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## Evaluation of the TV5 Program

Evaluation Services Directorate

**November 2014**



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## Abbreviations and acronyms

CIDA	Canadian International Development Agency
APFTQ	Association des producteurs de films et de télévision du Québec [Quebec film and television producers association] (since 2013, the Association québécoise de la production médiatique [Quebec media production association])
CFB	Communauté française de Belgique [French community of Belgium, now the Wallonia-Brussels Federation]
DPR	Departmental Performance Report
CIRTEF	International Council of French-Speaking Radio and Television
CRTC	Canadian Radio-television and Telecommunications Commission
CTQC	Consortium de télévision Québec-Canada [Quebec-Canada television consortium]
CRB	Corporate Review Branch
BDU	Broadcasting distribution undertaking
FTE	Full-time-equivalent
DFAIT	Department of Foreign Affairs and International Trade
OIF	International Organization of La Francophonie
ISBO	Islamic States Broadcasting Organization
PCH	Department of Canadian Heritage
RTBF	Radio-Télévision belge de la communauté française
SRC	Société Radio-Canada
MATV	Master Antenna Television
TFO	Télévision française de l'Ontario [Ontario French television]
TSR	Télévision suisse romande
TV5 QC	TV5 Québec Canada
TV5M	TV5MONDE (also known by its official name, TV5MONDE S.A.)

## **Executive summary**

### **Description of the TV5 multilateral initiative and the TV5 Program**

Launched in 1984 by France, the Wallonia-Brussels Federation and Switzerland, the TV5 network was initially established as a vehicle for the broadcasting of French-language programming in Europe and the Mediterranean region. In January 1986, Canada and Quebec, represented by the Consortium de télévision Québec Canada (CTQC, now known as TV5 Québec Canada), entered into a partnership with TV5. On November 30, 1987, the Canadian Radio-television and Telecommunications Commission (CRTC) granted the CTQC its first operating licence. TV5 was officially launched in Canada in 1988.

Broadcast of the TV5 signal was subsequently extended to other countries and territories, including Africa, Latin America, Asia, the United States and the Middle East.

Eager to maintain its involvement and influence within the international Francophonie, the Government of Canada contributes financially, through the Department of Canadian Heritage's (PCH) TV5 Program, to the operations of TV5MONDE (TV5M) and TV5 Québec Canada (TV5 QC). This contribution increased gradually over the review period (2006-2007 to 2010-2011), following the addition of \$25M for a period of five years beginning in 2009-2010. Funds granted to TV5M and TV5 QC are used to finance operations related primarily to the operation of nine television signals and the multiplatform broadcast of digital content. Those operations include managing the programming schedule, and airing and promoting TV5's channels.

### **Evaluation objective and methodology**

#### ***Evaluation context and purpose***

The evaluation of the TV5 Program was conducted by the Evaluation Services Directorate (ESD). The ESD collected and analyzed the data and prepared the evaluation report. It partnered with consultant firms for some of the work. The purpose of the evaluation was, first, to meet the requirements of the *Policy and Directive on Transfer Payments* and the *Treasury Board of Canada's Policy on Evaluation* and, second, to inform the Department's senior management of the relevance and performance (effectiveness, efficiency and economy) of the Government of Canada's financial participation in the TV5 Partnership between April 1, 2006, and March 31, 2011. Where possible, the evaluation also took into account available information related to the period beyond this time frame to provide the most up-to-date snapshot of the situation possible. The evaluation strategy was developed in collaboration with the Program. The strategy, centred on the theory of change, is based on a calibrated approach to the extent that:

- the use of administrative data collected by the Program and available secondary data was advocated;

- the literature review/analysis and drafting of the evaluation report were conducted internally; and
- the number of interviews and the number of interview questions were determined.

See Appendix B for a matrix of the key issues and evaluation questions and their indicators.

### ***Evaluation methodology***

The evaluation of the TV5 Program is based on a methodological framework that provides for the collection of information according to six lines of investigation:

- Document review;
- Administrative file and database review;
- Literature review;
- Interviews with 25 key stakeholders;
- Analysis of statistics and audience ratings;
- Analysis of the economic impact in Canada of the federal government's contribution, including a qualitative analysis of the spillover effects associated with 10 case studies of Canadian audiovisual productions.

### ***Constraints and limitations***

Certain limitations were identified in the conduct of the evaluation.

- It is impossible for TV5M to measure its audiences in every country in which it is broadcast (over 200 countries and territories) because of the scale of the financial resources this would require and the absence, in some countries, of the necessary data collection infrastructure. It was possible, however, to obtain information regarding the number of households reached by TV5's various signals.
- In some cases, data was either unavailable for all of the years covered by the evaluation or indicated annual variations in the categories presented, thereby making temporal comparisons sometimes difficult.

These limitations were mitigated by the use of a multi-method approach aimed at generating evidence in relation to the evaluation questions from more than one line of investigation and from various points of view (internal and external).

## Evaluation findings

### ***Relevance***

Canada's financial contribution to the TV5 channels is deemed relevant, as it serves to promote French-language Canadian productions, our audiovisual and multimedia artisans and the vitality of Canada's Francophone community worldwide. This contribution also gives all Canadian Francophone communities the opportunity to enjoy a diversity of unique television and multiplatform experiences from the international Francophonie.

The TV5 Program gives Canada access to the international Francophonie and a natural area of influence in which to express Canadian values, while supporting PCH's departmental strategic outcomes.

Moreover, the TV5 Program is in line with the federal government's role and responsibilities with respect to foreign affairs, the Francophonie and the promotion of linguistic duality. Thus, under the TV5 Program, the Government of Canada fully assumes its role and responsibilities by promoting and disseminating Francophone culture and diversity and Canadian values and by playing an important role in maintaining and developing the TV5 Partnership.

### ***Performance: Achievement of expected outcomes***

The TV5 Program outcomes show that it has fully met the objectives of the federal government's investment in the TV5M and TV5 QC channels.

The TV5 Program contributes to the promotion of Canadian Francophonie abroad by financially supporting the two TV5 channels. From 2006 to 2011, the Program supported the TV5 channels in their efforts to adapt to the increasingly digital television environment. For Canada, this has resulted in an increase in the number of households reached by TV5's channels, both in Canada and abroad, the maintenance of TV5 QC's market share, as well as an increase in the number of Canadian programs broadcast on the entire TV5 network and during peak viewing hours.

From 2007 to 2011, the percentage of Canadian content broadcast on the TV5 network increased from 7.5% to 12.8%, while the total percentage of Canadian programs broadcast during prime time increased from 5% to 8%. In 2011, TV5M was distributed to 220.7 million households, compared with 188.2 million in 2008—a 17.3% increase. The use of TV5M's websites increased by 34% between 2008 and 2011.

In Canada, channel TV5 QC was distributed to 7.1 million households in 2011, compared with 6.6 million in 2007—a 7% increase. By financially supporting TV5 QC, the TV5 Program allows Canadians to enjoy a variety of cultural experiences and gives them access to content produced by Francophones for Francophones all over the world.

Through TV5 QC, the TV5 Program provided support to French-language Canadian producers in the creation, production and broadcast of Canadian audiovisual products through increased funding for audiovisual production projects and the release of rights to Canadian programs intended for broadcast on the TV5M network. This is how, for example, TV5 QC was able to launch the Fonds TV5 pour la création numérique [TV5

fund for digital creation] for Canadian creators aged 18 to 35 years who are part of the next generation in video and new technologies.

### ***Performance: Demonstration of efficiency and economy***

On the whole, the level of resources required to implement the TV5 Program at PCH is reasonable. Budgeted management costs represent approximately 4% of the Program's overall budget from 2006-2007 to 2010-2011. As for economic benefits in Canada, funding for TV5 QC contributed an average of \$12.2M annually in terms of GDP from 2006-2007 to 2010-2011. It generated an average of 174 FTE jobs annually during this same period.

### **Recommendation**

The TV5 Program outcomes show that it has achieved the objectives of the federal government's investment in TV5M and TV5 QC. The level of resources required to implement the TV5 Program is reasonable and its administrative costs are low. In addition, the TV5 Program gives Canada full access to the international Francophonie, contributes to the promotion of Canadian Francophonie abroad and allows Canadians to enjoy a variety of cultural experiences through content produced by Francophones for Francophones all over the world.

However, given the significant and rapid changes in audiovisual communications, the TV5 Partnership and the business model for TV5M and TV5 QC, the following measure is recommended. Management's response to this recommendation is provided at the end of the report.

**Recommendation:** To ensure that the objectives and outcomes expected from the TV5 Program remain relevant in the ever-changing world of broadcasting, it is recommended that the Program:

- continue to document significant changes and issues likely to influence its effectiveness and efficiency by strengthening its risk management (through the identification of risks and implementation of the resulting mitigation measures).

# 1. Introduction and context

This section briefly describes the TV5 Program and the TV5 multilateral partnership. It explains the context of the program evaluation and summarizes the objectives and related issues.

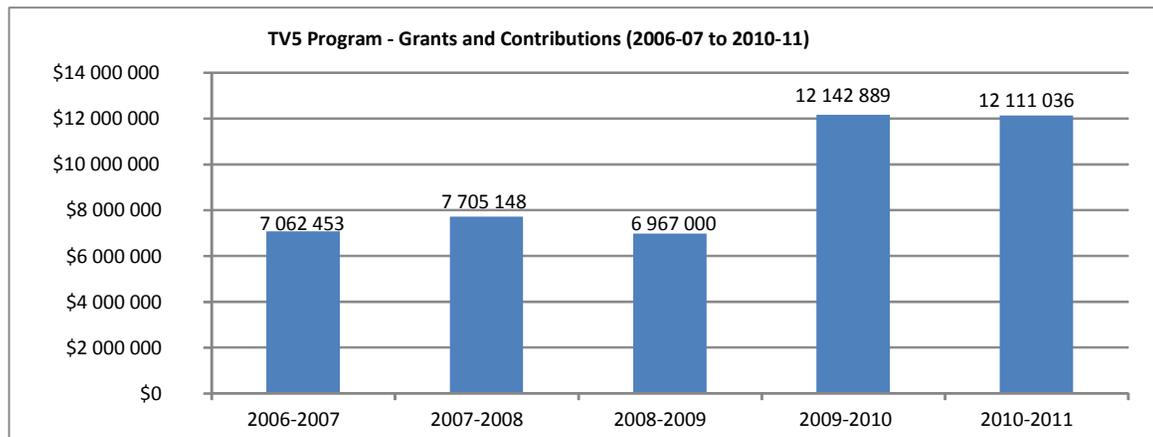
In this document, the expressions below refer to the following:

- *TV5 network* refers to the TV5 television product offered in over 200 countries and territories;
- *TV5 channels* refers to the two operators of the TV5 network, TV5MONDE (TV5M) and TV5 Québec Canada (TV5 QC);
- *TV5 signal* refers to the broadcast of the entire TV5 television offer;
- *Area* refers to the geographical area served by the TV5 network;
- *TV5 Partnership* refers to the international audiovisual partnership behind the creation of TV5 QC and TV5M;
- *TV5 Program* refers to the grants and contributions program managed by the Department of Canadian Heritage.

