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Financial Accountability of Electronic Media Authority in Pakistan: Insights from Pakistan Electronic Media Regulatory Authority

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Abstract

After 1980s, creation of regulatory authorities in Pakistan was initiated as part of reform initiatives directed by international donor entities. In order to control partisan interference from politicians and executive branches of government in the broadcast media, independent regulatory authorities were created in developed countries followed by the developing countries as well. With the passage of time, it was felt that these entities were outside the sphere of democratic control and different mechanisms were introduced to hold them accountable. This paper aims to investigate the current financial accountability practices of media regulation in Pakistan by analysing the case of Pakistan Electronic Media Regulatory Authority (PEMRA) and the mechanism used for its financial accountability. Qualitative research is used to explore the phenomena. This study explores how PEMRA is being held accountable by actors in the form of other organizations /institutions included in its accountability regime. Key respondents were identified through non-probability sampling by using purposive and snowball sampling strategies. In-depth interviews were conducted for data collection. The findings are based on the themes derived from the data collection process which includes insights about the authority's budget approval and financial autonomy, sources of income, financial audit and identified malpractices, and usage of fines which are imposed by the authority on electronic media. The findings show mixed results about the accountability practices of PEMRA. Results of this study contribute significantly to the existing literature on the financial accountability practices of media regulatory authorities in developing economies enhancing learning about the south-east Asian context.

Key words: *Financial Accountability, PEMRA, Electronic Media Authority, Pakistan.*

Introduction

In this era regulatory authorities have become a necessary form of regulatory governance characterized by transparency, performance and accountability (Irion & Radu, 2013). This transition from Owner State to Regulatory State involved setting up independent regulators in utility sector, financial services, telecommunication, broadcast, environment as well as in social arena. Some

characteristics of regulatory state are described by Majone (1999) as the extent to which the decision making can be delegated to some independent institution, governance structures determining the independent institution's autonomy, autonomy of financial resources etc.

One aspect of these reforms led to the creation of independent regulatory agencies which were established in different sectors including financial, economic and telecommunication sector. According to Jacobzone (2005) focus of regulatory agencies in most countries of Organization for Economic Cooperation and Development (OECD) has mostly been in following three sectors:

- Telecommunications sector including broadcasting.
- Energy sector.
- Financial area/services.

This trend was followed by developing countries as well. (Majone, 1997). With the passage of time, it was felt that these authorities lacking monitoring and control mechanism are somehow outside the sphere of democratic control and concerns were raised for them to be held accountable by formation of their *'Accountability Regime'* (Biela & Papadopoulos, 2014).

Different aspects of the specification of performance accountability standards for public servants are discussed in the literature (Aleksovska, 2021) and various mechanisms are used to hold the regulatory authorities accountable. Therefore, it is necessary to investigate those aspects of accountability to explore the phenomena in different countries. Hence, aim of this paper is to investigate accountability of electronic media regulatory authorities in general and PEMRA in particular by focusing on the financial aspect of accountability by exploring its accountability regime.

Research objectives

This research is focused on exploring the financial accountability mechanism and practices of electronic media authority in Pakistan and the main focus of accountability is about performance of the regulatory authority.

Research Question

In this regard, one basic research question was explored:

1. How PEMRA fulfil its financial accountability requirements?

In order to explore this basic research question, the semi-structured interview guide developed for the in-depth interviews from the participants included further probing questions about how is the budget of regulatory body determined? Does the law clearly specify the budget setting and approval procedure? Is the regulatory body's budget sufficient for it to carry out its duties? Is the budget sufficiently stable overtime? Does it have sufficient autonomy to decide for which tasks it spends its budget? What are the sources of income of the regulatory body? Does the law clearly specify the source of funding? How it meets expenses and utilize the funds? When and why fee is taken? When and why fines are imposed? Is it under pressure to compensate a lack of stable funding from the state or market by imposing fines? Is it subjected to periodic external financial auditing in the law and has it revealed malpractice?

Literature Review and Conceptual Framework

Accountability is a liability to disclose, to explain, and to defend what one does; how one completes responsibilities, financial or other, whose numerous origins may be constitutional, political, hierarchical or contractual (Bovens, 2007). *'Accountability regime'*, which was first used in the context of international relations, is a term which (Biela and Papadopoulos, 2010) is a complex network of accountability in which there are a set of actors, institutions, norms and rules that can demand information from a regulatory body and impose consequences on it. Biela and Papadopoulos (2010) are of the view that accountability regime can study any aspect of the actor's performance which includes financial, procedural and aspects related to final product. In case of Independent Regulatory Authorities (IRAs) these are the major objectives and mandate of the authority.

