

## Complaint against Hungary - Application of State aid rules to public service broadcasting (2016/045446, update)

### 1.) Organisational questions: MTVA v Duna Médiaszolgáltató Nonprofit Zrt

#### Public media service provider

The media law defines the Duna Media Service Non-Profit Ltd (Duna Médiaszolgáltató Nonprofit Zrt.) as the public media service provider,<sup>1</sup> even though in practice these functions are discharged by the Media Service Support and Asset Management Fund (Médiaszolgáltatás-támogató és Vagyonkezelő Alap, abbreviated as MTVA in Hungarian).

- Budget: The sum total of the MTVA's spending in 2016: 87.6 billion HUF, including 1.8 billion HUF for the Duna Media Service.<sup>2</sup> The total annual budget of the Duna Media Service in 2016: 2.2bn HUF.<sup>3</sup>
- In total, the Duna Media Service spent 5.5 million HUF in 2016 on show acquisition and show production; this information was revealed in response to a freedom of information (FOI) request by Mérték Media Monitor.<sup>4</sup>
- Personnel: MTVA in Q4 2016: 2032 persons;<sup>5</sup> Duna Media Service in 2016: 110 persons;<sup>6</sup> total personnel expenditures as a share of the 2016 budget: 63.9%.<sup>7</sup>

In 2016 the Head of the Media Authority rendered 7 billion HUF of additional financial support to the Media Services and Support Trust Fund.<sup>8</sup> In 2015 the MTVA had received 10.6 billion HUF of “additional resources” in 2015 as well.<sup>9</sup> The conditions of granting these resources and the data on their utilisation are not open for the public.

According to the law, the MTVA is not a media service provider but a “distinct asset management and financial fund” entity with the responsibility to support public media services, as well as to produce and support public service media shows.<sup>10</sup>

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<sup>1</sup> 2010. évi CLXXXV. törvény a médiaszolgáltatásokról és a tömegkommunikációról [Act CLXXXV of 2010 on Media Services and Mass Media] [https://net.jogtar.hu/jr/gen/hjegy\\_doc.cgi?docid=A1000185.TV](https://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A1000185.TV) 84§ (1)

<sup>2</sup> Bill proposed in Parliament: Act ... of 2017 on the implementation of the National Media and Info-Communications Authority's consolidated budget for 2016, p. 10  
<http://www.parlament.hu/irom40/15813/15813.pdf>

<sup>3</sup> Annual Report for 2016 of the Duna Media Service Non-Profit Ltd. Appendix, p. 9 [http://e-beszamolo.im.gov.hu/oldal/beszamolo\\_kereses](http://e-beszamolo.im.gov.hu/oldal/beszamolo_kereses)

<sup>4</sup> [https://kimittud.aflatszo.hu/request/duna\\_musorbeszerzesre\\_musorgyart#incoming-14151](https://kimittud.aflatszo.hu/request/duna_musorbeszerzesre_musorgyart#incoming-14151)

<sup>5</sup> MTVA General Publication List, 3.3 Budgets, Reports. <http://www.mtva.hu/kozerdeku-adatok/mtva-altalanos-kozzeteteli-lista/>

<sup>6</sup> Annual Report for 2016 of the Duna Media Service Non-Profit Ltd. Appendix, p. 15 [http://e-beszamolo.im.gov.hu/oldal/beszamolo\\_kereses](http://e-beszamolo.im.gov.hu/oldal/beszamolo_kereses)

<sup>7</sup> Annual Report for 2016 of the Duna Media Service Non-Profit Ltd. Appendix, p. 9 [http://e-beszamolo.im.gov.hu/oldal/beszamolo\\_kereses](http://e-beszamolo.im.gov.hu/oldal/beszamolo_kereses)

<sup>8</sup> Bill proposed in Parliament: Act ... of 2017 on the implementation of the National Media and Info-Communications Authority's consolidated budget for 2016, p. 10  
<http://www.parlament.hu/irom40/15813/15813.pdf>

<sup>9</sup> Act CXXIII of 2016 on the Execution of the Annual Budget of National Media and Infocommunications Authority in 2015, Annex 5