## 1.1 Description of the TV5 Program and the TV5 multilateral partnership

Eager to maintain its involvement and influence within the international Francophonie, the Government of Canada contributes financially, through the Department of Canadian Heritage (PCH) TV5 Program, to the operations of TV5M and TV5 QC. As illustrated in Graph 1, this contribution gradually increased during the review period, from \$7.1M in 2006-2007 to \$12.1M in 2010-2011, following the addition of an additional \$25M for a period of five years starting in 2009-2010.

**Graph 1: Change in TV5 Program grants and contributions expenditures**



Source: Administrative program data

### **1.1.1 PCH's TV5 Program**

PCH is responsible for programs and policies dealing with programs related to Canadian culture, and promotes an environment in which all Canadians take full advantage of a variety of dynamic cultural experiences. The TV5 Program contributes to this objective by creating and providing access at home and abroad to Canadian artistic expressions and cultural content, the Department's target strategic outcomes. To promote outreach of the Canadian French-language audiovisual sector abroad and to provide further opportunities for this industry on the world stage, the TV5 Program provides financial support to the operation of the TV5 network. The TV5 Program is articulated primarily around the following activities:

- management of Canada's financial grant to TV5M, aimed at funding a portion of the latter's operational activities and monitoring its activity and financial reports;
- management of Canada's financial grant to TV5 QC, aimed at funding a portion of the latter's activities (operations, release of rights to Canadian programs and special projects) and following up on these through activity and financial reports;
- management of the export budget for the release of rights to Canadian programs for broadcast on TV5M;
- provision of analyses and strategic advice to the Department and senior officials; and
- participation of the Government of Canada in Minister's Conferences and senior officials' meetings. One Radio-Canada representative and two representatives appointed by the Minister of Canadian Heritage serve respectively on the boards of directors of TV5M and TV5 QC.

The funds provided to TV5M and TV5 QC are used primarily to finance the operation of television signals and the multiplatform broadcast of digital content. These operations include managing the programming schedule, and airing and promoting TV5's channels.

### **1.1.2 The TV5 multilateral partnership**

Launched in 1984 by France, the Wallonia-Brussels Federation and Switzerland, the TV5 network was initially designed as a vehicle for the broadcast of French-language programming in Europe and the Mediterranean region. In January 1986, Canada and Quebec, represented by the Consortium de télévision Québec Canada (CTQC, now identified under the name TV5 Québec Canada), became partners of TV5. On November 30, 1987, the Canadian Radio-television and Telecommunications Commission (CRTC) granted the CTQC its first operating licence. The TV5 signal was officially launched in Canada in 1988. Broadcasting of the TV5 signal was subsequently extended to other countries and territories, including Africa, Latin America, Asia, the United States and the Middle East.

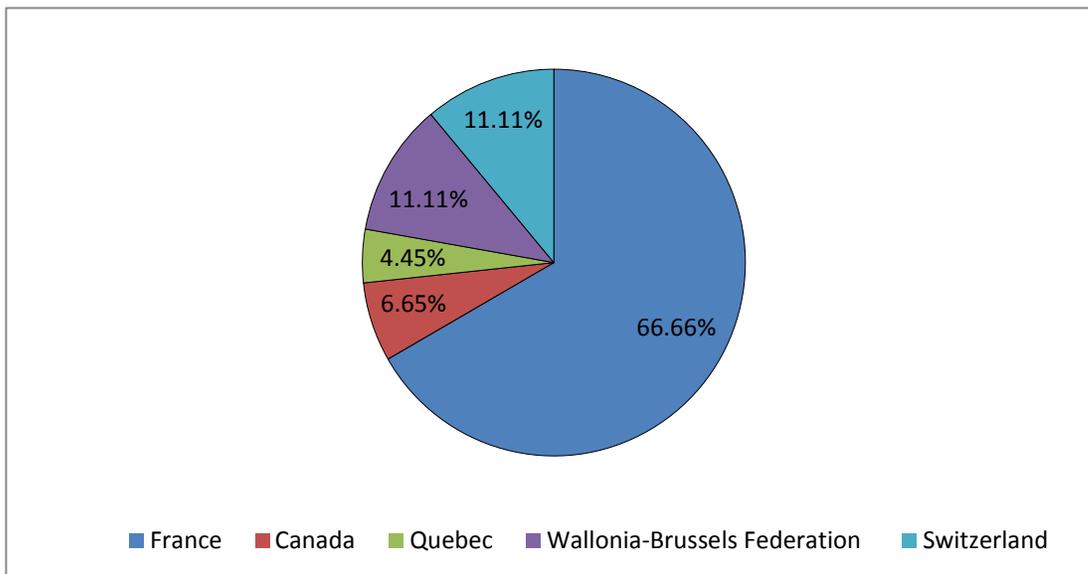
In June 2001, following a review of the TV5 Partnership's governance, the five funding governments announced that TV5's management structure would be simplified to make the network more competitive. On August 1, 2001, the consolidation of all of the organization's television signals was started. Management was taken over by new company called TV5M (formerly Satellimages), except for that of the signal broadcast in

Canada, which continues to be managed by TV5 QC, in accordance with the requirements of the service licence initially granted by the CRTC. The TV5 network is therefore managed by two operators: TV5 Québec Canada, responsible for broadcasting the TV5 signal in Canada, and TV5M, responsible for broadcasting the TV5 signal in the rest of the world.

The Société Radio-Canada (SRC) is the Canadian government’s representative to TV5M. In addition to sitting on TV5M’s board of directors as a public network partner, the SRC also collaborates with TV5 QC and Télé-Québec in selecting the Canadian programming offered for broadcast by TV5M. It is also responsible for making submissions and representations to TV5M to ensure that Canadians programs have greater visibility and presence on the network managed by TV5.

TV5M’s budget is divided into two types of costs: common costs, assumed by all of the funding governments, and specific costs, assumed by France only. As illustrated in Graph 2, the financial contribution towards common costs is divided as follows: 6/9 France, 1/9 Canada and Quebec (60% Canada, 40% Quebec), 1/9 the Wallonia-Brussels Federation and 1/9 Switzerland.

**Graph 2: Distribution of the governments’ financial contributions towards TV5M’s common costs**



*Source: Administrative program data*

During the review period, TV5M’s annual expense budget increased by €92M (approximately \$118M) in 2007 to €106M (approximately \$136M) in 2011—an increase of 15.9% in five years. The funding governments’ contribution towards common costs and that of the French government towards specific costs were, respectively, approximately 53% and 37% of TV5M’s revenue. Advertising revenue represented approximately 10% of TV5M’s revenue.

As for TV5 QC, the federal government provides financial support to the channel for its operations and right clearance costs (export budget for the cost of broadcasting Canadian programs on the TV5M network). In addition to this contribution, the Government of Canada pays specific amounts each year to help TV5 QC enrich and develop Canadian

programming. TV5 QC's annual expenditures during the period from 2006-2007 to 2010-2011 increased from \$15.1M to \$20.1M, including the export budget—an increase of 33% in five years. Total expenditures for the period were \$87M. The financial contributions of the Government of Canada and the government of Quebec during the evaluation period were, respectively, approximately 21% and 10% of TV5 QC's revenue. Subscription and advertising revenues represented, respectively, 57% and 5% of TV5 QC's revenue during this period.

## **1.2 Evaluation context, program objectives and expected outcomes**

The evaluation of the TV5 Program was conducted by the Evaluation Services Directorate (ESD). The ESD collected and analyzed data and produced the report. It partnered with consultant firms for some of the work.

The purpose of the evaluation is, first, to meet the requirements of the *Policy and Directive on Transfer Payments* and the *Treasury Board of Canada's Policy on Evaluation* and, second, to inform the Department's senior management of the relevance and performance (effectiveness, efficiency and economy) of the Government of Canada's financial participation in the TV5 Partnership between April 1, 2006, and March 31, 2011. The evaluation also took into account available information related to the period beyond this time frame in order to provide the most up-to-date snapshot possible of the changes in the TV5 Partnership's situation. A matrix of the key issues and evaluation questions, and their indicators, is provided in Appendix B.

The purpose of the TV5 Program is:

- to contribute to Canada's international presence by offering Canadian Francophone artists and producers a prime showcase in the international audiovisual market; and
- to expose Canadians to a cross-section of the international Francophonie by operating the TV5 signal in Canada, with programming that includes a large portion of European programs not available on other Canadian French-language channels.

The expected outcomes of PCH's TV5 Program are anchored on the objectives pursued by the TV5 Partnership. These are focused on extending the reach of Francophone television and promoting the international broadcast of programs produced in the French language, with the aim of:

- developing the widest possible audience by offering quality French-language programming, securing the loyalty of that audience, winning new audiences, and promoting the international broadcasting of quality programs produced in the French language;
- reflecting Francophone cultural diversity by serving as a window to the entire Francophone world, promoting cultural diversity, and fostering program exchanges between Francophone countries and the international exporting of Francophone programs; and

- serving as a forum for cooperation between partner channels, while fostering creative expression in Francophone audiovisual and film products.

As illustrated in the logic model in Appendix A, the outcomes expected from Canada's participation in TV5M and TV5 QC are:<sup>1</sup>

*Immediate outcomes*

- Implementation of the strategic directions and guiding principles of the two channels, in accordance with the TV5 Charter;
- Broadcast of the signal in Canada; presence of Canadian programming on TV5M; access to the Francophonie's stock of programs for broadcast in Canada; capacity to support special projects based on TV5's objectives;
- Broadcast of TV5M's signal on eight networks around the world; broadcast of Canadian programming on those networks; access to the Francophonie's stock of programs; support to TV5M for special projects.

*Intermediate outcomes*

- Strategic positioning of Canadian programs in prime time in TV5M's programming schedules; expansion of the Canadian and foreign audience for programs from Francophone countries;
- Support for the creation, production and distribution of Canadian audiovisual products;
- Access for the Canadian public to a showcase of Francophone cultural diversity.

*Long-term outcome*

- Canada contributes to the presence of the Canadian and international Francophonie and maintains its influence within the Francophonie.

## **1.3 Governance**

It is important to make the distinction between governance of PCH's TV5 Program and that of the TV5 Partnership.

### **1.3.1 PCH's TV5 Program**

From 2006 to 2010, the TV5 Program was managed through the International Affairs Branch and the Intergovernmental Affairs and Sport Sector, under the Director General, International Affairs, who was supported by a team composed of the Director, International Policy, Planning, Programs and Outreach and an average of three FTE employees, notably because Canada assumed the rotating chairmanship of the TV5 Partnership in 2008 and 2009.