Accountability regime can take a holistic account of the actor's conduct covering all of the aspects mentioned above. In this regard according to Bovens (2007) conception of accountability of performance including product (mandate or functions), procedures through which the agency maintain its conception of fairness and the financial or budgetary aspect of PEMRA's accountability is included.

Vertical accountability according to Bovens (2007) and 'upwards accountability' according to Scott (2000) refers to a hierarchical principal-agent relation where the forum can formally account the actor. This can be understood by taking example of an organization accountable to relevant Ministry and Parliament. Koop (2015) shares its direction to be towards political principal.

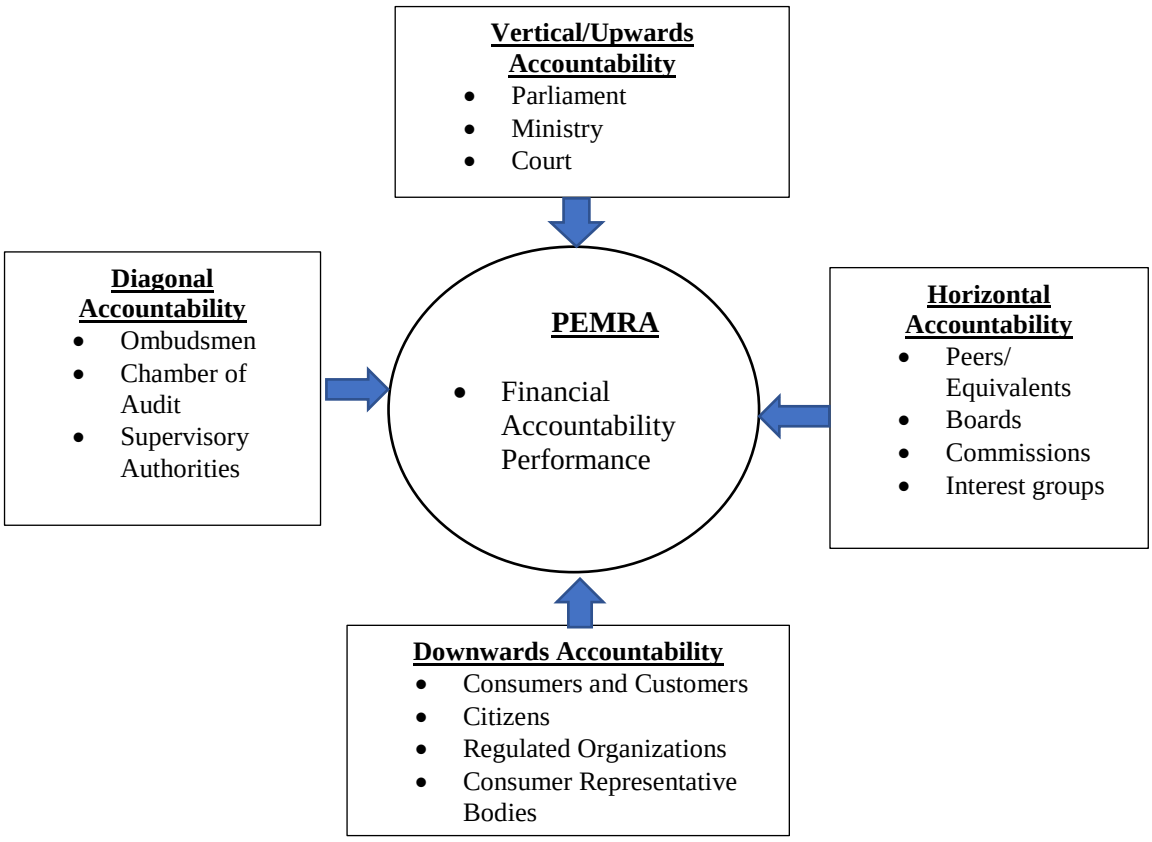
In 'horizontal accountability' a hierarchical relationship is lacking and is based on a voluntary moral obligation by IRAs to be held accountable by various stakeholders (Bovens, 2007). According to Schillemans (2008; 2011) it includes peers, equivalents or stakeholders such as boards or commissions which officially lie outside the formal hierarchical accountability relationship.