[https://net.jogtar.hu/jr/gen/hjegy\\_doc.cgi?docid=A1600123.TV&timeshift=ffffff4&txtreferer=00000001.TXT](https://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A1600123.TV&timeshift=ffffff4&txtreferer=00000001.TXT)

<sup>10</sup> 2010. évi CLXXXV. törvény a médiaszolgáltatásokról és a tömegkommunikációról [Act CLXXXV of 2010 on Media Services and Mass Media] [https://net.jogtar.hu/jr/gen/hjegy\\_doc.cgi?docid=A1000185.TV](https://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A1000185.TV) 136§ (1)

It is apparent based on the financial and personnel data that even though *de jure* Duna Media Service is the public media service provider, *de facto* MTVA performs this function. Shows are produced/commissioned by the MTVA, and that is also where the requisite funds are allocated. Multi-party oversight, however, is exercised only at the Duna Media Service, there is no relevant degree of cross-partisan political oversight in place at the MTVA (see previous submission).

#### Public Procurement Act:

The Hungarian laws provide exemptions from the general rules concerning public procurement for “*contracts for the acquisition, development, production, joint production of any programme intended for providing audiovisual or radio media services*”<sup>11</sup> even though the EU public procurement directive unequivocally states that only contracts concluded by the “*audiovisual or radio media service providers*” may be subject to exceptions.<sup>12</sup>

The obvious goal of the Hungarian legislative solution is to ensure that the MTVA’s procurements are also exempted from public procurement rules even though they are not media service providers according to the law.

## **2.) The market-distorting impact of the public media service provider**

### Market size

Magyar RTL Television Ltd’s turnover in 2016: 28.2bn HUF; TV2 Media Group Ltd’s turnover in 2016: 23.7bn HUF<sup>13</sup>

Total advertising revenue of the entire television market in 2016: 56bn HUF<sup>14</sup>

There is no accurate data available on the total turnover of the Hungarian commercial television market, but expert estimates suggest that revenue from transmission fees paid by programme distribution companies (the so-called “cable fee”) are roughly in the same league as the abovementioned income from advertising. Based on this assessment, we can estimate that the volume of turnover in the entire commercial television market is around 100bn HUF (by comparison, the annual budget of the MTVA for 2016 was 87.6bn, which includes an additional mid-year allocation of 7bn by the Media Council to supplement the MTVA’s originally planned budget).<sup>15</sup>

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<sup>11</sup> Act CXLIII of 2015 on public procurement, Article 9 (8) b)

[https://net.jogtar.hu/jr/gen/hjegy\\_doc.cgi?docid=A1500143.TV](https://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A1500143.TV)

<sup>12</sup> Directive 2014/24/EU of the European Parliament and of the Council on 26 February 2014 on public procurement and repealing Directive 2004/18/EC, Article 10 (b) <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0024&from=HU>

<sup>13</sup> Annual reports for 2016 [http://e-beszamolo.im.gov.hu/oldal/beszamolo\\_kereses](http://e-beszamolo.im.gov.hu/oldal/beszamolo_kereses)

<sup>14</sup> Magyarországi Reklámszövetség (Hungarian Advertising Association): Reklámtorta 2016 [Advertising Pie 2016] <http://mrsz.hu/kutatas/reklamkoltes/teljes-reklamtorta-2016>

<sup>15</sup> Bill proposed in Parliament: Act ... of 2017 on the implementation of the National Media and Info-Communications Authority’s consolidated budget for 2016, p. 9 <http://www.parlament.hu/irom40/15813/15813.pdf>

### Audience share (4+)<sup>16</sup>

	2015	2016
Duna TV	5.5%	6.1%
M1	4.0%	3.3%
M4 Sport	1.1%	3.1%

Total audience share of public service media providers (4+):<sup>17</sup>

2015: 16.1%

2016: 17.4%

As the data clearly show, the total audience share of public service media is relatively high and rising. However, the increase in their audience share is not a reflection of improvements in the quality of their broadcasts, but of an expanded portfolio: the spectrum of public service media today encompasses the broadcasting services of seven television channels and four national radio stations. The viewership figures of the public service media are significantly bolstered by the must-carry rules in the media laws, as well as by the sports channel launched by the MTVA, which has acquired the broadcasting rights for all major sports events. Moreover, when it acquired these broadcasting rights, it did not act as a regular market player would but instead offered prices significantly in excess of the market value of these rights (see below for more details).

