

FOREIGN AND COMMONWEALTH OFFICE/BBC WORLD SERVICE

BROADCASTING AGREEMENT

1. This Agreement defines the relationship between the FCO and the BBC World Service, including the aims and objectives of the World Service, its target audiences and provisions for performance assessment. Arrangements relating to the application and administration of the Grant-in-Aid and additional income of the BBC World Service and agreement on related matters are set out in a separate Financial Memorandum between the FCO and the BBC.

THE FCO

2. The Secretary of State for Foreign and Commonwealth Affairs (hereafter referred to as the Foreign Secretary) is responsible for the foreign policy of the United Kingdom. The aim of the Foreign and Commonwealth Office is to work for UK interests in a safe, just, and prosperous world. The FCO's Strategic Priorities are set out at Annex A.
3. The FCO funds the BBC World Service through a Grant-in-Aid to provide services defined in this agreement. The ambit of the FCO Request for Resources expressly includes a Grant-in-Aid to the BBC in respect of the World Service for broadcasting. The Foreign Secretary is responsible for agreeing with the BBC World Service its objectives and medium term priority target audiences defined geographically and by audience segment, and appropriate performance measures.

THE BBC WORLD SERVICE

4. The BBC World Service, within the BBC's Global News Division, is a constituent part of the BBC, sharing its general objectives and obligations as a public service broadcaster. The responsibilities of the BBC are set out in the Royal Charter (Cm 3248) and Agreement (Cm 3152). See in particular Charter Article 3 "Objects of the Corporation", sub-paragraph (g), Article 5 "Provision and Review of Services" and Article 16 "Financial" paragraph (1), and the Agreement clause 9.
5. The BBC's Global News Division, which includes the BBC World Service, aims to be the world's best known, most creative, and most respected voice in international news, thereby bringing benefit to the UK, and to the whole BBC. The World Service's current Mission Statement and objectives as agreed with the FCO are set out at Annex B.
6. The World Service has full editorial independence and integrity. The Director World Service, through the Director Global News, is responsible to the Director-General and Board of Governors of the BBC for editorial policy and standards, managerial competence and the delivery of a value for money service.
7. Charter Article 7 sub-paragraphs (1) (b) and (h) set out the responsibilities of the BBC Governors with particular regard to the World Service. A BBC Governor - the International Governor - has special responsibility for the World Service and chairs a Governors' Consultative Group on the World Service.

8. The BBC World Service is obliged under the Charter and Agreement to obtain the written approval of the Foreign Secretary for the opening or closure of any language service, and for other matters and activities set out in the Charter, with particular reference to Article 3 “Objects of the Corporation”, sub-paragraphs (i), (u)^{*}, (w), (x); Article 4 “Restriction on Oversea Concessions”; Article 7 “Constitution”, sub-paragraph (1) (h); and the Agreement clause 9 “The World Service”.

KEY PRINCIPLES

9. Six agreed key principles underpin the relationship between the FCO and the BBC World Service:
 - i. the World Service has full editorial and managerial independence and integrity;
 - ii. the FCO will define the external broadcasting service it requires clearly through robust objectives and performance measures;
 - iii. the BBC will decide the most effective and efficient way of delivering the service defined;
 - iv. the BBC will be provided with stable funding, based on a medium term agreement with Government paralleling arrangements for the BBC's Licence Fee funded operations, and on the development of additional revenue streams;
 - v. the World Service is permitted to generate additional income on its grant-funded activities (with all proposals being first subject to compliance with the BBC's own Fair Trading Commitment and Commercial Policy Guidelines) and any surplus will be used for Grant-in-Aid purposes subject to FCO approval;
 - vi. the BBC will obtain audit assurance that there has been no material subsidy between Grant-in-Aid and Licence Fee funds.

PLANNING AND ACCOUNTABILITY

BBC World Service accountability

10. FCO Ministers and the BBC World Service will annually agree performance targets based on agreed objectives and review performance and medium term priority target audiences both by geography (e.g. by country) and audience segment. The World Service will advise the FCO on the competitive broadcasting environment and the effectiveness and efficiency with which it can reach these audiences. In addition the FCO and the World Service will agree and monitor World Service efficiency and effectiveness targets.

