjargal of the GI, who is one of the drafters of the Law on Public Radio and Television, states that neither the general public nor the civil society in Mongolia understand that the digital transition might jeopardize the right to information of those members of the public who do not have the means to obtain digital receivers and hurt small broadcasters without the means to purchase digital broadcast systems, who oftentimes operate in the countryside. She goes on to criticize the opaqueness of the national programme in relation to the ownership and operational procedures of the multiplexes. Multiplexing allows six or more programmes to be transmitted over one channel previously occupied by an analogue television and thus significantly decreases broadcasting costs. In many countries, the ASO is either delayed to ensure that the most disadvantaged receive television signals or governments provide subsidies for people who cannot afford digital sets.

1. Byambadorj, technical director of the MNB, said that they received several complaints from the viewers, but the MNB cannot solve the problem other than sending a report to the CRC.

In Slovakia and in the United States, for example, the governments provided eleven million euros and 1.5 billion US dollars, respectively, to vulnerable group members to purchase STBs or DTV sets (García Leiva and Starks 2009; Wheeler 2012). Similarly, in Mexico and Korea, transition to digital television greatly impacted the lower income and elderly population, which heavily relies on free and over-the-air terrestrial digital television for information (Barata 2013; Yoon 2014). It is uncertain how the Mongolian government will react to the frustrations of the people who will not receive television when the switch off completes.

The earlier experiences of digital transitions in European and Asian countries provided lessons for Mongolia in selecting the technical standards and made a variety of options available for digital television sets, converters or STBs. Mongolia has adopted the European digital television standard DVB-T2 MPEG 4, which uses 8MG bandwidth for digital television with the latest compression standard MPEG 4. An increasing availability of digital platforms – cable, satellite, wireless cable (or MMDS), and the Internet television (IPTV) – reduces the number of people who fully rely on the over-the-air television for basic information. The number of viewers receiving television over alternative platforms reached 669,881 in 2014, of which 15 per cent use cable, 48 per cent satellite, 18 per cent MMDS and 19 per cent of users use IPTV, respectively (CRC 2014). Thanks to these multi-platforms, the number of television channels in Mongolia has grown to around 140 in 2015, of which sixteen are broadcast nationwide, 61 operate in capital Ulaanbaatar, and the rest operate in the countryside locally. However, unlike European countries, which implemented diligent policies for ensuring equality among different platforms in the converged media space (Murphy 2010; Wheeler 2012), the Mongolian programme lacks such a policy.

While digital television increases the number of channels, improves the quality of transmission, and brings portable and mobile services, and time-shifted and on-demand options, the main reason behind the ambitious transition is ‘the freeing of the digital spectrum’ and the selling of those air frequencies to wireless telecommunications services (Barata 2013; Iosifidis 2011; Wheeler 2012; Yoon 2014). Digital television can also carry captions for hearing impaired viewers, multiple sound channels for multilingual broadcasts and emergency texts. However, the National Program does not have policies on how these benefits will be used and who will benefit from them. What is at stake is understood only by a few people, and discussion about the freed digital dividends has not yet taken place. When asked, the government officials interviewed in this research briefly mention that the freed radio spectrum will probably be auctioned for the next generation IP-based and 4G services.

### **THE TELEVISION MARKET, PROGRAMMES AND RESEARCH**

In the small media market of three million people of Mongolia, a plethora of around 140 television channels operate over the air, cable, satellite and IPTV (PIM 2015). The Mongolian media market has structural constraints typical to those in the small media states (defined as media markets of between 10,000 to eighteen million inhabitants) such as limited revenues in license fees, the shortage of advertising revenues, the scarcity of local quality content, and an international capital dependency as discussed in Puppis (2009) and Murphy (2010). The number of television service licensees fluctuates: the CRC revokes on average ten television licenses a year because of licensees’ failure to fulfill

the broadcast requirements, which more often than not, is due to non-payment of the small service fee of 600,000 tugriks (around 350 US dollars) and radio frequency fee of 150,000 tugriks (75 US dollars) (CRC 2013). The capital, Ulaanbaatar, with its one million population leads the chart in media concentration with around 60 television channels.