Diagonal accountability according to Bovens (2007) is an intermediary accountability relationship in which an intermediary forum is assigned by Parliament or relevant minister to account the actor's conduct. Examples of Ombudsmen, chamber of Audit and Supervisory Authorities can be taken that were established to help principals control the actor but they gradually attained own legitimacy, now acting as independent accountability forums (Bovens, 2007).

Downward accountability described by Scott (2000) is the ability of consumers, general public, citizens and regulated companies to account the actor. It is prescribed that these stakeholders of IRAs should be made directly accountable to these forums as well. Koop (2015) shared examples of this type of accountability as regulates, users belonging to non- governmental entities and overall society as well.

The conceptual framework for the study has been developed by Farooq and Jabeen (2021) by merging the accountability models, discussed in detail in the literature review, presented by Scott (2000), Bovens (2006; 2007; 2008; 2010), Schillemans (2008, 2011) and 'The 360° view of accountability' developed by the British House of Lords (2004). Objective of the conceptual framework is to explain the 'accountability regime' of IRAs and to analyse it in context of Pakistan.

Figure 1: Accountability Regime of Pakistan Electronic Media Regulatory Authority



Source: Farooq and Jabeen (2021, p. 12)

As shown in the model, PEMRA is accountable for different aspects of its performance, depending on the nature of its conduct to various forums including vertical/upwards, horizontal, diagonal and downwards accountability. Examples of such forums have been included in the model.

Accountability mechanisms commonly exists in the public sector (Aleksovska, 2021). Financial accountability is most important and according to Bovens (2007) it includes being answerable for spending of finances for which they were entrusted by sharing record of bookkeeping and for Bhen (2001) it means whether the officials of organization protected and utilized their resources. Accountability for public services represents a clear significance for accounting scholarship (Agostino, Saliterer and Steccolini, 2021) A study contributed in literature on regulatory governance and accountability of regulators by exploring mandatory accountability of financial regulators and competitive authorities in 21 developed democratic countries from European Union and English-speaking countries and much variation was observed in agencies' requirement to offer explanation (Koop, 2015). Some regulators are subjected to all accountability requirements while others are excused from these requirements and research explained that these accountability provisions don't mean that there is actual existence of accountability.
Table given below adapted from the study by Koop (2015, p. 85) includes financial accountability according to the rendered aspect of the actors' conduct and the direction of its accountability relationship.

Table 1: Financial aspect of conduct and direction of accountability relationship

Direction of accountability relationship			
	Upwards	**Horizontal**	**Downwards**
Aspect of conduct-Financial	Itemized budget to government	Financial report to account office	Publication of itemized budget
	Itemized budget to parliament		Publication of financial report
	Financial report to government		
	Financial report to parliament		

According to Koop (2015)'s research, nature of accountability related to finances can be all upward, horizontal, downward and agencies are accountable to government as well as parliament in financial matters regarding upward accountability by presenting budget and annual report which politicians can approve or reject.

Financial accountability can also be a form of horizontal accountability in which agency is obliged to share financial report with the audit office which is authorized to evaluate efficiency, effectiveness and legality of concerned agency's expenditures and present its evaluation to politicians and citizens in the society (Pollitt & Summa, 1997). This financial accountability can be downwards for the regulated sector and other stakeholders from non-governmental sector demanding the sharing and publication of annual budget and financial report. These requirements are mainly related to being answerable in accountability because non-government sector don't have powers to hold the agencies financially accountable (Koop, 2015).

Pakistan Electronic Media Regulatory Authority

According to Hussain (2008) in National Commission for Government Reform (NCGR) Pakistan has organizational entities operating in the form of attached departments, regulatory authorities, autonomous bodies, semi-autonomous bodies, subordinate offices, statutory corporations and registered companies.

Established under an ordinance in 2002, Pakistan Electronic Media Regulatory Authority (PEMRA) is an authority to regulate the private electronic media. Private television including cable TV and other sources of broadcasting in Pakistan are regulated and controlled by PEMRA by enforcing the national laws in this regard (Abrar, 2016). PEMRA established under the PEMRA Ordinance, 2002; provides guidelines and plan of action to different actors in private sector who are interested in starting radio, television or cable TV stations in Pakistan (Kemal, 2002).