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<sup>1</sup>A matrix, including the evaluation questions based on the expected outcomes and their indicators, is provided in Appendix B.

As a result of organizational changes in the Department in 2011, management of the TV5 Program was transferred to the Cultural Affairs Sector of PCH, and the number of persons involved in managing the program was reduced. Its leadership is assumed by the Strategic Policy and Management Branch. Based on the last two years covered by the evaluation, the day-to-day management of program activities requires an average of two FTEs.

### **1.3.2 TV5 Partnership**

The TV5 Partnership's governance structure comprises two decision-making levels. The first level, at the top, is the multilateral departmental authority known as the Ministers' Conference. This level is responsible for ratifying strategic decisions or broad directions of the TV5 Partnership. The second level consists of the boards of directors and various committees specific to each of the two TV5 operators, which are responsible for tactical and operational decisions.

#### **Ministers' Conference**

Under the TV5 Charter, the Conference of Ministers Responsible for TV5 (Ministers' Conference) brings together the ministers representing TV5's funding governments. Those are the governments of the Wallonia-Brussels Federation, Canada, France, Switzerland and Quebec, as well as any other government accepted at the Ministers' Conference. The Conference must be held every two years, its purpose being to adopt and evaluate the strategic plan and to review it mid-term. The Ministers' Conference is chaired in turn by each of the funding governments for a two-year term. The Government of Canada chaired the Ministers' Conference in 2008 and 2009.

The purpose of the Ministers' Conference, at which the Minister of Canadian Heritage and Official Languages represents the Government of Canada, is to:

- ratify TV5's general directions;
- ratify the network's geographic development priorities;
- support TV5M's strategic plan;
- announce the governments' respective budget contribution levels;
- rule on the entry of new funding governments; and
- as necessary, amend the Charter with the agreement of the operators.

#### **Meetings of senior officials**

Senior officials from the funding governments meet once a year to provide updates on the network's results and the issues it faces, and on specific issues as needed. A meeting of senior officials also takes place the day before the Ministers' Meeting.

#### **TV5's operators**

The TV5 network is managed by two operators:

- TV5M, in Paris, responsible for broadcasting signals TV5MONDE Europe, TV5MONDE France-Belgique-Suisse, TV5MONDE USA, TV5MONDE Amérique latine, TV5MONDE Asie, TV5MONDE Afrique, TV5 Maghreb-Orient, and TV5MONDE Pacifique; and
- TV5 QC, in Montreal, responsible for broadcasting the TV5 signal in Canada.

### ***TV5MONDE***

Over the period evaluated, TV5's board of directors consisted of the following 12 representatives:

- representatives of French broadcasters and the CEO of the l'Audiovisuel extérieur de la France [Society of Exterior Audiovisual of France] (six seats);
- a representative of the Wallonia-Brussels Federation broadcaster (one seat);
- a representative of the Swiss broadcaster (one seat);
- representatives of the Canadian and Quebec public broadcasters (one seat); and
- representatives of TV5M employees (three seats).

The roles of administrator and observer on TV5M's board of directors switch each year between SRC and Télé-Québec. The CEO of TV5 QC and a representative of the International Council of French-Speaking Radio and Television (CIRTEF) sit as observers.

### ***TV5 Québec Canada***

TV5 QC has legal status as a non-profit organization. Its governance structure is based on a board of directors whose membership increased from nine to 11 members in 2010. The board consists of:

- two administrators appointed by the Government of Canada;
- two administrators appointed by the Government of Quebec;
- four administrators from the Association québécoise de production médiatique, TFO, Télé-Québec and SRC, respectively;<sup>2</sup>
- two independent administrators; and
- the CEO of TV5 QC.

The President and CEO of TV5M is invited to attend the meetings of TV5 QC's board of directors as an observer. TV5 QC informs the Conference of Ministers Responsible for TV5 and senior officials of its activities.

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<sup>2</sup>TV5 QC's governance structure was reviewed in late 2013 for the purpose of being modernized. The review led to the removal from the board of directors of the administrators and members affiliated with public broadcasters and the Association québécoise de la production médiatique. Those members will be replaced by independent administrators.

## 2. Methodological approach of the evaluation

The evaluation strategy was developed in collaboration with the Program. The strategy, centred on the theory of change, is based on a calibrated approach to the extent that:

- The use of administrative data collected by the Program and available secondary data was advocated.
- the document and literature reviews and drafting of the evaluation report were conducted internally; and
- the number of interviews and the number of interview questions were determined.

The following section provides an overview of the methodological framework for the evaluation of PCH's TV5 Program and presents the principal constraints and limits of the study.

### 2.1 Methodological framework

The evaluation of the TV5 Program is based on a methodological framework for collecting the information according to six lines of evidence:

- Document review. This covered numerous documents related to the various aspects of the TV5 Program: administrative, strategic and information documents; annual reports; financial and performance reports; statistical analyses of audiences; evaluation reports; and other reports published by partners;
- Review of administrative files and databases. Review of the administrative documents supporting management of the Program and the databases supporting ongoing performance measurement monitoring activities;
- Literature review. Reviews of the literature on various aspects of the TV5 Program were conducted by the Policy Research Group of Canadian Heritage, the ESD and a consultant firm. Their purpose was to review TV5's approach and its use of new media, as well as to inform thinking about television practices in promoting major language groups;
- Interviews with key stakeholders. The ESD conducted interviews with key stakeholders in the TV5 Partnership, including individuals working for the TV5 Program and for TV5M and TV5 QC. These 25 interviews enabled the collection of information and views regarding the progress made since the 2006-2007 evaluation, as well as views regarding issues regarding the Program. (The list of interviews is provided in Appendix D.) The following determinants were used to highlight the relative weight of the opinions gathered:
  - The minority of key stakeholders: "some"
  - More than half of the key stakeholders: "most"
  - All or nearly all key stakeholders: "all"
- Analysis of statistics and audience ratings. A consultant firm was engaged to compile, analyze and present various statistics and audience ratings provided by TV5M and TV5 QC. This work was used to measure TV5's audience reach and impact among different audience categories;

- Economic impact analysis. A firm specializing in advisory services for the telecommunications and media and entertainment, culture and content sectors was engaged to examine the economic impacts of the Program in Canada, the role of the federal government's contribution in those impacts and the relative value obtained by the federal government in return for its contribution. This analysis also included a qualitative study of the spillover effects associated with the TV5 Program, based on 10 case studies of Canadian audiovisual productions.

## **2.2 Evaluation constraints and limitations**

Some limitations were identified in the conduct of the evaluation.

- It is impossible for TVM5 to measure its audiences in every country in which it is broadcast (over 200 countries and territories) because of the scale of the financial resources this would require and the absence, in some countries, of the necessary data collection infrastructure. It was possible, however, to obtain information regarding the number of households reached by TV5's various signals.
- In some cases, data was either not available for all of the years covered by the evaluation, or else indicated annual variations in the categories presented, making temporal comparisons sometimes difficult.

These limitations were mitigated by the use of a multi-method approach aimed at generating evidence in relation to the evaluation questions from more than one line of evidence and from various points of view (internal and external).

## 3. Findings

### 3.1 Relevance

Canada's financial contribution to the TV5 channels is deemed relevant, as it serves to promote French-language Canadian productions, our audiovisual and multimedia artisans and the vitality of Canada's Francophone community worldwide. This contribution also gives all Canadian Francophone communities the opportunity to enjoy a diversity of unique television and multiplatform experiences from the international Francophonie. The TV5 Program gives Canada access to the international Francophonie and a natural area of influence in which to express Canadian values, while supporting PCH's departmental strategic outcomes. The TV5 Program is in line with the federal government's role and responsibilities with respect to foreign affairs, the Francophonie and the promotion of linguistic duality.

The following pages address the relevance of the TV5 Program with respect to the continued need for it in the context of the current Francophone audiovisual space, its alignment with governmental and departmental priorities and with the government's role and responsibilities.

#### 3.1.1 *Continued need for the Program*

This section focuses on the findings related to three evaluation sub-questions, namely:

- the need for continued federal involvement in the TV5 Program;
- the distinctness of TV5 in the Canadian French-language television market; and
- the federal government's support for the TV5 network in response to technical challenges.

##### 3.1.1.1 *Continued participation of the federal government in the TV5 Program*

In 2009, Canada was the second biggest donor to Francophone institutions.<sup>3</sup> PCH's TV5 Program constitutes the Department's largest financial contribution to the institutions of the international Francophonie. The Program is also an opportunity to:

- showcase Canadian Francophone culture, artists and producers worldwide, while sharing values and points of view on national and international issues; and
- allow all Canadian Francophone communities to benefit from diverse television experiences in their language.

This financial contribution is complemented by Canada's active involvement, which all those interviewed deemed essential, to the various TV5 governance bodies, including ministerial meetings, meetings of senior officials and meetings of TV5's board of directors.

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<sup>3</sup>Administrative report: *Assessment of the Institutions of La Francophonie and Evaluation of Canada's Involvement in La Francophonie*, Strategic Policy and Performance Branch, Canadian International Development Agency, March 2009. <http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/NAT-2995946-KLE>

In addition, the government has repeatedly expressed and reiterated its commitment to support the TV5 Partnership:

- At the 2007 Conference of Ministers Responsible for TV5, the Minister of Canadian Heritage noted TV5's importance in enhancing the French presence in Canada and abroad;<sup>4</sup>
- In November 2008, the Minister of Canadian Heritage announced an additional contribution to the TV5 Network for the next five years, confirming the Prime Minister of Canada's commitment made at the Summit of La Francophonie in Quebec City in October 2008;<sup>5</sup>
- In 2010, at the close of the XIII Summit of Heads of State and Government sharing the use of French, attended by the Prime Minister, the *Declaration de Montreux* reaffirmed Canada's commitment to the TV5 Francophone multilateral network, acknowledging its essential role in the instruction and international promotion of the French language.<sup>6</sup>

### **3.1.1.2 Specificity of TV5 QC in the Canadian French-language television market**

Section 8.1 of the TV5 Charter specifies that in its programming the TV5 network must ensure diversity of geographical origins and of creative audiovisual forms in French. TV5 QC is the only channel to offer Canadians original French-language programming from the international Francophonie. This orientation, as stated in the TV5 Charter, is reflected in TV5 QC's programming in two ways:

- First, TV5 QC's programming is characterized by the significant presence of programs from the international Francophonie, at a level fluctuating between 79% and 83% from 2006-2007 and 2010-2011. Programs produced in France, Switzerland, Belgium and Africa, as well as TV5M's own productions, generally make up four fifths of the airtime of the programs shown on TV5 QC (Appendix E, Figure 1). As well, under the conditions of its operating licence granted by the CRTC, TV5 QC must devote a minimum of 15% of its programming to the broadcast of Canadian programs. Consequently, the rest of TV5 QC's programming is devoted to Canadian Francophone content, the level of which has varied between 17% and 21% during the same period (Appendix E, Figure 2).
- Second, in an environment in which television channels tend to fill well-defined niches, TV5 QC is dedicated to airing a diversity of television formats, such as cultural programs, documentaries, news magazines or newscasts and television

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<sup>4</sup>Statement by the Honourable Josée Verner, Minister of Canadian Heritage, at the Conference of Ministers Responsible for TV5, Lucerne, Switzerland, 2007.