The positions of the public media radio providers were significantly boosted by the termination of the broadcasting services of the two nationally broadcasting commercial radio stations (NEO FM ceased its operations in 2012, Class FM followed in 2016). Furthermore, a significant portion of the frequencies previously used by Neo FM were taken over by the recently launched public service station Dankó Rádío.

### Market for sports channels

There are nine commercial television sports channels in total (Sport1, Sport2, Digi Sport 1, Digi Sport 2, Digi Sport 3, Eurosport1, Eurosport2, Sport M, Spíler TV). The public service channel M4 Sport acquired sports media broadcasting rights of significant value, thereby putting the channels which operate on a market basis in a difficult position. One of the commercial television channels, Sport Klub, ended its operations in 2016 after 10 years in the market.

The most expensive broadcastings rights purchased by M4 Sport:<sup>18</sup>

- 2016-21: Hungarian football league: 19bn HUF
- 2017-2019: Formula-1 broadcasting rights: 4.9bn HUF
- 2015-18: UEFA Champions League: 4.3bn HUF

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<sup>16</sup> Report of the Media Council to Parliament, 2016, p. 135

[http://nmhh.hu/dokumentum/188310/Orsz\\_besz\\_NMHH\\_2017web.pdf](http://nmhh.hu/dokumentum/188310/Orsz_besz_NMHH_2017web.pdf)

<sup>17</sup> Nielsen Audience Measurement: TV market snapshot 2016, p. 5.

[http://www.nielsentam.tv/Uploads/Hungary/res\\_Snapshot\\_2016\\_eng.pdf](http://www.nielsentam.tv/Uploads/Hungary/res_Snapshot_2016_eng.pdf)

<sup>18</sup> MTVA contracts with a value exceeding 5 million forints: [http://www.mtva.hu/wp-content/uploads/sites/17/2017/06/veglege\\_2017apr\\_jovahagyasra-honlapra.pdf](http://www.mtva.hu/wp-content/uploads/sites/17/2017/06/veglege_2017apr_jovahagyasra-honlapra.pdf)

The figure below shows how strong the position of M4 Sport is in the market of sports channels, especially at times when it broadcasts a major sports event.

During the period 2015-2018, the football Champions League is being broadcast jointly by the MTVA and the AMC company. Bids for the rights to broadcast seasons 2018-2021 had to be submitted to the UEFA in the spring of 2017. It has emerged since that the MTVA and the TV2 group, which is owned by the government commissioner Andy Vajna, have acquired the broadcasting rights. The amount paid by the MTVA is not known. In fact, it was not released even in response to a data request by journalists. The reason given by the MTVA for rejecting the request was that revealing this information would impinge on the company's business interests.<sup>19</sup> News outlets reported that MTVA doubled the price it had successfully offered for the previous period.<sup>20,21</sup>

Formula 1 races had been broadcast by RTL Klub until 2012, but as a result of the economic crisis the market leading commercial television channel could no longer afford to purchase the broadcasting rights for Formula 1 races.<sup>22</sup> MTVA paid 2.8 billion HUF for seasons 2012-2016, while the right to broadcast seasons 2017-2019 will cost 4.9 billion.<sup>23</sup>