In order to regulate the affairs of electronic media, Pakistan Electronic Media Regulatory Authority (PEMRA) was promulgated on March 01, 2002. According to Iqbal (2012) PEMRA from its establishment issued licenses to diverse media groups. The major portion among the given licenses consisted of news channels while nature of other channels was entertainment, sports, and religious. The major aim of the organization was to assist and regulate the establishment as well as working of all broadcast media and its distribution in Pakistan (Iqbal, 2012). This regulatory authority regulate the service of foreign and local TV as well as radio channels in Pakistan by implementing national legislations adopted as a result of compliance with some international treaty obligations (Abrar, 2016).

Common view among media experts is that PEMRA only acts as a license issuing authority implementing regulatory barriers for broadcasters (International Media Support, 2009). Another similar opinion is that PEMRA is being used to force cable operators to censor content of private channels and they selectively block that channel's broadcast. Also the prohibitive entry cost charged by PEMRA as a form of license fee has soared in recent years for both TV channels and FM radio (Yusuf & Schoemaker, 2013). According to Waqar (2015) PEMRA is not fulfilling its mandate and political interference is one of main reasons in this regard.

Research Methodology

This paper based on qualitative research aims to investigate the mechanism used for accountability of media regulatory authority in Pakistan by analysing the case of Pakistan Electronic Media Regulatory Authority (PEMRA). Qualitative research is used to explore the phenomena by using the case study of PEMRA in the specific context of Pakistan. Key respondents were identified through non-probability sampling by using purposive and snowball sampling strategies. Thirty-seven in-depth interviews and focus group discussions were conducted for data collection from the accountability regime of PEMRA. The respondents belonged to the diverse forums included in the accountability regime of the regulatory authority.

Table 2: Distribution of Interviews from PEMRA and different related Forums

Sr#	Forums	No of interviews
1	Vertical	4
2	Horizontal	12
3	Diagonal	2
4	Downward	11
5	PEMRA	5
6	PEMRA & Horizontal	1
7	PEMRA & Downward	2
Total		**37**

Data Analysis

For the data analysis process interviews were transcribed. In order to analyse performance of PEMRA a broad theme was determined consisting of financial performance. This theme was further constituted of codes/sub-themes according to the questions and responses of the interviewees.

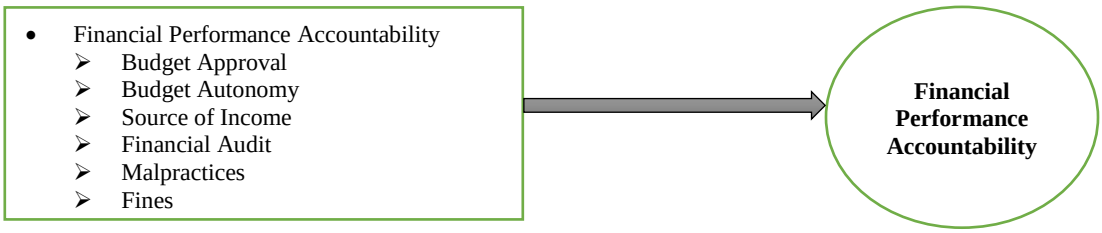


Figure 2: Coding- Financial Performance Accountability

Findings and Discussion

Financial performance of the regulatory authority includes how PEMRA fulfil its expenses and utilization of funds, when and why fee is taken, when and why fines are imposed? Interviewees were asked these questions and following sub themes were developed as a result of analysing the data.

Budget Approval

Autonomous bodies are empowered to collect fines, license fee, FM channels bidding etc. They have their own budget mechanism and set their own budget. This information was shared by concerned ministry official. PEMRA official said that budget is given in its amendment act 2007 section 14 and 15. It generates its own fund. Section 14 deals with the fund which is mainly from the license and renewal of license fee.

The authority shall in respect of each financial year prepare its own budget and submit to the federal government three months before the commencement of the financial year. It is written in the law. Every regulatory body is practicing the same. PEMRA has to inform the federal government that this is the financial budget this year. In case the revenue receipts increase from expenditures, authority is bound to deposit those to the government. In case there is a shortfall it doesn't get anything from government and manage it on its own by cutting expenses. It is autonomous but it is not unbridled.