<sup>5</sup>News release, November 27, 2008: Canada's Two-Year Term as Chair of the Conference of Ministers Responsible for TV5 Ends on a Positive Note.

<sup>6</sup>Déclaration de Montreux at the XIII Summit of Heads of State and Government of Countries Using French as a Common Language, Montreux, Switzerland, October 23-24, 2010 ([http://www.francophonie.org/IMG/pdf/Declaration\\_SOM\\_XIII\\_24102010.pdf](http://www.francophonie.org/IMG/pdf/Declaration_SOM_XIII_24102010.pdf)).

game shows (Appendix E, Figure 3), thus providing access to Francophone cultural diversity.

This primarily international and diversified range of programming is also provided on the digital platforms developed by TV5 QC.

### **3.1.1.3 Technological challenges**

The need to strengthen the TV5 network's capacity to reach its audience emerged in the second half of the 2000s. The technological transformations associated with the development of the digital television environment, the changes in consumer habits associated with various innovations in social media, and the intensification of competition make it necessary for TV5 to invest in order to maintain and gain market shares.

The 2008-2012 strategic plans of TV5M and TV5 QC reflect this necessity to adapt to an evolving technological environment and a desire to boost the TV5 network's visibility and expand its channels' audiences.

Part of the supplementary funding provided to TV5M and TV5 QC by the Government of Canada as of 2009 is used to support technology development. Thus, funding has allowed both channels to modernize their activities and use new distribution platforms to promote the French language and Francophone cultures. Consumers around the world now have access to a variety of communication platforms on which to discover and get a better understanding of Francophone cultures around the world.

### **3.1.2 Alignment with government and departmental priorities**

Involvement with the international Francophonie is one of the federal government's key foreign policy orientations. Through this involvement, Canada promotes its linguistic duality, helps develop the Francophonie's presence on its territory, participates in a natural area of influence and can, in a multilateral context, play a significant role in promoting the values Canadians wish to share. The TV5 Program's objectives are in line with this orientation, as they are focused on contributing to the international outreach of Canadian culture and the values it supports, while providing Canadians with a cross-section of the international Francophonie. Moreover, the Government of Canada has recognized this contribution by the TV5 Program by regularly highlighting the importance of the TV5 network for the French fact in Canada and by supporting it financially.

By contributing to the international outreach of French-language Canadian television programs and offering Canadians a cross-section of the Francophonie, the TV5 Program supports one of PCH's two departmental strategic outcomes, namely: "Canadian artistic expressions and cultural content are created and accessible at home and abroad."

### **3.1.3 Alignment with the government's role and responsibilities**

The information gathered from the literature survey and documentary review show that the TV5 Program is in line with the Government of Canada's role and responsibilities with respect to foreign affairs and official languages, including the promotion of linguistic duality in Canada.

Through its Department of Foreign Affairs, Trade and Development, the Government of Canada is responsible for conducting the country's international affairs. It therefore has the following responsibilities:

- promoting Canadian interests internationally;
- drafting Canada's response to international issues and events;
- managing bilateral and multilateral relations; and
- delivering programs around the world.<sup>7</sup>

Thus, under the TV5 Program, the Government of Canada fully assumes its role and responsibilities by promoting the broadcast of Francophone culture and Canadian values and by playing a significant role in maintaining and developing the TV5 Partnership, in close collaboration with its government partners, while also ensuring consistency with the TV5 Partnership's objectives.

### **3.2 Performance – Achievement of expected outcomes**

The pages that follow focus on the immediate, intermediate and long-term outcomes of the TV5 Program. In order to reflect the structure of the Program's logic model, the Program's outcomes are presented in relation to the three following objectives:

- Compliance with the TV5 Charter, its guiding principles, its strategic orientations and its implementation;
- Achievement of the expected outcomes of the financial contribution to TV5 QC; and
- Achievement of the expected outcomes of the funding provided to TV5M.

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<sup>7</sup>Department of Foreign Affairs and International Trade (2013), *2013-2014 Report on Plans and Priorities (RPP)*. Consulted on [http://www.international.gc.ca/about-a\\_propos/plans/rpp/2013-14/rpp\\_2013-2014.aspx?lang=eng](http://www.international.gc.ca/about-a_propos/plans/rpp/2013-14/rpp_2013-2014.aspx?lang=eng).

### **3.2.1 Compliance with and implementation of the TV5 Charter, its guiding principles, its strategic orientations and its implementation**

The evaluation revealed that TV5M and TV5 QC have implemented the guiding principles and strategic orientations set out in the TV5 Charter. The Program supported both channels in their efforts to adapt to the increasingly digital television environment. Changes included an increased number of households reached by the TV5 channels, both in Canada and abroad; an increased number of Canadian programs across the TV5 network and during prime time; the maintenance of TV5 QC's market share; and increased use of TV5M's website.

The first section on the expected TV5 Program outcomes looks at the establishment of the conditions necessary to ensure compliance with the strategic orientations of the TV5 Partnership, as well as the activities that should improve the positioning of Canadian programs on TV5M's prime time programming schedules.

#### **3.2.1.1 Implementation of the strategic orientations and guiding principles of the two channels, in accordance with the TV5 Charter**

The documentary review and interviews with key stakeholders revealed that during the period covered by this evaluation, namely from 2006 to 2011, TV5M and TV5 QC implemented the guiding principles and strategic orientations set out in the TV5 Charter.

#### **Implementation of guiding principles**

The terms of the partnership between the funding governments and TV5M and TV5 QC are being implemented by TV5 decision-makers. Those terms refer to, among other things, the roles and responsibilities of the two channels and the governance structures specified in the TV5 Charter.

#### ***Governance structure, roles and responsibilities of the TV5 Partnership***

The Conference of Ministers Responsible for TV5 was held biannually, and its activities are in accordance with the roles and responsibilities described by the Charter.<sup>8</sup> Similarly, the meetings of senior officials were held as per schedule. At the 2007 Conference of Ministers, as well as at the 2008 meeting of senior officials, significant changes were made to the TV5 Charter to redefine some of TV5's orientations and reflect the partners' realities and common objectives.<sup>9</sup>

Therefore, the strategic orientations for the period from 2006 to 2009, which are articulated around two objectives, namely accessibility and attractiveness, are redefined according to three objectives for the period from 2009 to 2012: consolidating and diversifying distribution media, strengthening content identity, and making the brand known to all. The strategic plan reflecting these changes was adopted in 2009.

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<sup>8</sup> Ministers' Conference: Minutes from 2007, 2009 and 2011.

<sup>9</sup> Ministers Conference: *2009-2012 Draft Strategic Plan*: Operational briefing note. This redefinition now takes into account the realities and technical needs: the digitization of television distribution, the multiplication and diversification of the competitive offering and the development of a mass market for new personal and mobile media.

This period rife with changes saw increased levels of financial contribution by the governments funding the two TV5 channels.

### ***Governance structure, roles and responsibilities of TV5MONDE***

The reports analyzed (strategic plans, strategic plan updates, etc.) show that TV5M is fully assuming the responsibility of distributing the TV5 signal outside of Canada, that its board of directors is in compliance with the Charter, and that appropriate measures have been taken with regard to the tasks assigned to it.

In accordance with the Charter, TV5M has provided programs cleared of rights to TV5 QC and sits on the latter's board of directors as an observer.

### ***Governance structure, roles and responsibilities of TV5 Québec Canada***

The guiding principles set out in the TV5 Charter with regard to TV5 QC were implemented by the channel. Those principles establish the key components of the TV5 Partnership and specify TV5 QC's governance structure.

TV5 QC met its obligations to the TV5 QC and TV5M partnership by providing programs cleared of rights to TV5M, with the support of its broadcasting partners SRC and Télé-Québec,<sup>10</sup> and by procuring English subtitling services for TV5M.<sup>11</sup> In addition, TV5 QC attends meetings of TV5M's board of directors as an observer.

In 2010, changes were made to TV5 QC's board of directors to bring in new expertise, particularly outside of the traditional broadcasting sectors in order to improve its effectiveness. Thus, two independent members joined the board following a change to TV5 QC's regulations. As well, the board is now presided over by a member elected among the administrators. Formerly, chairmanship alternated between representatives of the SRC and Télé-Québec.

Although the network's board of directors benefitted in the past from the expertise of its members representing Canadian broadcasters, this has at times posed challenges when discussing certain files.

These challenges are all the greater, given the increased competition faced by the networks since the two funding governments required, in 2007, that it increase its own funding. TV5 QC has achieved this objective notably by introducing advertising on its airwaves, changing the type of programming offered and developing a brand image valued by advertisers. While these changes have had a positive impact on TV5 QC's revenue, they also placed the channel in competition with partner public networks whose representatives sit on its board of directors.

In this context, TV5 QC's governance structure was reviewed again in late 2013. Following an analysis and recommendations by the Institute for Governance of Private and Public Organizations, TV5 QC made the decision to change the composition of its board of directors to replace all administrators and members affiliated with public broadcasters and the Association québécoise de la production médiatique with independent administrators.

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<sup>10</sup> TV5 QC financial reports: 2008, 2009, 2010 and 2011.

<sup>11</sup> TV5 QC financial reports: 2007, 2008, 2009, 2010 and 2011.

As for the SRC's role and responsibilities, the evaluation shows that they were assumed in accordance with the TV5 Charter.<sup>12</sup> Under section 3 of the Charter, the TV5 partner broadcasters contribute to the provision of programs cleared of rights for broadcast on TV5M. The reports on the export budget show that the SRC released the rights to a number of its programs, for broadcast on TV5M, and that it sat on the boards of directors of TV5M and TV5 QC, in accordance with the Charter.

### **Implementation of strategic orientations**

The two channels' strategic orientations, developed in the 2006-2009 and 2009-2012 TV5M strategic plans and the 2008-2012 TV5 QC strategic plan, respectively, were reviewed for compliance. The review revealed that those orientations were implemented.

#### ***TV5MONDE***

Two strategic plans were implemented by TV5M during the period evaluated. The first plan covers years 2006 to 2009.<sup>13</sup> Most of the activities planned by the network took place, with the exception of certain specific measures, including increasing the number of channels, due to prohibitive costs.

As for the second strategic plan, whose orientations targeted years 2009 to 2012, most of the actions planned by the network were accomplished:

- the switch to digital for certain signals and to digital-only satellite broadcast;
- the split-feeding of a signal, namely signals TV5M Asie and TV5M Pacifique;
- a 94% increase in subtitling in 2010 (12,684 hours) compared with 2009 (6,532 hours);<sup>14</sup>
- making available TV5M's signals through third-generation (3G) mobile television services and launch of applications for smart phones;
- upgrading of the channel's websites, including the launch of WebTV Jeunesse and WebTV Afrique;
- strengthening of TV5M's presence on social media.