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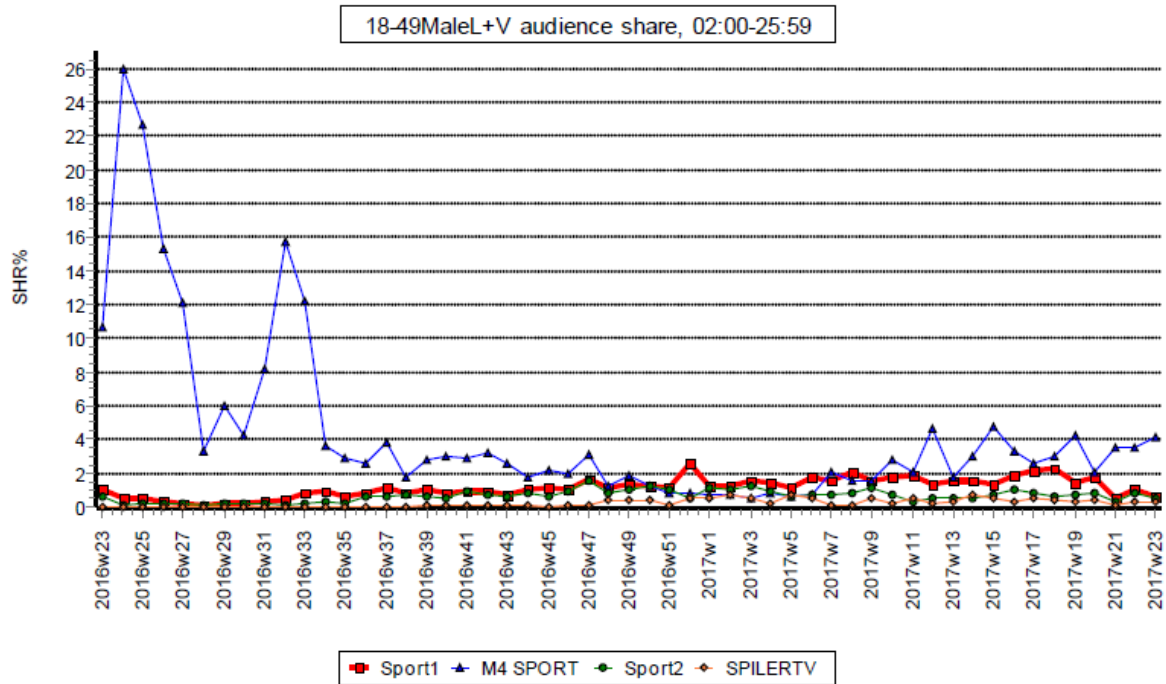
<sup>19</sup> Szalay, D.: Titkolja a közmédia a focis milliárdokat [The public media are concealing the football billions] 5 October 2017. <http://24.hu/media/2017/10/05/titkolja-a-kozmedia-a-focis-milliardokat/>

<sup>20</sup> 444.hu: Orbánnak személyesen fontos, kisebb vagyont kifizetne a közmédia a BL-mecsek közvetítése miatt. [This is important for Orbán personally, he would pay a minor fortune for the right to broadcast Champions League games]. 21 June 2017. <https://444.hu/2017/06/21/orbannak-szemelyesen-fontos-kisebb-vagyont-is-kifizetne-a-kozmedia-a-bl-mecsek-kozvetiteseiert>

<sup>21</sup> sportbusiness.com: MTVA pays huge increase to keep Champions League in Hungary. 9 June 2017. <https://www.sportbusiness.com/tv-sports-markets/mtva-pays-huge-increase-keep-champions-league-hungary>

<sup>22</sup> index.hu: Az MTV-é lett a Forma-1. [MTV gained Formula-1 rights] 20 December 2011. [http://index.hu/kultur/media/2011/12/20/az\\_mtv-e lett\\_a\\_forma-1/](http://index.hu/kultur/media/2011/12/20/az_mtv-e lett_a_forma-1/)

<sup>23</sup> MTVA contracts with a value exceeding 5 million forints: [http://www.mtva.hu/wp-content/uploads/sites/17/2017/06/veglege\\_2017apr\\_jovahagyásra-honlapra.pdf](http://www.mtva.hu/wp-content/uploads/sites/17/2017/06/veglege_2017apr_jovahagyásra-honlapra.pdf)



Mérték Media Monitor turned to the MTVA with a FOI data request to learn about the details of the 19bn forint contract concluded between the MTVA and the Hungarian Football Federation. The MTVA asked Mérték for a reimbursement of the costs<sup>24</sup>, which the latter paid. However, the MTVA blacked out large segments of the contract.

### Market distortion in the market for news services and radio broadcasting

Radio frequencies are owned by the state, as they are a limited resource. Licences to broadcast media services are allocated by the Media Council through tenders. The Media Council is made up of five members, all of whom were nominated by the governing party. This in itself has a significant impact on the radio market. As is well-known, for example, Klubrádió lost all its frequencies outside Budapest and only managed to hold on to the right to keep broadcasting in Budapest after a protracted legal battle.<sup>25</sup> Seen from the perspective of the market overall, it is especially striking that within a few years broadcasts have ceased on both national commercial frequencies: one was assigned to the MTVA, while the second frequency has been lying fallow since November 2016. In the meanwhile, government commissioner Andy Vajna has *de facto* built a national radio network, and his Radio 1 network comprises over 20 members.