Along with these structural constraints, new challenges, like the financial dependency on the mining sector tax and the remnants of socialist institutional routines in media organizations, also shape the television sector in Mongolia. The mining boom in the country during 2008–2012 and influx of foreign investment into the economy, spilled over into the television business, resulting in an unsustainable number of commercial television stations. Even though this boom brought a growing number of local television stations to the countryside, it created an overly crowded and fragmented market for television businesses in the capital. The consequential fragmentation in television viewership and advertising dollars makes it hard to run financially viable and politically independent media businesses. To survive in this fragmented market, commercial television stations tend to produce inexpensive content: daily news, talk shows, and obtain foreign syndicated shows and television series, sometimes violating international copyright law. Foreign drama, prime league sports programmes and foreign entertainment formats tend to garner viewership that is typical in this fragmented media market, where, according to the executive of NTV Enkhbat, there is no-channel-loyalty by viewers. The scarcity of advertising dollars, financing resources and talent push television businesses towards foreign programmes and formats. When multiple television stations bid against each other for the exclusive rights to broadcast the highly in-demand international sports programmes and television shows, the demand increases for foreign programmes and their prices go up, says television executive Badamdash, of Eagle TV. In other words, the fragmentation in the television market in Mongolia scatters much needed financing, talent and other resources for producing quality programmes in Mongolian, as well as for purchasing decent foreign programmes and formats.

For the reasons above, audience research, market analyses and audio-visual policy are very important for television businesses but both market analyses and audience research are limited in the country in general. PIM and Maxima Consulting are the only two groups conducting these types of research. Maxima Consulting has analysed television ratings since 2007 based on data using people-metre devices for 100 families, and PIM monitors the public broadcaster's programmes based on content analyses. Khishigsuren, Director of Research of Maxima Consulting, explains the fragmented market on the television business in Mongolia as follows:

There isn't a correlation between the number of television stations and the market size. We are the only organization, which counts advertising dollars in the television business. It is around 30 million dollars a year.<sup>2</sup> There are too many television stations, which operate on budgets of 500 thousand to one million dollars, which is nowhere close to enough to produce any program. That is why television stations push translated content to audiences, their news programs are prepared only from the Government building, many television stations broadcast stolen intellectual properties, and air Korean drama, full of product placements. Around the time of the 2008 election, politicians thought they needed television channels to get elected to the Parliament.

2. Khishigsuren's estimates of the amount of advertising dollars correlate with the estimate by Friedrich Ebert Stiftung (2012) which was approximately US\$ twenty million in 2012. If add grey market transactions which is usually 50 per cent in the country, it adds around 30 million (approximately 60 billion tugrik).

Khishigsuren claims that the paradox of the increasing number of commercial television stations despite the small media market is explained by political influence and inexperienced business practices. There are many television stations, which only promote political candidates and special political interests that do not even understand the television business. Political interests, especially during election times, erode the principles of the television business, which normally packages programmes for viewers and viewers for advertisers.

The declining viewership of Mongolian channels, the rising audience for foreign channels and the flooding of Korean drama on Mongolian televisions (see Maxima Media 2014) all recently led to several governmental and the industry efforts. The Mongolian Government adopted the National Program on Mongolian Creative Content in 2014, which is to be carried out until 2025. It has a ten billion tugrik budget annually, which will support Mongolian language creative production in television, radio and digital environments (Parliament of Mongolia 2014). Concomitantly, a new addendum to the Law on Culture, which will be reinforced starting January of 2016, mandates a 50 per cent increase in the total amount of the Mongolian language content by commercial broadcasters and the amount is expected to be more than 60 per cent for children's programmes (Parliament of Mongolia 2015). These requirements were in place in the CRC general requirements for broadcasting since 2013, but, according to television executives Enkhbat and Badamdash, could not be met by television service providers, especially small broadcasters, because most television stations do not have the financial means to produce original Mongolian language content at the required level. Deficit financing, necessary for television production typical in the west, does not exist in the country, and there is no market for reruns of the syndicated programmes in the Mongolian language.