Regional office employee shared that PEMRA has two to three ways of generating revenue. First one is fees of granting licenses to cable operators and the annual renewal fee of all tv channels, cable and FM radio stations. In PEMRA's ordinance, terms like broadcast media and distribution are used again and again. Broadcast media includes TV channels and FM radio stations. Broadcast media means that they have to generate the content and have to reach it to the subscriber. When people watch dramas and anchor persons on TV, a content is being generated through their conversation which is reaching their ears. When it is made to reach homes, it has to be done through satellite. It is called as distribution media which includes cable, DTH (Direct-to-home) and dish etc. Basically, the license granted to broadcast media and distribution includes license fee and annual renewal fee.

PEMRA generate revenue with these two things. When new licenses are given, it is done through bidding like it did for DTH. Three licenses have been granted for round about 14 billion rupees. According to section 14 of PEMRA ordinance the surplus amount of authority's budget after meeting all the expenditures, fines imposed and collected are given to the federal government by the authority.

Budget Autonomy

Budget autonomy question was answered by PEMRA officials that they are completely independent in it. Finance department proposes budget, authority's board decides and approves it.

Sources of Revenue

Explaining the authority's sources of revenue, the respondent representing the auditor general of Pakistan from diagonal accountability forum shared that in terms of section 14 of Pakistan Electronic Media Regulatory Authority Ordinance 2002 as amended by the Pakistan Electronic Media Regulatory Authority (Amendment) Act, 2007; there is "PEMRA Fund" which is to be utilized to meet the expenses to carry out its functions including payment of salaries and other remunerations to the Chairman and board members, employees, experts and consultants of the authority. This fund includes (i) the seed money by the federal

government; (ii) issuance and renewal fees for 32 kinds of licenses to establish and operate broadcast stations; (iii) loans attained with the sanction of the federal government; (iv) foreign aid received with sanction of terms and conditions approved by the federal government; and (v) all other sums obtained by the authority from any other source. Moreover, PEMRA can open and operate bank accounts in local or foreign currency in any scheduled bank and can also invest its funds in investments.

A cable operator told that PEMRA collect its revenues through license fee. Anywhere in the world license reservation fee is not charged but PEMRA does. He said it has doubled the circulation fee of cable operators. In the end the cable operators will increase their fee and public will suffer. This proves that PEMRA collects revenues indirectly from public instead of relieving public. All broadcasters, stakeholders, and cable operators have taken stay from high court against their fines. They don't even pay the 5% of their income which they have to pay against their advertisement according to rules. So, 80% of the revenue collected by PEMRA is through cable operators.

According to a journalist the regulatory bodies are under government so obviously the government in responsible for the source of income. There is no source of income for regulatory bodies. Government has set a specific budget for such commissions.

A respondent from both PEMRA and downward accountability forum told all the revenues submitted to PEMRA are collected by government. License worth of millions is sold through PEMRA but eventually the amount is given to government.

A TV channel owner shared that fees is taken from radio, television channels and cables operators also pay annually which is their legal source of income. Moreover, in digital process, they charge fee per connection and that is their legal source of earning. In case of license, PEMRA has introduced a new way which is really unique. In all over the world and in neighbour country there are two categories of license for television, one is news channel and the other is non-news channel. In non-news channel, one can include any entertainment like cartoons, dramas etc. and in news channels it includes news.

He further shared his opinion that in all over the world there is no such example that PEMRA made seven channels of different categories which comprise of news, entertainment, sports, education etc. There were five channels made by PEMRA and those channels which will give maximum bidding can have the license. This is a weird logic. Being a regulatory body, they should not earn rather they should regulate things but in PEMRA they are inclined towards money making. Recently three DTH licenses were initiated whereas these licenses were granted in year 2000 in India and even in Pakistan they were initiated in 2003 but unfortunately because of intervention of court it could not work out. He told that some years ago during previous chairman PEMRA's tenure, these licenses were granted and are most expensive in the continent. The license was almost of five billion rupees each and twenty percent tax by the government was applied on it apart from other things. The companies which bought these licenses almost paid around 6.25 or 6.5 billion rupees. This is straight away source of income of PEMRA in the form of license.

However, a ministry official said that Press Council of Pakistan is not financially autonomous and is getting budget from the federal government. PEMRA doesn't get the budget from government but sometimes get grants from federal government for funding of big projects through PC1 and PC2 forms.