<sup>24</sup> Since the 2015 amendment of the Freedom of Information (FOI) act, data managers have the right to charge those who request public data steep fees to “reimburse their expenses” associated with producing the data in question. The MTVA regularly avails itself of this instrument, presumably to drive down the number of FOI requests.

<sup>25</sup> Article19: Hungary: KlubRadio case shows recent media law censoring. 8 September 2011

<https://www.article19.org/resources.php/resource/2723/en/hungary:-klubradio-case-shows-recent-media-laws-censoring> and Hungarianspectrum.wordpress.com: How long will the Media Council Play Games With Klubrádió? <https://hungarianspectrum.wordpress.com/2012/12/01/how-long-will-the-media-council-play-games-with-klubradio/>

Since 1880, news agency functions in Hungary have been performed by the Magyar Távirati Iroda (MTI, which literally translates as Hungarian Telegraph Office). With the appearance of commercial media in Hungary, competition appeared in the news agency market as well. This was the situation that the Orbán government put an end to after 2010 when it set out to restructure the entire media market. MTI was integrated into the public service media system and its news services were made available for free. There was no one in the market who could compete with free services and, one by one, MTI's commercial competitors went out of business leaving the state-owned provider as a monopolist in the market.<sup>26</sup> That's when MTI/MTVA introduced their new model, wherein they not only provide news for free but also produce entire news blocks for commercial radios at a low price. Given that news services take up a significant portion of the production costs in radio, many commercial radios availed themselves of this opportunity and now broadcast news blocks produced by the MTVA based on news written by the MTI. In practice, this means that the news blocks are recorded at hourly intervals at the MTVA and are then sent out to all contractual partners. Thus, the radios involved do not need to hire their own news editors. As a result, the various local radios broadcast the same news block throughout the day, thereby granting space to government propaganda.

Back in 2014 a freedom of information request revealed<sup>27</sup> that 27 radio service providers have concluded such an agreement with the MTVA. Today, however, the relevant data is no longer available. In request to a recently submitted request for public data, Mérték Media Monitor was told<sup>28</sup> by the MTVA that "We cannot identify any contracts in our records that match the information/data you requested." Informants have revealed that the MTVA concluded an agreement with an agency, the Strategopolis Ltd., for delivery of the radio news block, while Strategopolis in turn concludes agreements with market players. In order to discern how many radios are involved, we would need to obtain information from Strategopolis, but as a private company the latter is not subject to the scope of the Information Act.<sup>29</sup> MTVA is undoubtedly aware of how many radio stations have purchased this service and at what price, but it is impossible to prove that this information is at its disposal. Interestingly, after the data request of Mérték Media Monitor, the MTVA modified its contract list and immediately turned out MTVA and Strategopolis had an annual agreement in 2016. Previously it was not available in the contract list.<sup>30</sup>

A key reason why it would be important to have a list of these radios and the value of their contracts is that the broadcasting of the MTVA-produced news blocks distorts market competition because it allows the radios affected to significantly cut their costs, thereby disadvantaging stations that produce their own news and maintain editorial teams.

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<sup>26</sup> One of the news agencies, the Független Hírügynökség (Independent News Agency) was relaunched in June 2017, but thus far (October 2017) it does not appear to have any market impact whatsoever.

<sup>27</sup> [Atlatzso.hu: Uniformizálódó rádióhírek: dömpingáron adják a kormánypropagandát](https://atlatzso.hu/2014/01/20/uniformizalodo-radiohirek-dompingaron-adjak-a-kormanypropagandat/) [Increasingly standardised radio news: Government propaganda sold at dumping prices]. 20 January 2014.