The National Program on Mongolian Creative Content will support the digitalization of traditional, as well as new content, and will finance the production of creative television and digital content. It is expected that the National Program along with stricter reinforcement of the Copyright Law, will reduce the number of struggling television stations. Before the National Mongolian Creative Content Program, television licenses have been issued based only on the technical capabilities of stations by the CRC, an organization with primarily technical expertise. Interviewee Tamir, the former director of the regulation division of the CRC and the current Vice-chairperson of the Media Council explains:

For a long time, technical requirements have been the only criteria for issuing a television license. Very little content or programmatic standards were required before 2008, which led to the establishment of too many politically affiliated television stations for such a small market. The financial viability of these television stations is questionable, and no agency monitored television content. Defamation, libel and tarring of political rivals using television soared because of the regulatory vacuum.

Content regulations and programming requirements were very relaxed following the neo-liberalization spirit after the collapse of socialism in Mongolia, which vigorously supported non-state and commercial media as opposed to the long existing propagandistic media. As I explain in the following section, the main media law – the Law on Media Freedom of 1998 – set few content regulations for newly emerging commercial media. This situation backfired

on Mongolian society which saw the rise of politically affiliated television stations, and a spiking number of defamation and libel cases in media, as Tamir explains.

On the industry side, commercial television stations organized the Mongolian Television Forums in 2014 and 2015, and they signed the Memorandum of Understanding denouncing the infringement of copyright laws of foreign audio-visuals and proclaiming readiness to improve local and foreign audio-visual content. Television stations like Mongol TV, the main initiator of the forum, bought broadcasting rights to the popular American shows *Breaking Bad* (2008–2013) and *Scandal* (2012–) and Russian series *Pepell' Ash'* (2013), adopting foreign formats like *Mongolia's Got Talent* (2015–) and developing a socially oriented talk show *#Nuudel Shiidel' / #Decisions'* (2015–). The second important development is the establishment of the Media Council in 2015 with support from DW Akademie, an industry self-regulating organization, which will play a major role in developing ethical codes and professional guidelines in media. This is an important step for the industry because many commercial television stations operate without professional guidelines and ethical codes and function as a subsidiary of big business groups and political fractions that do not have media backgrounds. Commercial television stations do not have a trustee or governing board/council except the Mongolian Public Broadcaster and TV 9, which ensures that some public interest duties and obligations are met in return for their use of the public airwaves.

The switch to digital brings about at least three immediate consequences. First, by increasing the number of channels over the state-upgraded digital broadcast network, and by selecting television channels to be broadcast nationally, the digital transformation will lead to more consolidation in media in Mongolia, which has already been accelerating, as reported in FES (2012) and PIM (2015). In order to meet the threshold criteria to be broadcast nationwide, television stations first have to meet the 50 per cent local content requirement in Mongolian, in accordance with the New Addendum to the Law on Culture. Furthermore, advertising is limited to eighteen minutes per an hour in the new Addendum. These selection criteria create a high threshold for new and small players, and are likely to strengthen bigger players by reducing the number of smaller and independent television stations. The media environment of Mongolia with a legislative vacuum and legal loopholes will probably lead to bigger players consolidating even more, similar to the way it happened in the post-communist countries of Bulgaria and Romania (see Ibroscheva and Raicheva-Stover 2009; Sutu 2013).

Furthermore, digitalization of television creates more channels; however, programme diversity and quality might take a back seat (see Garcia and Plata 2013; Hellman 2010; Iosifidis 2011). CRC's policy on the specialization of cable television service providers exemplifies this trend. The cable specialization policy of CRC increased programme variety by issuing licenses in education, sports, news, environment, music, shopping, history, children's programming, entertainment and so on. Yet many of the cable service providers in Mongolia do not meet the minimum requirements of broadcasting set by the CRC in terms of local content production. CRC has stopped issuing cable licenses since May 2014. Increasing programme diversity, fostering locality and serving underserved communities should be the compelling rationale behind the digital transition, as communication scholars argue (Napoli 2003). However, when a plethora of technologically advanced channels from the capital are broadcast in the countryside, they will likely squeeze out advertising from

small broadcasters. Local media outlets are likely to be squeezed out by bigger national players and minority language and local programmes in remote areas of Mongolia might suffer.