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<sup>12</sup> 2009 TV5MONDE management report.

<sup>13</sup> TV5MONDE (2007). Note. Implementation of the 2006-2009 strategic plan.

<sup>14</sup> TV5MONDE (2011). Ministers' Conference, December 6-5, 2011. Implementation of TVMONDE's strategic plan – Indicators, p. 23

### *TV5 Québec Canada*

The analysis revealed that the channel's 2008-2012 strategic orientations were implemented. Their focus was:

- a greater choice of content;
- content enriched by high definition;
- the availability of streamed content;
- increased interaction through interactivity and social media.

The strategic orientations were implemented through activities related to:

- the switch to digital and the development of multiplatforms;
- the support of advertising sales;
- the strengthening of the brand's positioning and programming promotion;
- the negotiation of television distribution contracts and requests for multiplatform content from distributors, to ensure the network's revenue base and growth.

### *Performance monitoring mechanisms*

The requirements imposed on the channels allow the TV5 Program to achieve its performance monitoring objectives:

- The TV5 Charter requires that TV5M submit annual reports on the diversity of geographic origins of its programs and on the diversity of forms of audiovisual production. The TV5 Program therefore has the annual reports for years 2007 to 2011 on the Canadian content broadcast by the channel.<sup>15</sup> In addition, the channel provides the partner governments with an annual report on the implementation of its strategic plan, as well as its plans for coming years.
- The federal contribution requires that TV5 QC submit periodic reports on the implementation of the channel's planned activities and on its performance.
- The SRC must prepare an annual report on the export budget used to release the rights to programs for broadcast on TV5M.

The two channels operate in different countries, according to different business models and different fiscal years. They therefore submit separate reports according to different performance measurement methodologies that have evolved over the years which, in turn, can pose certain accountability challenges.

#### ***3.2.1.2 Strategic positioning of Canadian programs during prime time on TV5MONDE's programming schedules and expansion of the Canadian and foreign audience for programs from the Francophonie***

By supporting the implementation of the TV5 Charter's guiding principles and strategic orientations, the TV5 Program contributes to the achievement of two of its expected outcomes, namely: the strategic positioning of Canadian programs on TV5M's prime time programming schedules and the expansion of the Canadian and foreign audience for

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<sup>15</sup> Canadian content on TV5MONDE 2007, 2008, 2009, 2010, 2011.

programs from Francophone countries. The review of the level of achievement of the expected outcomes takes into account changes in the proportion of Canadian programs broadcast during prime time<sup>16</sup> in the regions served by TV5M, the development of new Canadian and foreign markets, the increase in the number of households, territories and countries reached, the maintenance of TV5 QC's market share, and the number of Internet users who use the TV5M and TV5 QC websites.

### **Strategic positioning of Canadian programs on TV5MONDE's prime time programming schedules**

During the period between 2007 and 2011, the proportion of Canadian content broadcast during prime time increased in all regions that receive the TV5M signal. Overall, the percentage of Canadian programs aired during prime time on TV5M increased from 5% to 8% during this period. However, that proportion varies from region to region (Appendix E, Figure 5). Canadian programs therefore represented 12% of the content broadcast during prime time on the signals of France, Belgium and Switzerland; that percentage was 2% for the signals in the Pacific and the Orient. A detailed analysis of the changes in the proportion of Canadian programs broadcast during prime time in each of the regions served by TV5M also revealed the following:

- The greatest progress was made in Europe and Asia, where the percentages increased by 6%;
- Latin America, the Pacific<sup>17</sup> and the U.S. saw increases in the percentage of Canadian programs broadcast during prime time of 5%, 4% and 4%, respectively;
- Uneven annual growth was observed in the regions of Africa and France-Belgium-Switzerland, translating to a 2% and 3% increase in percentage, respectively.

### **Expansion of the Canadian and foreign audience for programs from the Francophonie**

The evaluation reveals that the TV5 network expanded its audience. That expansion led to the development of new markets, such as:

- Better-adapted broadcasting as a result of the launch of TV5M Pacifique (following its separation from TV5M Asie) in 2009. That signal serves Japan, South Korea, Singapore, Australia, New Zealand and Taiwan, and includes subtitling in the national language in Japan and South Korea;
- Subtitling of programs for English-language countries in Africa, including Nigeria, South Africa and Kenya;<sup>18</sup>

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<sup>16</sup> The Canadian Radio-Television Broadcasting Commission defines "prime time" as the period between 6:00 p.m. and midnight.

<sup>17</sup> TV5MONDE has served the Pacific region since 2009. The increase in the Canadian programs aired during prime time is measured over a period of three years, rather than five years, as for the other regions.

<sup>18</sup> TV5MONDE. (2008). 2009-2012 draft strategic plan.

- The distribution of signals using the options provided by new digital platforms, which allowed the conquer of new client segments, particularly youth;<sup>19</sup>

TV5M implemented a new market development strategy by investing in programming subtitling. Some of the French-language programs were already subtitled. However, TV5M invested to render a greater number of programs accessible to non-Francophones who receive TV5. This decision was made after observing that programs subtitled in the national language draw between 2 and 5 times larger audiences.<sup>20</sup> Thus, in 2009, the volume of subtitles produced in 10 languages was 6,532 hours. In 2010, one year later, that volume had increased by 94.2%, for a total of 12,684 hours, by which time TV5M offered programs subtitled in 11 languages across its signals.<sup>21</sup>

The channels also made efforts to strengthen the traditional distribution networks. Thus:

- in 2011, TV5M was distributed to 220.7 million households, compared with 188.2 million in 2008 (Appendix E, Figure 6), a 17% increase (the data for 2007 is unavailable, as TV5M recalculated its audiences using a more reliable method in 2008);<sup>22</sup>
- in 2011, TV5 QC was distributed to 7.1 million households in Canada, compared with 6.6 million in 2007—a 7% increase;<sup>23</sup>
- in 2011, TV5M was present in 200 countries and territories.<sup>24</sup>

During the period assessed, TV5 QC maintained its market share (% of the total number of listeners) in French-speaking Quebec. According to BBM surveys, TV5 QC's market share remained stable at 0.4% during peak hours (from 6:00 p.m. to 11:00 p.m.). For the day overall, TV5 QC's market share rose slightly to 1.4% in 2007–08, fell to 1.1% in 2008–09, and rose to 1.2% then 1.4% in 2010–11.

As well, use of TV5M's websites increased by 34% between 2008 and 2011. Average monthly traffic reached 6.7 million visits in 2011, compared with 5 million in 2008.<sup>25</sup> There was also a significant traffic increase on TV5 QC's website, whose average went from 74,000 in 2007-2008 to 162,000 in 2010-2011—an increase of 118% (Appendix E, Figure 7).

Overall, the implementation of the orientations and guiding principles resulted in gains in strategic positioning of Canadian programs. There was also a marked increase in the number of households reached, an expansion of the foreign audience, the maintenance of

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<sup>19</sup> TV5MONDE. (2011) Implementation of the TV5Monde strategic plan – Indicators.

<sup>20</sup> TV5MONDE. (2007). 2007 progress report

<sup>21</sup> TV5MONDE. (2011) Implementation of the strategic plan – Indicators.

<sup>22</sup> TV5MONDE. (2011). Implementation of the strategic plan – Indicators.

<sup>23</sup> TV5Québec Canada. (2012). Distribution in Quebec and Canada: Subscribing households – 2001 to 2011.

<sup>24</sup> TV5MONDE. (2011). Orientation of the new TV5MONDE 2013-2016 strategic plan.

<sup>25</sup> (TV5MONDE, 2011B, p. 17) Documents 57 and 91. It is important to note that this number includes visits to all of TV5MONDE's websites (mobile sites as well), but does not include visits through mobile applications (a total of over 217,000 downloaded) or visits on social networks like YouTube.

TV5 QC's market share, and a diversification of platforms to reach a greater number of consumers.

### **3.2.2 Achievement of expected outcomes of the financial contribution to TV5 Québec Canada**

By financially supporting TV5 QC, the TV5 Program allows Canadians to enjoy a variety of cultural experiences and to have access to content produced by Francophones for Francophones from around the world. The Program contributes to the promotion abroad of the Canadian Francophonie by providing increased support to French-language Canadian producers in the creation, production and broadcast of Canadian audiovisual products that can be broadcast on TV5M. The Program also contributes to increasing the networks' presence on multiplatform media.

The expected immediate and intermediate objectives of the contribution to TV5 QC are to ensure that through the government's investment in TV5 QC, Canadians would enjoy the cultural and televisual diversity of the international Francophonie, while also supporting the creation, production and broadcast of Canadian audiovisual products on the TV5 network.

#### **3.2.2.1 Broadcasting of the signal in Canada, presence of Canadian programming on TV5MONDE, access to the Francophonie's stock of programs for broadcast in Canada and support for special projects based on TV5 QC objectives**

##### **Broadcasting of the signal in Canada**

The additional financial participation of the Government of Canada, during the period studied, allowed the channel to fund various projects, mentioned in the previous section, aimed at modernizing its activities, enriching its website content and expanding its audience.<sup>26</sup>

##### **Presence of Canadian programming on TV5MONDE**

The presence of Canadian programs on TV5M's schedules and platforms is important for the achieving the Government of Canada's outreach objective through the TV5 Program. During the period between 2006-2007 and 2010-2011, the Government of Canada spent a total of \$6M for the release of rights to Canadian programs to be broadcast on TV5M's airwaves and other platforms (export budget, funded jointly by the Quebec and Canadian governments).<sup>27</sup> Funding by the Government of Canada to purchase the rights to Canadian programs contributed to an increase in Canadian content on TV5M. This increase contributed in part to the achievement of one of the elements of the agreement-in-principle signed by the partner governments in 2008, namely an increase in the percentage of programming from outside of France broadcast on TV5M, including from Canada.<sup>28</sup>

<sup>26</sup> Canadian Heritage – TV5 program: Unique access to the Canadian and international Francophonie

<sup>27</sup> TV5 Québec Canada, 2007, 2008, 2009, 2010 and 2011 financial reports.

<sup>28</sup> TV5MONDE - Analysis of activity reports / final outcomes.

It should be noted that under the management contract signed by TV5 QC, the SRC and Télé-Québec, TV5 QC is responsible for making available to TV5M quality Canadian programming selected by a program committee composed of members of the SRC, Télé-Québec and TV5 QC. However, in accordance with the TV5M Charter,<sup>29</sup> TV5M has jurisdiction over the selection of the Canadian programs broadcast by that network.