<sup>28</sup> [https://kimittud.atlatzso.hu/request/mti\\_hirblokkok\\_szallitasa\\_radiok#incoming-14392](https://kimittud.atlatzso.hu/request/mti_hirblokkok_szallitasa_radiok#incoming-14392)

<sup>29</sup> Act CXII of 2011 on the Right of Informational Self-Determination and on Freedom of Information

<sup>30</sup> Mérték Media Monitor: A hamisítás rutinja. [Routine of falsification] October 13, 2017. <https://mertek.atlatzso.hu/a-hamisitas-rutinja/>

Competitiveness is also influenced by the extent of subsidies that certain radio stations receive through so-called MTVA Mecenatúra grants. The programme is only associated with the MTVA in terms of its funding, the actual grant decisions are rendered by the Media Council. The political preferences of the decision-makers are reflected in the distribution of funds.

Klub Rádió, which is labelled as ‘opposition radio station’ could hardly win Mecenatúra grants; in the period 2010 and 2017 Klub won altogether 7.5 million HUF. Another prominent example is Lánchíd Rádió, whose owner Lajos Simicska was once the chief player in securing the governing party’s economic background. Between 2007 and 2015 Lánchíd Rádió won 104 million HUF on Mecenatúra grants. Since the conflict between Simicska and the prime minister Viktor Orbán<sup>31</sup>, the Lánchíd Rádió could not get anything from this source. The turn of political preference was absolutely clear in this case.<sup>32</sup>

### 3.) The sale of advertising on public service media platforms

The advertising time of public service television channels is managed by a sales house owned by business interests affiliated with the governing party, Atmedia Ltd. Atmedia Ltd’s portfolio includes the channels in the TV2 private television group as well as some smaller commercial television channels (37 channels as of June 2017). In the television market, Atmedia is the leading sales house (2016: 53.5 GRP share in the age group 18-59).<sup>33</sup>

Atmedia is open about the fact that it bundles the advertising time of various channels into packages. According to CEO Csaba Lukács, the underlying idea is also reflected in the company’s logo, which is a big fish made up of small fish, as well as its motto *Together we are stronger*.<sup>34</sup>

The fact that the packages sold include a mix of private and public service channels impedes transparency. On 22 June 2017, Mérték Media Monitor submitted a FOI data request to Atmedia,<sup>35</sup> inquiring how much of the revenue from advertising sold by Atmedia goes to the MTVA. Thus far the company has failed to respond.

At the same time, however, in response to another FOI data request,<sup>36</sup> the MTVA stated that it received an income of 4.3bn HUF from selling advertising through Atmedia. There is no information whatsoever available on the packages that advertisers purchased, nor on what the respective shares of the airtimes of public service and commercial channels were in these

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<sup>31</sup> The Economist: Curse like an oligarch. February 9, 2015.  
<https://www.economist.com/news/europe/21642647-countrys-biggest-media-mogul-turns-against-viktor-orban-no-uncertain-terms-how-cuss>

<sup>32</sup> Data in this paragraph are provided by Klub Rádió and Lánchíd Rádió.

<sup>33</sup> Review of the TV market: <http://atmedia.hu/kutatas/2>

<sup>34</sup> Kösz a halakat! Az Atmedia története [Thanks for all the fish! The history of Atmedia]. Kreatív, 2017, No. 4, p. 26

<sup>35</sup> [https://kimittud.atlatszo.hu/request/2016\\_evi\\_hirdetesi\\_bevetelbol\\_az](https://kimittud.atlatszo.hu/request/2016_evi_hirdetesi_bevetelbol_az)

<sup>36</sup> [https://kimittud.atlatszo.hu/request/az\\_atmedia\\_cegen\\_keresztul\\_szerz#incoming-13987](https://kimittud.atlatszo.hu/request/az_atmedia_cegen_keresztul_szerz#incoming-13987)

packages. Atmedia tripled its income in 2016<sup>37</sup> as compared to the previous year. As of 2016, the businessman András Tombor owns over 50% of the company. Tombor has deep ties to the governing party.<sup>38</sup> Atmedia's other owner is a company registered in Luxemburg, the MANGUSTA INVEST S. A.