### LEGISLATIVE AND REGULATORY VACUUM

The 1992 Constitution of Mongolia, the Media Freedom Law of 1998, the Communications Law of 2001 and the Law of Public Service Broadcasting of 2005 govern the operations of television stations in Mongolia. The Constitution of 1992 guarantees the freedom of speech and press, and the Law on Media Freedom of 1998 prohibits the Parliament from passing any law restricting media freedom and restrains the Government from owning its own mass media. These two laws were adopted immediately after the democratic revolution in the zeitgeist of the 1990s, which was dominantly for the support of non-state media and for eradicating censorship. There have been no laws governing the activities of newly emerged commercial television stations in terms of their roles in public discourse. Democratic societies have Broadcasting Laws or equivalent laws, which delineate the commercial interests of private media and the societal functions of media in informing the public by setting minimum standards for content, programming practices and serving the public interest. These laws require that commercial television stations serve some public interests in return for their use of the public airwaves. These provisions do not exist in Mongolian law (Mendel 2010).

Without well-delineated Broadcasting law, the notion of *the public interest* only seems to apply to the public service broadcaster – MNB, but not to any other media service provider. The concept is not understood in the post-socialist culture of Mongolia, and the public interest is often conflated with the interests of the ruling political fractions and government interests in routine operations of media showing a continuation of the socialist past. The definition of the public interest varies widely from country to country, and it evolves on the principles of programming diversity, plurality of views, fostering locality and serving the underserved. This legislative vacuum without minimum standards for public service obligations for all broadcasters contributes to the acceleration of media concentration, the growing number of politically affiliated television stations, and the increasing number of defamation and libel charges against journalists. In the television industry, financial viability and independence are not clearly delineated from unethical and even illegal profiteering either by legal or by professional codes. Thus an editorial independence of journalists and editors from political and commercial interests is not ensured. A new Broadcasting Law drafted in consultation with the Asian Broadcasting Union and the Centre for Law and Democracy in 2010, aims at filling this vacuum. The draft law affirms that the airwaves are ‘public property’ and television service providers should serve the interests of the public. Several provisions in the draft law, which require that television service providers reveal their ownership and establish an independent broadcasting council, are resisted by various factions in the Parliament, which have financial interests in commercial television stations and a political grip over the CRC. Other provisions relating to the minimum amount of the Mongolian language programming and quality content were taken out from the Broadcasting Law and are included in the recently adopted Addendums to the Law on Culture. This selective and piecemeal

approach of the Parliament to media policy, especially before the 2016 Parliamentary election, shows politicians' reluctance to media ownership transparency and their firm grip on the CRC, the government regulator issuing broadcasting licenses. Toby Mendel, media and freedom of expression law expert who helped to draft Broadcasting Law in Mongolia, points out that the Communications Law of 2001 fails in guaranteeing the independence of CRC, the regulatory body over media, from political and financial interests (2010). The CRC is a government implementing body, the chairperson and regulators of which are nominated by the Prime Minister. Extensive regulation of media by the CRC and the number of violations of the freedom of expression and journalist's rights by the government authorities increased in 2013–2014 in Mongolia according to the GI (2015). Defamation is a criminal charge and more than 50 per cent of the plaintiffs who brought the libel and defamation cases against journalists in the court were politicians, state officials and government bodies (GI 2015: 23). A new edition of the Law on Media Freedom, which is being discussed in the Parliament, aims at responding to the increasing threat to the freedom of expression, politicians' pressure on the press and the lack of professionalism and responsibility in media. The draft edition of the Law expands upon the four articles of the Law on Media Freedom of 1998, which were rather declarative, by following four, (1) instituting the disclosure of media ownership, (2) calling for the editorial independence of media, (3) calling for shielding of journalistic sources and (4) establishing an independent Media Council. The draft edition also reaffirms the freedom of expression of citizens and the press by guaranteeing no censorship by the government, and no government ownership. The exception is that the government can own foreign language media services about Mongolia, somewhat similar to the Voice of America that broadcast in foreign countries, but not in Mongolia.