World Service strategic Three Year Plan

^{*} This sub-paragraph of the Charter refers to the Secretary of State for Heritage (now Culture, Media and Sport). However common practice has been that any of these matters regarding the World Service have been approved by the Secretary of State for Foreign and Commonwealth Affairs.

11. The BBC World Service will produce and agree with the FCO a strategic Three Year Plan to deliver the agreed objectives and reach the agreed target audiences, taking account of the Whitehall planning framework. This will take account of regional strategies discussed with the FCO and agreed during the formulation of the Plan.

Review and performance assessment

12. The FCO and World Service will meet regularly at working level. These contacts may be used to review World Service plans and performance, both by region and globally. The World Service regions and FCO geographical commands will maintain a regular dialogue which will inform the World Service of FCO thinking on the region concerned and the FCO about World Service activities.

13. FCO Ministers, the Chairman of the BBC, the BBC's International Governor, the Director, Global News and the Director, World Service will meet annually to review performance against agreed objectives and targets and to consider future audience and strategic priorities. These discussions will inform the strategic Three Year Plan.

14. The World Service will commission a rolling programme of research to assess its impact across target audiences. This will use outside agencies and will be independently validated. It will include where possible comparisons with relevant competitors. In any one year this programme will cover a representative range of target audiences. It will aim to review key target audiences at least every three years.

ARRANGEMENTS FOR REVIEW

15. This Agreement succeeds the previous Agreement signed in June 2002 and takes effect from date of signature. It will be reviewed at least every three years.

For and on behalf of the Secretary of State for Foreign and Commonwealth Affairs

For and on behalf of the British Broadcasting Corporation

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ANNEX B

BBC WORLD SERVICE AIMS FOR THE FUTURE

To be the world's best known and most respected voice in international broadcasting, thereby bringing benefit to Britain.

To support this the World Service aims:-

To be the world's first choice amongst international broadcasters for authoritative and impartial news and information, trusted for its accuracy, editorial independence and expertise.

To provide a forum for the exchange of ideas across cultural, linguistic and national boundaries.

To be a global hub for high-quality information and communication.

To promote the English language, learning and interest in modern, contemporary Britain.

To offer a showcase for British talent across the world.

BBC WORLD SERVICE: TARGETS 2003-06

PSA TARGETS

HEADLINE TARGET

BBC World Service to enhance its position as the best-known and most respected voice in international radio and online broadcasting.

Reporting against this target to be informed by comparative information on Awareness, Reach, Objectivity and Relevance (AROR) scores for BBC World Service radio in relation to main international public service radio competitors/comparators (a minimum of one from among VOA, RFI, Deutsche Welle, RFE/Radio Liberty, where they are relevant for countries to which coverage relates):

- 1) globally, in markets covering around 75% of the global audience annually (the remaining 25% to be surveyed at intervals) and also showing AROR scores among cosmopolitans in those markets
- 2) additionally, in 4 tracker countries/9 cities surveyed annually showing further data on AROR scores among target groups of combined cosmopolitans/aspirants (Boston, New York, Washington in the USA; Mexico City in Mexico; Beijing, Chengdu, Shenyang and one more in China; Prague in the Czech Republic).

SUPPORTING MEASURES

- i. **Global weekly radio audience**
 - people listening at least once a week to any BBC World Service programme
- ii. **Monthly online use**, measured by
 - number of page impressions
 - number of unique users
- iii. **Level of online interactivity**, measured
 - by number of interactive forums by language
 - in relation to the multimedia websites for the English, Arabic, Spanish, Chinese and Russian language services
- iv. **Short wave audibility**
 - percentage of all short wave signals rated as acceptable or better
- v. **Number of capital cities with BBC World Service FM outlets**

OUTSIDE PSA TARGETS

TARGET

- **External income**

ADDITIONAL INFORMATION

- **BBC World Service performance in relation to BBC World and other international television broadcasters, including CNN**