By the end of 2016, the same structure emerged in the radio market, where the Radio Sales House Ltd sells the advertising time of the public service media stations as well as of 59 regional radio stations.<sup>39</sup> One of the owners of Radio Sales House happens to be Atmedia, which means that in this case, too, the threads ultimately lead back to András Tombor.<sup>40</sup>

A private company has also taken the leading role in selling the advertising spaces of the digital platforms of public service media. The publisher of the online newspaper origo.hu, the New Wave Media Group (previously: Origo Media Zrt), acquired all the digital public service media platforms for the period between 1 April and 31 December for a sum of 79 million HUF, and advertising on these platforms is now sold by company at its own risk. The owner of the New Wave Media Group is Ádám Matolcsy, who is the son of the president of the Hungarian National Bank (Magyar Nemzeti Bank). In the case of digital advertising, therefore, the activity involved is not that of an advertising sales house, but the distribution of an entire inventory. As the press found out, the contract, which entered into effect on 1 April 2017, was signed by the parties on 10 April of the same year.<sup>41</sup>

#### **4.) The share of state advertising in the total advertising of individual channels**

There is no precise information about advertising revenue that individual media outlets receive from state advertisers (state institutions, state-owned enterprises). The Kantar Media research corporation performs an advertising monitoring service in Hungary. Based on their research and list advertising prices, two public service radio stations received an extraordinarily high ratio of their total advertising revenue from state advertisers:

Kossuth Rádió: 28.7%

Petőfi Rádió: 19.5%

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<sup>37</sup> Feltűnően jól keresett Tombor András reklámcége [András Tombor's advertising company made remarkable amounts of money]. Index, 16 June 2017

[http://index.hu/gazdasag/2017/06/16/tombor\\_andras\\_atmedia\\_beszamolol](http://index.hu/gazdasag/2017/06/16/tombor_andras_atmedia_beszamolol)

<sup>38</sup> Habony hitelezőjének csápjai mindenholra elérnek [The long arms of Habony's creditor reach everywhere]. Index, 28 November 2016.

[http://index.hu/belfold/2016/11/28/tombor\\_andras\\_mathias\\_corvinus\\_collegium\\_portre/](http://index.hu/belfold/2016/11/28/tombor_andras_mathias_corvinus_collegium_portre/)

<sup>39</sup> Kösz a halakat! Az Atmedia története. [Thanks for all the fish! A history of Atmedia] Kreatív, 2017, No. 4. p27

<sup>40</sup> A Habony hitelezője által felvásárolt Atmedia bekebelezi az MSC-t és megkezdte a rádiós piac meghódítását [Atmedia, which was acquired by Habony's creditor, now subsumes MSC and has begun to conquer the radio market] 24.hu, 27 December 2016. <http://24.hu/media/2016/12/27/a-habony-hitelezoje-altal-felvasarolt-atmedia-bekebelezi-az-msc-t-es-megkezdi-a-radios-piac-meghoditast/>

<sup>41</sup> Az Origo-New Wave 79 millióért kapta meg a közmédiá online felületeit [Origo-New Wave paid 79 million to acquire the online platforms of public media outlets]. 24.hu, 24 July 2017 <http://24.hu/media/2017/07/24/az-origo-new-wave-79-millioert-kapta-meg-a-kozmedia-reklamfeluleteit/>



Information about the actual advertising spending – i.e. not based on list prices but on the actual prices charged to the advertisers – is only made available sporadically in response to corresponding FOI data requests.

E.g.: Advertising spending by the MVM Hungarian Electricity Ltd in 2016<sup>42</sup>

- MTVA: 39.43 million HUF
- TV2 Group 172.01 million HUF
- Atmedia: 712.14 million HUF

It is readily apparent from the data that inserting Atmedia Ltd into the process has diminished transparency, for it is impossible to ascertain now how much money in the advertising spending structure of state advertisers is allocated to public service media. On the one hand, MVM advertised directly with one of the MTVA outlets, while at the same time it also appears very likely that the public service media also receive a share of the 712 million forints that this state advertiser spent on advertising purchased through Atmedia.

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<sup>42</sup> Másfél év, 2 milliárd forint: MVM-pénzek kormányközeli médiához [Two billion forints in a year and a half: MVM funds flowing to pro-government media]. Index, 13 June 2017  
[http://index.hu/gazdasag/2017/06/13/mvm\\_reklam\\_fidesz\\_reklampiac\\_habony\\_tombor\\_csetenyi/](http://index.hu/gazdasag/2017/06/13/mvm_reklam_fidesz_reklampiac_habony_tombor_csetenyi/)