### **Access to the Francophonie's stock of programs for broadcast in Canada**

Under the TV5 Charter, the funding governments undertake to provide TV5 with programs cleared of rights that are representative of the best programming broadcast in their respective territories. The data obtained reveals that on average, over the past five years, 80% of TV5 QC's programming comes from the international Francophonie (Appendix E, Figure 9). Half of the programs selected and broadcast by TV5 QC come from French broadcasters. It should be noted that in some cases, there seem to have been difficulties in terms of releasing the rights to programs proposed by TV5M for broadcast on TV5 QC's digital platforms. Those difficulties are attributable in part to the high, additional costs of releasing rights to European programs for digital platforms.

### **Support for special projects based on the objectives of TV5 QC**

TV5 QC uses the money provided by the TV5 Program to carry out projects to enrich Canadian programming broadcast on TV5 QC and its mobile platforms, as well as for projects aimed at ensuring its long-term development. The objectives of the investments in these projects are:

- to allow TV5 QC to collaborate with several Francophone producers from outside Quebec in order to highlight all of the Canadian Francophonie and reach a greater number of Francophones and Francophiles; and
- to increase the channels' presence on multiplatform media.

During the period from 2006-2007 to 2010-2011, the budget envelope for special projects was multiplied by 2.5 (\$276,557 to \$718,935). This support for 36 projects totalled \$2.1M between 2006-2007 and 2010-2011, equal to 11.7% of the total amount contributed to TV5 QC by the federal government during the same period.<sup>30</sup> Fourteen projects were completely funded by the Program and 22 others benefited from partial funding by the federal government. The special projects funded included documentaries, documentary series, documentary miniseries, programs/capsules for television and new media, and the captation of major cultural events, including those presented during the 2010 Olympic Games in Vancouver.

To showcase all of the Canadian Francophonie and reach a greater number of Francophones and Francophiles, part of the amount granted by the Program to special projects went to a fund for Francophone producers from outside Quebec. This support facilitates collaboration between TV5 QC and these producers and contributes to training the next generation of producers. Two thirds of the special projects were carried out by

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<sup>29</sup> TV5 Charter (2008), s. 9.2.

<sup>30</sup> Projects carried out over several years are counted only once.

these producers. The monies provided funded various television productions, including *Ma caravane au Canada* and *D'Est en Ouest*.

Last, a portion of the monies allocated to special projects funded projects related to the new distribution platforms to which a significant increase in traffic on TV5 QC's website is attributed (TV5.ca and the social networks in which the channel participates).

### **3.2.2.2 Support for the creation, production and distribution of Canadian audiovisual products**

Support for Canadian audiovisual creation and production is one of the expected outcomes of the federal contribution to TV5. Through TV5 QC, the TV5 Program provides financial support to producers for the creation, production and broadcast of audiovisual products. This is done through special project funding and the export budget. Funding devoted to TV5 QC operations can also be used to fund production projects.

Thus, under the conditions of the licence granted by the CRTC, TV5 QC must:

- devote at least 15% of its programming to the broadcast of Canadian programs;
- broadcast a minimum of 104 hours of first-run original Canadian programming each year; and
- expend each year on the acquisition of and/or investment in Canadian programs a minimum of 40% of the previous year's gross revenue derived from the operation of its service.<sup>31</sup>

With the financial support of the Program, TV5 QC launched the TV5 fund for digital creation, for Canadian creators aged 18 to 35 who form part of the new generation in video and new technologies. The fund promotes the production of Francophone content for the new distribution platforms. Each year, the TV5 fund finances web series adapted to new media consumption habits.

Whether on the topic of funding for special projects, funding for the export budget or TV5 QC's investment in Canadian programs, the interviews held with producers during the analysis indicate that:

- the audiovisual production projects carried out by some of the producers interviewed could not have gone forward without the support of the TV5 Program and TV5 QC. The projects submitted to TV5 QC by the producers interviewed would have unlikely been accepted by other channels, given the nature of the projects proposed and the specific niche of TV5's programming.
- for most of those interviewed, funding by TV5 QC was used to leverage the resources (human, technical and other) needed to carry out their projects; and
- most producers consider the investments of the TV5 Program to have positive impacts. For some, the projects carried out in collaboration with TV5 QC allowed

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<sup>31</sup> Broadcasting Decision CRTC 2003-77, <http://www.crtc.gc.ca/eng/archive/2003/db2003-77.htm>.

them to acquire or maintain expertise and know-how in certain niches (interactive media and social media). Some producers also noted direct benefits for their creations supported by the TV5 Program, receiving awards in recognition of their work (Gémeaux, NUMIX, etc.).

### **3.2.3 Achievement of expected outcomes related to the grant to TV5MONDE**

By financially supporting TV5M, the TV5 Program provides access to content produced by Francophones for Francophones from around the world. This support also contributes to the promotion abroad of the Canadian Francophonie through increased broadcasting of Canadian programming on the eight TV5M signals. Increased support by the Government of Canada, combined with that of the other TV5M partners, resulted in an increase in the channel's distribution worldwide and an increase in its presence as a multiplatform television distributor.

The immediate and intermediate outcomes of the grant to TV5M are that Canadians enjoy international Francophone cultural and televisual diversity through TV5 QC and the creation, production and broadcast of Canadian audiovisual products on the TV5 global network are supported.

#### **3.2.3.1 Broadcast of the TV5 signal and Canadian programming on the eight TV5MONDE channels and support to TV5MONDE for its special projects**

##### **Broadcast of the TV5 signal on the eight global TV5M signals**

A review of the information on the channel reported in the previous sections show that, during the period evaluated, broadcast of the TV5M signal was ensured as agreed and that the channel made significant effort to achieve the strategic objectives determined by its board of directors. It should be noted, however, that the increase in funding by the channel's partners was a key element in the channel's success. A review of the achievement (or non-achievement) of the expected outcomes of the channel's 2006-2009 and 2009-2012 strategic plans reveals the impacts not only of the increased financial contributions of the funding governments in 2009, but also of a more strategic management of its operations. Thus, the federal participation, combined with that of the other TV5M partners, resulted in a wider distribution of the channel and its positioning as a multiplatform television distributor.

##### **Broadcast of Canadian programming on the eight global TV5M signals**

The contribution of the TV5 Program to the export budget enabled the release of Canadian programs for broadcast on TV5M. The availability and the positioning of programming from outside France were two central elements of the 2008 agreement in principle, and still are today.

That agreement, signed by the channel's partners, stipulates that “[TRANSLATION] broadcasting of programs cleared of rights from the greater Francophonie (outside

France) should gradually increase to reach a level of 25% to 30% of airtime.”<sup>32</sup> The agreement was respected and the outcome was an increase in content from outside France (from 18.6% in 2008 to 31.2% in 2011), and more particularly in Canadian content (7.5% in 2007 to 12.8% in 2011) on TV5M (Appendix E, Figure 4).

### **Support for the TV5MONDE strategic plan**

Since 2008, part of the additional funding provided by the partner governments was to be used to implement its strategic plan for modernizing the channel. Thus, TV5M’s key development projects were aimed at developing the channel’s activities and updating them in the digital environment. Those improvements increased TV5’s reach, making it accessible to consumers in less accessible geographical areas. In addition, these special projects increased content consumption potential and experiences through the implementation of diversified platforms (mobile telephone, social networks, WebTV, etc.).

Through the implementation of its strategic plan, notable results were obtained,<sup>33</sup> including a significant increase in traffic on TV5M’s websites and mobile applications, particularly such online columns as Apprendre.tv and Enseigner.tv, and the successful launch of the TV5MONDE+Afrique site.

#### **3.2.3.2 Access for the Canadian public to a showcase of Francophone cultural diversity**

One of the TV5 Program’s two main objectives is to provide Canadians with a cross-section of the international Francophonie by operating the TV5 signal in Canada. The channel presents programming that includes a large share of Francophone programs not available on other Canadian channels presenting French-language content.

According to most interviewees, the broadcast in Canada of content from the international Francophonie on TV5 QC provides Canadians with a variety of Francophone cultural experiences, since approximately 80% of the content broadcast on the channel comes from outside Canada. The greatest share of TV5 QC’s programming comes from French broadcasters, but that share is apparently decreasing (57% in 2006-2007 and 45% in 2009-2010; Appendix E, Figure 1). The proportions of Belgian and Swiss content are similar: 7% in 2006-2007, and gradually decreasing to 5% in 2010-2011. The proportion of African content remained relatively constant at 2% during the period evaluated. A portion of the content broadcast on TV5 QC is produced by TV5M (own production). That proportion increased from 11% in 2006-2007 to 16% in 2007-2008, and has not changed since. Last, we note that TV5 QC’s content from outside Canada decreased slightly during the period evaluated (from 83% in 2006-2007 to 81% in 2010-2011).

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<sup>32</sup> TV5MONDE agreement in principle, April 2008.

<sup>33</sup> TV5MONDE, Ministers' Conference, December 5 and 6, 2011 – Implementation of the TV5MONDE strategic plan – Indicators.

### 3.2.4 *Issues that may have an impact on the TV5 Program's future performance*

There is no doubt that the world of television is changing drastically the world over. This is evidenced in the rapidly increasing competitiveness of television, while the number of satellite channels increased—in only three years—from close to 23,000<sup>34</sup> in 2008 to over 29,000<sup>35</sup> in 2011. The Canadian television market is no exception, with a significant increase in the number of specialty channels, from 49 in 1998 to 204 in 2008. Globally, however, the trend is the opposite of that in Canada: since 2008, the total numbers of French-language and English-language channels have decreased, from 125 to 101 and from 453 to 439, respectively.<sup>36</sup>

During the period evaluated (2006 to 2011), several countries around the world<sup>37</sup> transitioned from analog to digital.<sup>38</sup> Television channels had to adapt to this transition to continue to serve their clientele. The transition to digital, supported by the increased availability of high-speed Internet and the development of digital technologies, such as peer-to-peer networks, high-definition television, personal video recorders, video on demand, IP protocol television and mobile television, paved the way in the market for new channels, creating a more fragmented and competitive market.<sup>39</sup>

These changes contributed to the phenomenon of converged media, the process by which telecommunications and broadcasting are rapidly converging into a single world of communications that offers innovative services to consumers, delivers these services in new ways and disrupts current business models.<sup>40</sup> This context is characterized by the interoperability of entertainment devices, where the same content can easily be transferred and read from one entertainment device to another.<sup>41</sup> Some commentators see in this a shift in power from the broadcasters to consumers, who increasingly dictate when and how they wish to receive services.<sup>42</sup>

The Media Technology Monitor (MTM) concludes that the increase in the number of Canadian watching television on new platforms (26% of Francophones and 32% of Anglophones) has not led to a desertion of traditional television, since a very small proportion of people watch television on new platforms only (2% of Francophones and 4% of Anglophones).<sup>43</sup> The MTM considers that “the death of TV is greatly

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<sup>34</sup> TV5MONDE, 2009-2012 strategic plan, Bilan et perspectives, 2010.