The Law on Public Radio and Television of 2005 has several forward-thinking provisions relating to the right to obtain information and the protection of sources by journalists; however, the law applies only to the public broadcaster MNB. The law does not guarantee the right to obtain information by media professionals in private and other media outlets; neither does it provide legal shields for protecting their sources. Advertising by MNB is also strictly limited, and the process of appointing the governing body of MNB, the National Council, is not clearly delineated. This situation leads to MNB's financial dependence on direct government subsidies and to political interference in appointing the National Council of the public radio and television (DW Akademie 2014; Mendel 2010; GI 2015).

The transition to digital television allows investigators to see the rudimentary and porous nature of Mongolian media laws. Digitalization of broadcasting rapidly blurs the boundaries among different platforms of over-the-air television, cable, satellite, the Internet and mobile, and their content and programmes have become easily convertible from one form to another. These platforms have developed and been regulated differently: broadcasting was mostly supported by the state with strict content regulation over the years, whereas cable, mobile, Internet and satellite platforms have been developed by private companies with little state support and almost no content regulation. A new Broadcasting Law inclusive of different platforms is a good beginning, but a diligently set policy equivalent to the platform equality provision in some countries (see Murphy 2010; Wheeler 2012) in existing and future laws would be beneficial.

The idea that the public broadcaster – MNB has public service interest obligations, while other private over-the-air television, cable, satellite and IPTV providers do not, is being challenged in two draft laws discussed above. The definition of *the public interest* evolves and is contextualized variedly in different countries, and at its core it encompasses diversity of programmes, diversity of views, locality and serving the underserved. With the transition to digital, the number of television stations broadcasting nationwide will increase, and the government is selecting these stations based on the criteria of serving the public interest in addition to their technological capabilities. However, the standards for public interest services seem to be limited to programme and format varieties, as was the case in the implementation of cable specialization. Without clear delineation of the core principles of serving the public interest, the principles of diversity of views, locality and universality are withering away in television. The voice of people in the countryside and impoverished social groups in Mongolia are not heard in media and the government digital transition programme is not inclusive when the minimum public interest services are legislatively not in place.

### **CHALLENGES AND OPPORTUNITIES FOR PUBLIC INTEREST SERVICES**

The above section shows how, according to the existing laws, serving the public interests in media is the premise of only MNB. This section analyses the challenges MNB faces and goes on to discuss a new educational initiative in relation to digital transition and the converging trend in media. To assume that the European model with its long history of public broadcasting services can be transferred to the Mongolian media during the digital television transition is presumptuous. Technological standards are closely followed, but the public service functions and practices of the European states are being applied only to the public broadcaster MNB.

MNB, the public television of Mongolia, has been striving to transform to a public broadcaster over the last ten years, and this process faces identity and financial challenges. When MNB was re-established as a public service broadcaster in 2005, it inherited from its socialist-time state predecessor a long-standing history, a nationwide infrastructure and trained personnel. These inheritances gave advantages to MNB in a competition with commercial television stations. MNB's programmes, particularly *MM News* (Tsagiin Khurd), have the highest number of viewers, and MNB enjoys name recognition and channel loyalty among the population above 35 years of age, according to Maxima Consulting (Maxima Media 2014). Over the years MNB has archived television programmes and maintained its dominance in programming, while commercial television stations struggled with the deficit of Mongolian language programmes. Compared to private television stations, MNB has programme variety and diverse programmes including educational programmes, environmental programmes, history programs, and programmes targeting the rural population and ethnic minorities. Yet, according to DW Akademie (2014), which evaluates the transition to public service media by the former state broadcasters in developing countries, MNB is still in its initial transformation stage. MNB serves basic informational news for public forums and provides socially cohesive cultural and educational programmes. Yet, MNB's shortcomings include a great amount of repetition (49 per cent), the lack of investigative reporting, low journalistic

standards, the dominance of government news sources and 'paid programs' (1 per cent) (DW Akademie 2014).