An ex-official PEMRA explained that it generates its own revenue independently. It doesn't take any funds from government. It generates the funds and spend itself as well. PEMRA only gets what is written in its law. There are only few fines which PEMRA collects. For example, for license of tv, radio or cable fees

should be submitted by 30th June. If it is submitted the fee of late submission goes to the authority. A PEMRA employee shared:

"We don't take a penny from government rather we generate our own resources through the licensing and renewal fees. The fine we impose and collect goes to government of Pakistan through FBR (Federal Board of Revenue). Irony is that, for example, if we impose Rs. one hundred thousand fines on a cable operator he would spend half of it for the appeal in court and PEMRA would spend 250000 Rs to defend its decision. Cases continue or linger for years and after that PEMRA loses the cases after paying much more money than the imposed fine and even if recovery is done from the violator that amount goes to FBR" (PEMRA3)

A PEMRA official said that it is not getting any fund from government of Pakistan. It is not a burden on government of Pakistan. PEMRA generates its own fund and haven't taken any grant from the government. However, another official told that if they are unable to generate the budget, then government will grant them funds.

A journalist shared his views that PEMRA have been one of those regulatory bodies which are able to generate their own resources. Apart from some grant or annual funding from the government it has been very resourceful. The resources come from the licensing fee which has been exorbitant as described by many stakeholders and investors. Such licensing fee amounts into millions of rupees and by now PEMRA is supposed to have over a billion rupees worth of assets across Pakistan in addition to the reserves it has. It has many sources to generate income. Licensing, FM radio TV channels, landing rights to satellites, other import equipment duties, penalties and fines that it collects from the licenses, so it has many resources. It continues to find ways and means to collect more money from the stakeholders. It has the resources to move on without regular grants from the government. It is a matter of how well they manage their resources and how well they are investing their money. If that money is rightly being spend on the sector, then part of that money should also be used to promote, as per their preamble, on their mission and freedom of speech in the country, the public service broadcast and other media related sectors

Moreover, the journalist criticized by saying that PEMRA has not utilized those funds for promotion of public service broadcast. It has been issuing licenses on commercial basis by becoming more of a businessman rather than in public service and it has not yet come out with the policy of giving licenses to the public service organizations, non-profit organizations which are serving the poor community.

He further suggested that whatever resources PEMRA has been able to gather it is about time that these resources are well spent, particularly on social sector and the authority must fulfil its corporate social responsibility in a free-market economy or in the capitalistic world.

Financial Audit

Audit is any organization is carried out to get informed whether the funds and revenue are being utilized to fulfil the given objectives or not. In this regard questions were asked about audit practices in PEMRA. The Auditor General of Pakistan has the constitutional right (Article 169) to undertake audit of accounts of Federal, Provincial, Local Governments, statutory bodies and State-Owned Enterprises. According to the respondent from the audit authority, the office of Director General Commercial Audit, undertakes annual audit of PEMRA. The objective of audit is:

1. Scrutiny of expenditure/revenue for potential instances of wastage, inefficiency or ineffectiveness, and
2. Assess the adequacy of an organization's compliance with legal obligations
3. Provision of audit opinion on the financial statements of the public sector, including forming a view on the health and reliability of public sector governance and management systems.

The Audit Report is submitted to the President to be presented before the Parliament. The Parliament entrusts the Audit Report to the Public Accounts Committee for review and examination. Further, in terms of Section 16 of Pakistan Electronic Media Regulatory Authority Ordinance 2002 as amended by the Pakistan Electronic Media Regulatory Authority (Amendment) Act, 2007, there are following provisions relating to audit of PEMRA:

(1) The Authority shall maintain complete and accurate books of accounts of its actual expenses and receipts in such form as the Federal Government may, in consultation with the Auditor General of Pakistan, determine.
(2) The Authority shall carry out audit of its accounts by one or more auditors who are chartered accountants within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961).
(3) Notwithstanding the audit provided in sub-section (2), the Auditor-General shall have the power to audit the accounts of the Authority.
(4) The audit PEMRA's accounts in terms of Section 16 (2) of PEMRA Ordinance (2002) is an additional arrangement.