<sup>35</sup> TV5MONDE, Bilan de distribution 2008 de TV5MONDE, 2008

<sup>36</sup> CRTC, Convergence Policy, Development and Research, 2010.

<sup>37</sup> For a list of countries that made the transition, as well as the type of signal used, see <http://www.chinavasion.com/digital-tv-explained.html>. The list is not exhaustive, but it gives an idea of the countries that completed the transition.

<sup>38</sup> For further details on the transition process and its regulation in Canada and in other countries, see <http://www.crtc.gc.ca/fra/publications/reports/pwc09.htm#a12>.

<sup>39</sup> McEwen, M. (September 1, 2006). *Report to the CRTC on Digital Transition Strategies in a Number of Different Countries*. <http://www.crtc.gc.ca/eng/publications/reports/radio/mcewen.pdf>.

<sup>40</sup> Radar Services Média. (2007). *Les nouvelles plateformes de diffusion médias : Des mutations profondes pour les industries audiovisuelles et du multimédia*.

<sup>41</sup> Ibid.

<sup>42</sup> Canadian Radio-television and Telecommunications Commission, 2006, para. 79.

<sup>43</sup> Media Technology Monitor. (2011a, 18 April). *Personal TV 2010 : Anytime, Anywhere : Analysis of the English-Language Market*.

exaggerated” and sees, rather, opportunities for consumers to “enhance their TV experience.”

### **TV5 QC: Changes in the regulatory framework and launch of a new French-Canadian station**

The CRTC’s decision in 2006<sup>44</sup> to abolish the double-status rule requiring the major Canadian broadcasting distribution undertakings (BDUs) to offer certain specialty channels, including TV5, as part of their basic service has placed TV5 QC in a fragile situation, as a significant part of its own revenue depends on subscriptions. In keeping with that decision, the CRTC stated that creating a French-language service dedicated to minority Francophone communities could fulfill need for the broadcast of Canadian content across Canada. TV5 QC took that opportunity to apply to the CRTC and obtain, in 2013, an amendment to its licence allowing it to operate the TV5 Québec Canada signal and a second signal named UNIS. Furthermore, the major BDUs now must offer TV5 QC and UNIS as part of their basic digital service.

One of the objectives of the contribution to TV5 QC is to provide Canadians with a cross-section of the Francophonie by operating the TV5 signal in Canada, which includes programming of which a large portion consists of international programs not available on other French-language Canadian channels. Although UNIS’s mission is in line with the Department’s mandate with respect to enhancing the vitality of Francophone minorities in Canada, the TV5 Program is not currently committed to funding the operations of a second signal in Canada dedicated specifically to promoting the Canadian Francophonie. The TV5 Program must continue to ensure that its use of the funds from the Program remains closely related to the achievement of its two objectives, namely: Canada’s international presence and offering Canadians a cross-section of the international Francophonie.

During the period evaluated, there was a slight increase in Canadian programming on TV5 QC, ranging from 17% to 21% during that period. This increase could, if it becomes significantly more pronounced in the medium term, cause the TV5 Program to review some of its objectives and indicators regarding the view of the international Francophonie it offers Canadians. The Program should closely follow any changes in this trend, taking into account TV5 QC’s conditions of licence.

Under its mandate, the Canadian Programs Committee should, in addition to proposing to TV5M programming from the partner channels (SRC, Télé-Québec and TV5 QC), draw programming from among the best programs, films and series produce or broadcast by other Francophone Canadian organizations or broadcasters. In fact, a small proportion of the programs selected for TV5M come from private broadcasters. It would be important for the Programs Committee to continue in its efforts to propose programs that are the most representative possible of all Canadian Francophone audiovisual production.

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[http://www.mtm-otm.ca/files/Reports/2010/Personal%20TV%202010\\_Anglophone\\_FINAL.pdf](http://www.mtm-otm.ca/files/Reports/2010/Personal%20TV%202010_Anglophone_FINAL.pdf).<sup>44</sup> Broadcasting Public Notice CRTC 2006-23.

### **3.3 Performance: Demonstration of efficiency and economy**

The level of resources required to deliver the TV5 Program at PCH is reasonable. During the period evaluated, budgeted management costs represented approximately 4% of the Program's overall budget. Funding for TV5 QC also contributed an average of \$12.2M annually in terms of Gross Domestic Product (GDP) and generated an average of 174 Full time equivalents (FTEs) during the period from 2006-2007 to 2011-2012.

#### **3.3.1 Use of resources – TV5 Program**

##### **Changes in expenditures**

During the period between 2006-2007 and 2010-2011, the annual budget for expenses related to salaries, operating costs and the five-year program review was \$380,000. During that period, the total amounts paid by the Program in grants and contributions to the TV5 network increased from \$7.1M to \$12.1M. This increase is the result of an agreement in principle signed by the partner governments in 2008, following which the Government of Canada announced an additional contribution to the TV5 channels of \$25M over five years. The TV5 Program's actual expenses are detailed in Appendix C, Table 1. This does not include, however, specific information on the Program's actual operating costs, as they form a part of the Directorate's aggregate operating costs.

##### **Proportion of administrative costs**

Using as an efficiency criterion the ratio of budgeted management costs to the overall Program budget produces an average annual coefficient of 4% for the entire period between 2006-2007 and 2010-2011 (Appendix C, Table 2). The Program also succeeded in fulfilling its duties and obligations, despite organizational and structural changes in 2011 and a reduction in its workforce. It was not possible, however, to evaluate to what degree the Program's actual administrative costs are reasonable, given that they form a part of aggregate administrative costs of the Directorate responsible for the Program. A new cost centre has been created to provide access to this data for the TV5 Program.

#### **3.3.2 Use of resources – TV5MONDE**

##### **Changes in expenditures and revenue**

During the period under review, TV5M's budget increased from €92M (approximately \$118M) in 2007 to €106M (approximately \$136M) in 2011—an increase of 15.9% in five years. The budget consists primarily of common costs, towards which the five funding governments contribute, and specific costs, covered exclusively by the French government. Under the partnership agreement between the five funding governments, each government contributes financially towards the common costs as follows: 6/9 France, 1/9 Canada and Quebec (60% Canada; 40% Quebec), 1/9 the Wallonia-Brussels Federation and 1/9 Switzerland. During the 2007-2011 period, the funding

governments' contribution towards common costs and that of the French government towards specific costs were, respectively, an average of 53% and 37% of TV5M's revenue. It should be noted that during this period, the French government's contribution towards specific costs decreased by 27%, while the contribution of all of the partner governments towards the common costs increased by 55%. This change is the result of the 2008 agreement in principle, which provides for an increase in contribution by the Canadian, Quebec, Belgian and Swiss governments and an increase in the channel's commercial (advertising and subscription) revenue.

### **3.3.3 Use of resources – TV5 Québec Canada**

#### **Changes in expenditures and revenue**

In Canada, TV5 QC's annual expenditures during the period between 2006-2007 and 2010-2011 increased from \$15.1M to \$20.1M (including the export budget for the release of rights to Canadian programs for broadcast on TV5M)—an increase of 33% in five years. During this period:

- subscription revenue was TV5 QC's main source of revenue representing, on average, 57% of TV5 QC's total funding. TV5 QC's annual subscription revenue increased from \$9.2M to \$10.7M—a 16% increase;
- TV5 QC's annual public<sup>45</sup> funding increased from \$4.4M to \$6.8M—a 54.5% increase. The respective contributions of the Canadian and Quebec governments represented, on average, 21% and 10% of TV5 QC's total funding;
- the other sources of annual<sup>46</sup> funding increased from \$10.6M to \$13.8M—a 30% increase. This increase is attributable in large part to the increase in advertising and sponsorship revenue, which increased from \$0.3M to \$1.5M—a 400% increase—during the period evaluated.

TV5 QC succeeded in diversifying its revenue sources, as recommended by the funding governments in 2008.

#### **Economic impacts in Canada of TV5 QC's activities**

A review of the economic effects of a program is not a normal part of an evaluation. However, the previous evaluation published in 2007 took a qualitative approach to the subject and suggested that a more comprehensive review would be desirable. A quantitative analysis of the economic impacts in Canada of the federal government's contribution to the activities of TV5 QC was therefore undertaken as part of this evaluation. The following findings emerged:

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<sup>45</sup> Public funding includes the following funds: operations fund from the Government of Canada, operations fund from the government of Quebec, clearance costs from the governments of Canada and Quebec, and funds received from the Government of Canada for complementary projects.

<sup>46</sup> Other sources of funding include: subscription revenue, barter advertising, advertising and sponsorship revenue, translation services for TV5M, deferred contributions and other revenue.

- Overall, the TV5 Program generated an average of \$9.3M annually in revenue for households participating in the Canadian economy between 2006-2007 and 2010-2011. It also contributed \$12.3M annually in terms of GDP, in addition to generating 174 FTE jobs. Half of the economic benefits of the TV5 Program are attributable to the broadcasting operations of TV5 QC. Canadian broadcasting production supported by TV5 QC represents 30% of the economic benefits attributed to the Program. Digital content production, translation services and the purchase of rights to programs for broadcast on TV5M together account for the remaining 20% of the economic benefits attributable to the Program.
- The impact of the federal government's tax revenue from the contribution of the TV5 Program to TV5 QC's activity in Canada was calculated on the basis of federal revenue generated by all of the economic benefits to Canada of this contribution. Overall, the economic benefits to Canada attributed to the TV5 Program were \$9.7M in federal tax revenue for the period from 2006-2007 to 2010-2011.

A qualitative analysis of the spillover effects<sup>47</sup> associated with the TV5 Program, based on 10 case studies of audiovisual productions, was also conducted. It revealed that:

- Long-term positive effects are observed, for example, on content production, sales and new media development. Thus, the execution of a project for TV5 QC helped maintain filming expertise abroad, acquire expertise in the production of documentary miniseries (as opposed to single documentaries) and ensure that a company's reach is increased in the long-term;
- TV5 can be a window to Canadian audiovisual products abroad and generate impacts attributable to the export of programs. According to one of the producers interviewed, "[TRANSLATION] TV5 certainly provides more direct access to the international Francophonie than any other organization in Canada." Thus, TV5 is often Canadian producers' first window to foreign countries;
- The broadcast of TV5 programming in Canada and around the world is generally perceived as positive, as it contributes to the development of foreign markets for producers through the purchase of subsequent rights after initial broadcast on TV5M. Comments on this aspect center on the increased visibility obtained and the fact that initial broadcast on TV5M is a useful "calling card" for those wishing to develop the international market. Some producers pointed out, however, that the rights paid for the broadcast of Canadian programs on TV5M are among the lowest in the market. As one interviewee stated, "[TRANSLATION] It's relatively little, given the very large territory covered by TV5M and the fees producers must pay to holders of rights to release those additional rights";

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<sup>47</sup> While the direct, indirect and induced impacts can be measured using financial and macro-economic data, spillover effects (a subcategory of induced impacts) are often presented qualitatively, given the difficulty in collecting data and/or establishing the causal relationship. The qualitative expression of the induced impacts complements the quantitative analysis by expressing stakeholders' experience in the TV5 Program's value chain.