MNB has no mechanism and structure to carry out public governance and receive public feedback, especially after the recent budget cuts, which eliminated the research department and an ombudsman, says interviewee Naranjargal of GI. A veneer of public participation is in place in the forms of 'Hours With Viewers' and 'Open Day'. However, when viewers express concern over being cut from receiving information on television due to the ASO, MNB had no vehicle to address the issue. Though widely praised, the Law on Public Radio and Television strictly limits commercial ads and makes MNB dependent on the government for funding. This financial dependency concerns the current management of MNB, and they propose additional possible funding sources practiced in other countries including a charity or donation system, and syndication and franchising of programmes (Oyundari 2011). The syndication of programmes is long overdue; yet, the market is small, and the Parliamentarians, some of whom own commercial stations, vehemently resist the idea of MNB selling programmes. This resistance was the reason for the limitation of commercial advertising on MNB to 2 per cent, which was much lower than the proposed 20 per cent in the Law on Public Radio and Television in 2005.

Public interest services are not understood culturally without instituting public service obligations to all media. The zeitgeist of the 1990s for the support of liberal media in Mongolia and the residual mentality of the state media of the socialist time hinder the development of an ethos of public service media. Ariunbat, Director of Channel 1 of MNB explains:

... Since the 90s, public confusion between liberal/tabloid media and the democratic press has been very widespread... As commercial media flourished and pursued their profit-making motifs, people started to understand that the liberal media do not serve the interest of the public... Yet, public interest media as stated in the law, is something of a mystery even in academic and journalistic circles... Till the 90s television was the ideological mouthpiece of the party, and then after the 90s we only talked about the liberal media. Television professionals producing media programs are still not sure about to whom the public broadcasters give voices and whether or not a regular person can represent the public [...] The next confusion is about the self-financing of public broadcasting [...] The Law on Public Radio and Television states that the government subsidizes our television and collects license fees. We need to explain to the public what services they pay fees for... It is a very nuanced issue...

Neither legislators, nor the general public understand the principles of the public interest services, without which media's democratic roles in society cannot be fulfilled.

The convergence among different platforms like IPTV, cable and satellite creates new possibilities for public interest services and these opportunities should be assessed comprehensively, in relevant media laws and national programmes, such as the Digital Television Transition and Mongolian Creative Content. Television stations in Mongolia have increasingly started to webcast their digitalized content online and over mobile platforms. In addition to available online programmes at the websites of particular

stations (e.g. [mnb.mn](http://mnb.mn), [mongolvtv.mn](http://mongolvtv.mn), [eagle.mn](http://eagle.mn) etc.), there are special media portals including [mglradio.com](http://mglradio.com) and [gogonews.mn](http://gogonews.mn), which live cast online programmes of 40 or more television stations with programme guides. These time-shifted and on-demand platforms increase opportunities for educational services. One example is the Open Network for Education initiative ([one.mn](http://one.mn)), which offers access to an online collection of more than 2000 micro lectures in Mongolian on subjects including mathematics, history, English and traditional Mongolian script. This initiative partners with the US Khan Academy ([www.khanacademy.org](http://www.khanacademy.org)) and the Ministry of Education, Culture and Science (MECS) of Mongolia, and provides either translation of instructional resources developed by Khan Academy or instructional videos independently developed by Mongolian teachers via YouTube. These videos are concomitantly available over Univision, an IPTV on-demand services in Ulaanbaatar. Interviewee Enkhbat, the founder of the first Mongolia Internet node and the [one.mn](http://one.mn) initiative, sees great potential in open educational resources on-demand over the IPTV to create, for example, English language training materials and a Mongolian online dictionary, by saying:

Mongolia has content deficiency and a small market. Students don't have textbooks and a good textbook by a university professor does not sell more than 500 copies. 50 thousand companies in Mongolia don't have a single training textbook. This situation can be in a way a blessing because the only way to overcome this is to collaborate in producing content. We either have to produce content collaboratively or to participate in international open education initiatives. By putting together students' textbook monies, government textbook funding and private business sponsorship we should be able to finance this project.