Ex-official shared that the audit is conducted every year both externally and internally by Auditor General of Pakistan. The external audit has not been done since a long time whereas, the ministry official affirmed and said that for example, there might be audit paras about chairman and members authority getting TADA (Traveling Allowance/Daily Allowance) for attending meetings which is specified for members from other provinces.

PEMRA's official response was that their funds are audited annually by Auditor General of Pakistan. Audit officers expect that you follow pure government rules. For example, if PEMRA officers are going abroad for a tour, they say that NOC (Non-Objection Certificate) should come from the Prime Minister. They do have an internal auditing wing and they do private audit as well.

Malpractices

When probed about any malpractices detected in the audit the diagonal accountability forum responded that Auditor General of Pakistan is only concerned about issues relating to administrative and financial management of PEMRA. The Office of the Director General Audit, Federal Government-a field office of Auditor General- undertakes audit of the accounts of PEMRA. Over the last ten year (2008-2018), the auditors have raised the following type of internal control issues in PEMRA on the accounts and financial management system of PEMRA, which are summarized as below:

1. Non-recovery of outstanding fees from licensees in accordance with Rule-5(3) of Pakistan Electronic Media Regulatory Authority's Rules-2009, which states that the fee relating to the grant of a license, renewal, late payment surcharge and fine, if any, shall be deposited in the account of the Authority.
2. Non-recovery of fines from licensees.
3. Non-recovery of outstanding fee from licensees on annual gross advertisement revenue in accordance with Rule 5 of Pakistan Electronic Media Regulatory Authority Rules, 2009 states that the

license shall be granted for a period of five, ten or fifteen years subject to payment of fee as set out in Schedule-B, which includes annual renewal fee plus 5% to 10% of annual gross advertisement revenue.

4. Non-recovery of outstanding dues from licensees.
5. Non-framing of Financial Rules.
6. Non-vetting of financial and procurement rules from the Federal Government.
7. Irregular investment of funds contrary to provisions of Finance Division O.M. No. F.4(1)/2002-BR-11 dated 02.07.2003, which envisages that investment of working balances/surplus funds be made subject to fulfilment of various requirements.
8. Unauthorized payment of honoraria, cash reward and Eid bonus to employees.
9. Irregular use of vehicles by non-entitled officers.
10. Irregular procurement of physical assets during period of ban.
11. Irregular re-imbursement of petrol for private vehicles.
12. Irregular payment of salaries after repatriation of the person on deputation.

These audit observations can be best labelled as irregularities of system and procedures. Very often the existence of an audit observation points to absence or non-functioning or non-existence of an internal control as the cause. These audit observations are discussed with the management and are either dropped (settled)/recommended for settlement after the management provides a satisfactory reply or undertake a corrective action.

Another official diagonal accountability forum shared the information that under presidential order #1 (1983), Wafaqi Mohtasib (Federal Ombudsmen) deals with maladministration cases filed through complaints. Systemic issues are studied by summoning the experts in the relevant field from the private sector. There are twelve regional offices where the assistant registrar checks the relevance of complain and through Complaint Management Information System the complaints are handled. Investigative Officer investigate and the concerned parties are summoned on a hearing. Decision is made based on the findings and then served to the Mohtasib. Appeal against the decision can be made to the President. From 2002 onwards, one hundred and thirty-three complaints were filed against PEMRA according to the respondent.

A journalist remarked that the real malpractices are not shown in the audit because it is about spending but if somebody is taking bribe for something to be done within capacity then it will not be shown in audit. He said that middle and high-level hierarchy might be involved in embezzlement.

An interesting response was given by a PEMRA official who admitted in these words:

“There are many malpractices, audit paras are made and settled as a part of routine. Audit personnel are our colleague officers and part of our society, so things get settled just like if NAB (National Accountability Bureau) detects big corruption in presence of Public Accounts Committee. Audit officers are either bribed through money or given personal favours like hiring their children on contract jobs and things get settled, no problem” (PEMRA3)

On the other hand, the official response of PEMRA was that malpractice is a very harsh term and that there were procedural oversights. According to respondent, the law says, for example, they have to follow PPRA (Public Procurement Regulatory Authority) and AGPR (Accountant General Pakistan Revenues) rules dealing with procurement and expenditures. Sometimes when they find that the documentary evidence is

not in accordance with the PPRA or AGPR rules, they do put observations. He said they, according to the law, are bound to remove those observations.