The government supports this initiative, but the implementation by the ministry is made more cumbersome by opening an open bidding process for each batch of training materials and only selecting organizations with a Khan Academy contract. Furthermore, no law acknowledges creative commons licenses and the registration of collaboratively produced creative content goes to the government, the same way MNB's products cannot be sold to other television stations.

When the above discussed content are distributed over the national broadcast networks, especially to the countryside, there is a need for a comprehensive strategy ensuring non-discriminatory information distribution for all citizens and the equality of services over different platforms. In Italy, the digital switchover accelerated the duality of services; so that the better quality programmes are packaged for subscription and pay-per-view services, while lower quality and cheaply produced programmes are kept for digital terrestrial television networks (Padovani 2007). This duality is already taking place when only people with IPTV (subscription television) receive educational materials created with public funding. A balanced policy ensuring both the financing of educational content and educational objectives for all, regardless of geographical location and economic status, needs to be set with clear minimum standards in laws and national programmes. This will also lead to a platform equality policy, balancing the state investment in terrestrial television with private investment in the IPTV network and the cable television industry, in a similar path followed by European states.

## CONCLUSION

The Mongolia transition to digital television has been driven by an attempt to keep up with technological developments occurring in European and Asian countries. The ASO deadline is happening without alleviating possible consequences for disadvantaged groups and small broadcasters in the countryside. The interests and rights of these groups are omitted in the national policy because the current laws do not affirm public interest service obligations in media. The basic premises of television services to the public – programme diversity, locality and universality – as they are protected in laws in European states, are undeveloped in Mongolian laws. In a television sphere where most television stations have only been operating for ten or fewer years, without professional standards, setting mandatory threshold standards for services to the public seems necessary. With political interest in television growing, and media consolidation accelerating, it is in the interests of the ruling factions to make the process of digital transition opaque.

The transition to digital television has been technologically driven with the primary interest of freeing radio frequencies for more advanced telecommunications services without a clear understanding of the media environment in Mongolia. A legislative vacuum along with a low-level of understanding of the stakes and consequences of this transition leave more questions for the public and civil society in Mongolia. The big questions ‘Who will be given the freed digital dividend (690–780MHz), and how will they be used?’ and ‘Who will control the multiplex?’ remain unanswered in the national programme. Television, cable and the Internet providers have acknowledged the small market size and content deficiency in an increasingly converged market, and have started educational and cultural content initiatives to serve the public. However, laws and cultural practices still seem to lag behind.

## ACKNOWLEDGEMENTS

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## APPENDIX 1: LIST OF INTERVIEWEES AND INTERVIEW DATES

1. Z. Amgalan, Director of Radio Frequency Regulation and Monitoring, Communications Regulatory Commission, 26 June 2015
2. L. Ariunbat, Director of Channel 1, Mongolian National Public Radio and Television, 26 June 2015
3. D. Badamdash, Executive Director, Eagle News, 11 June 2015
4. Y. Byambadorj, Director of Technical Center, Mongolian National Public Radio and Television, 8 June 2015
5. D. Enkhbat, Founder, Open Network for Education, 19 June 2015
6. T. Enkhbat, Executive Director, NTV, 5 June 2015
7. G. Gunjidmaa, Director of Research, Press Institute, 9 June 2015
8. Y. Khishigsuren, Director of Research Department, Maxima Consulting, 18 June 2015
9. K. Naranjargal, President, Globe International, 3 June 2015
10. B. Oyuntsetseg, Senior Specialist, Information Technology, Post, Telecommunications Authority, 4 June 2015
11. U. Tamir, Vice Chairperson, Media Council of Mongolia, 11 June 2015

12. N. Togtokhsuren, Broadcast Regulation Specialist, Communications Regulatory Commission, 26 June 2015.

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