Fines

Question was asked to respondents about fines collected by PEMRA as a source of revenue. A civil society respondent said that as far as fines are concerned if there are some sort of irregularity or mishandling in the media content then fines are imposed. They don't do it for funding because channels are powerful and they don't easily oblige to fines.

A journalist had opinion that fines or challan granted to channels are also source of income for such regulatory bodies and it is followed worldwide. They don't impose fine on channels to fulfil their financial needs. There are proper laws which are followed when a channel is fined. Another one remarked that primarily their purpose is to penalize by charging channels with fine. The money coming in the form of fine is under the custody of PEMRA and it is included in its source of income. Another electronic media channel's employee negated it and said:

"No, as far as I know and understand, it does not have any financial issues because it is a public sector institution so it does not have any monetary problems and there is no lack of funds. As you know there are not many employees in PEMRA. It has its own set ups at specific places like Lahore, Islamabad etc. Their workload is on a smaller number of employees and they earn more than enough. As far as imposing fine is concerned so it is not for the sake of collection of money. If you look up to the number of fines and recovery of fines then it does not recover much accordingly. Whenever it takes any action then the accused go to courts for stay. Tell me any example when any channel is closed down" (DOWR4).

An ex-chairman PEMRA who is now representing both horizontal forum and also being part of the authority shared, "When an anchor-person called a woman Jewish, who was Christian, I fined the channel 10 lacs. If channels don't pay fine PEMRA has the authority to cancel the license" (PEMRAH1).

A lawyer from vertical accountability forum remarked that undue regulation happens at times but fines are not imposed to collect revenue. Its basic purpose is that sometimes the sitting government targets any specific channel through PEMRA which is wrong.

A member PEMRA as well as downward accountability forum said:

"If we talk about TV channels and anchors, they will always claim that they have been fined without any reason. PEMRA has seen three governments until now, no matter what government you bring the behaviour of TV channels and anchors remained same. They have always said that they are fined for no reason and to pressurize them, they are called to Council of Complaint without any purpose" (PEMRAD1). PEMRA's official response was that all the fines go into the government's custody. PEMRA only gets what is written in its law. Otherwise, the fines that are imposed on violation of code of conduct goes to government. Respondent said that since it was established in 2002, the fine PEMRA imposes by law goes to the government. Another official of authority said that PEMRA has the maximum power of imposing one million fine. It doesn't impose fines because of shortage of revenue or budget. If no one violates code of conduct, it won't fine them ever. It is not dependent on fines for revenue

An equivalent regulatory authority's respondent shared opinion that PEMRA is regulating authority with aim to maintain dignity of electronic Media. If any channel goes against the norms of civilization, code of

ethics and constitution of Pakistan, the channel be punished by both ways, imposing of fine and ban of program. It is not just the matter of collecting finance from the media but also the need to regulate in order to improve their working. A respondent from a state-owned corporation told, “Most of the fines are imposed for humiliating and insulting others. Few major rules are not to talk against Islam, national interest, and army” (HORI4).

Conclusion

This research explored the accountability practices and mechanism of media regulatory authority in Pakistan by analysing the case of Pakistan Electronic Media Regulatory Authority. For this purpose, accountability regime of PEMRA (Farooq & Jabeen, 2021) consisting of vertical, horizontal, diagonal and downward forums was explored and the focus was to unearth the financial accountability aspect of the regulatory authority. For this purpose, qualitative research using in-depth interviews was used to collect data which was transcribed and analysed for themes and sub-themes. A broad theme of financial accountability was further explored in the form of sub-themes/codes which resulted in the detailed insights about the financial accountability practices of PEMRA.

Findings reveal that the authority is autonomous in its budget determination and generate own revenue in the form of licensing and renewal fee. It is financially accountable to the Parliament from the vertical forum which can directly hold it accountable. In terms of financial accountability, it is also subjected to audit report and practices by the diagonal forum which can inquire about the financial practices of authority. As far as horizontal and downward forums, the authority is not directly answerable to these forums, but they have serious reservations about its financial practices and criticism is raised on its licensing, renewal policies and practices.

Findings of this study are unique due to the financial accountability aspect of media regulatory authority being less explored in the context of Pakistan. Therefore, this research significantly contributes to the existing literature presenting a comprehensive view of the financial accountability aspects of PEMRA which enables the south-east Asian context of media regulation and accountability to be further explored as cross-country comparison in future.

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