- Last, all producers interviewed acknowledge a positive impact of broadcasting Canadian programs on TV5M in terms of increased visibility of established and emerging Canadian talent, creators and artists, none of whom would benefit from such a window for their work otherwise. It is a difficult impact to measure, however, as the dividends of such visibility often take a few years to materialize.

### **3.4 Logic model and performance management strategy**

#### **3.4.1 *Logic model***

A review of the TV5 Program's logic model revealed that it would benefit from a revision in order to respect the criteria for this type of document, which have evolved. The activities presented in a logic model should normally be those that contribute directly to producing a product or service (output). The activities presented in the Program's logic model should therefore include the activities of the operators (management of the programming schedule, broadcasting and promotion of the channels) that contribute to producing the main output, i.e. the broadcast of audiovisual content.

#### **3.4.2 *Sufficiency of the performance measurement activities to support the results / outcomes***

Funding provided to TV5M by the Department of Canadian Heritage is by means of a grant to an international organization. The grant agreement does not include specific requirements regarding the performance reports to produce or submit. However, the TV5 Charter prescribes that regular performance measurements be produced to allow the partner governments to follow the channel's progress. The TV5 Program also receives documentation on the meetings of TV5M's board of directors. As well, a variety of information on TV5M's activities is received on an ongoing basis through various means (Canadian programming schedules on TV5M via TV5 QC, media presence, press releases, etc.).

Given that the TV5 Program provides funding to TV5 QC in the form of a contribution, the performance requirements are more complete, allowing the TV5 Program to obtain a significant amount of information on the channel's performance and on the achievement of anticipated outcomes.

## 4. Conclusion

Findings from the lines of investigation led to the following conclusions regarding the TV5 Program.

### **In terms of relevance:**

- Canada's financial contribution to the TV5 channels is deemed essential, as it serves to promote French-language Canadian productions, our audiovisual and multimedia artists and the vitality of Canada's Francophone community worldwide. This contribution also gives all Canadian Francophone communities the opportunity to enjoy a diversity of unique television and multiplatform experiences from the international Francophonie.
- The TV5 Program gives Canada access to the international Francophonie and a natural area of influence in which to express Canadian values, while supporting PCH's departmental strategic outcomes.
- Moreover, the TV5 Program is in line with the federal government's role and responsibilities with respect to foreign affairs, the Francophonie and the promotion of linguistic duality.

### **In terms of performance:**

The results of the TV5 program show that it has achieved the objectives of and the results expected from the federal government's investment in TV5M and TV5 QC. The level of resources required to deliver the TV5 Program is reasonable.

#### *Program efficiency*

- The TV5 Program contributes to the presence of the Canadian Francophonie abroad by supporting the implementation of the guiding principles and strategic orientations of the TV5 Charter by the two TV5 channels. During the five years evaluated, that implementation helped re-define some of TV5M's orientations and to adapt both TV5 channels to television's digital environment. For Canada, those changes resulted in an increase in the number of households reached by the TV5 channels in Canada and abroad, the maintenance of TV5 QC's market share, and an increase in Canadian programs broadcast on the entire TV5 network and during prime time.
- Through TV5 QC, the TV5 Program provides support to French-language Canadian producers in the creation, production and broadcast of Canadian audiovisual products by providing increased funding for audiovisual production projects and the release of rights to Canadian programs for broadcast on TV5M.
- By financially supporting TV5 QC, the TV5 Program allows Canadians to enjoy a variety of cultural experiences and gives them access to content produced by Francophones for Francophones all over the world.

- Although changes were made to TV5 QC's governance in 2010 to add new expertise and improve its efficiency, the evaluation revealed that the governance structure in place at the time of the period evaluated could be reviewed. TV5 QC's governance structure was in fact modified in late 2013 to optimize its performance.
- Major changes were observed in the audiovisual environment; notably, changes in the TV5 partnership and TV5 QC's business model, which require particular attention. The effects of those changes could lead the Program to review, in the medium term, some of its objectives and expected outcomes.

### *Efficiency and economy*

- The Program's administrative costs are at an acceptable level. The budgeted management costs represent approximately 4% of the program's overall budget for the period from 2006-2007 to 2010-2011.
- Funding for TV5 QC contributed to an average of \$12.2M annually in terms of GDP and generated an average of 174 FTEs per year during the period evaluated.

## 5. Recommendation

The results of the TV5 program show that it has achieved the objectives of and the results expected from the federal government's investment in TV5M and TV5 QC. Both the level of resources necessary to deliver the TV5 Program and the Program's administrative costs are at an acceptable level. In addition, the TV5 Program gives Canada full access to the international Francophonie, contributes to the promotion of Canadian Francophonie abroad and allows Canadians to enjoy a variety of cultural experiences through content produced by Francophones for Francophones all over the world.

However, given the significant and rapid changes in the audiovisual world, the TV5 partnership and the TV5M and TV5QC business model in recent years, the following measure is recommended.

**Recommendation:** To ensure that the objectives and outcomes expected from the TV5 program remain relevant in the ever-changing world of broadcasting, it is recommended that the Program:

- continue to document significant changes and issues likely to influence its effectiveness and efficiency by strengthening its risk management (through the identification of risks and implementation of the resulting mitigation measures).

## **6. Management's response and action plan**

### **Recommendation: Accepted**

First, to ensure that the objectives and expected outcomes remain relevant, the TV5 Program will continue to monitor, analyze and document, as necessary, changes in the world of broadcasting and the Canadian and international Francophonie by regularly consulting the Department and, occasionally, Foreign Affairs specialists.

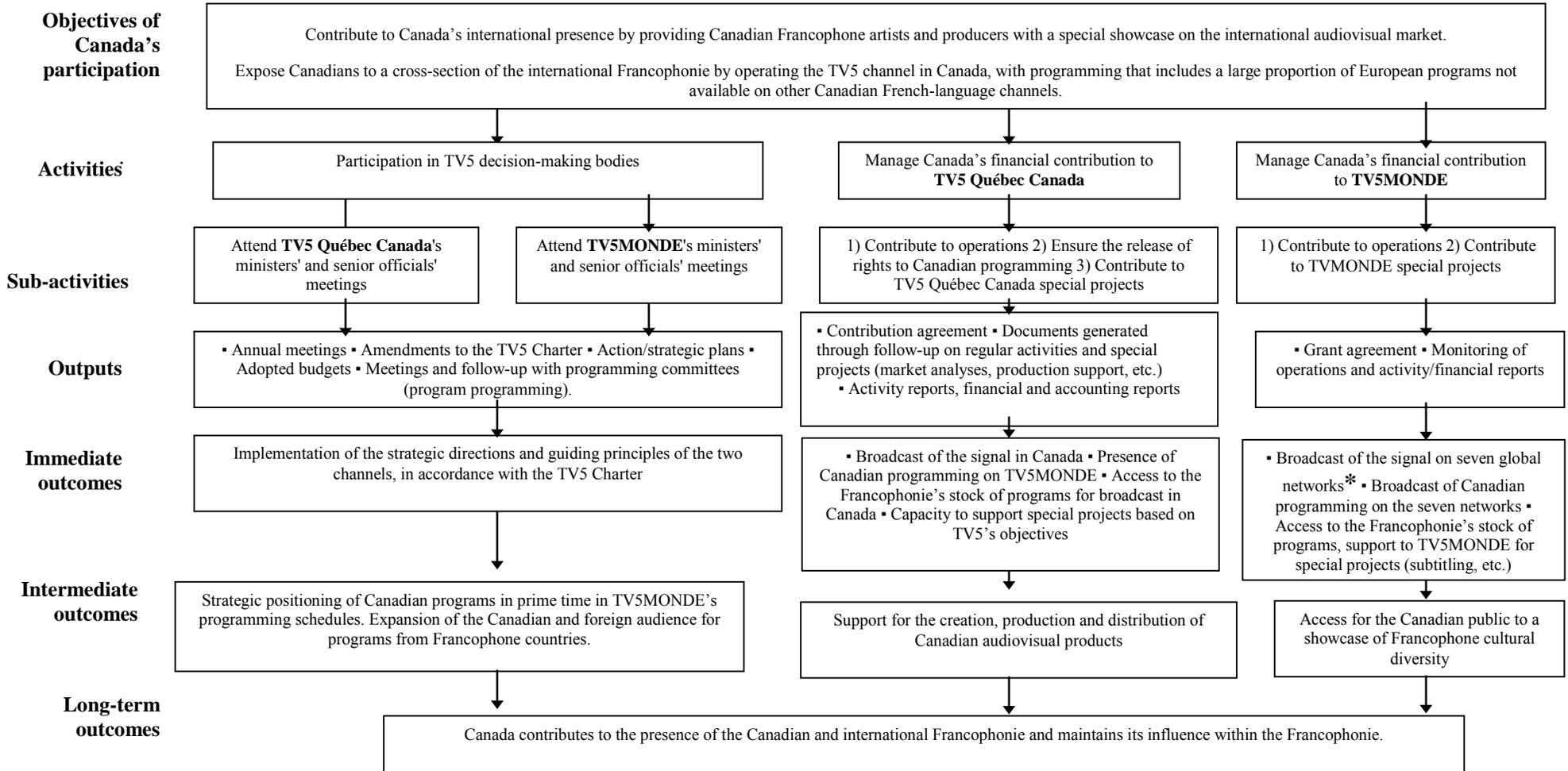
The Program will continue to maintain close relationships with TV5 QC and TV5M management, stakeholders of the TV5 Partnership and board of director administrators to closely monitor project progress and any challenges that face the channels.

Last, using the results of this evaluation, the environmental analysis, the changes in the TV5 Partnership and both channels' new business models, the Program will adopt a new performance measurement, evaluation and risk strategy adapted to the current environment.

**Implementation schedule: September 2015 ongoing**

**Responsibility: Director, Strategic Policy and Management, Cultural Affairs**

# Appendix A – TV5 Program Logic Model



\* Note that as of September 2009, the number of regional signals administered by TV5MONDE increased from seven to eight with the launch of the new signal TV5MONDE Pacifique.

## Appendix B – Evaluation Matrix

Evaluation question	Sub-questions	Performance indicators	Data sources
Relevance			
<p>1.1. Is federal participation in TV5 still relevant in the context of the current Francophone audiovisual space?</p>	<p>Is there a demonstrated need for the federal government’s ongoing participation in TV5?</p> <p>What makes TV5 distinct in the Canadian French-language television market?</p> <p>To what extent should the federal government support TV5 QC and TV5MONDE to address the new technological and commercial challenges?</p>	<ul style="list-style-type: none"> <li>• Perception of key stakeholders in Canada as to the relevance of the federal government’s participation in TV5</li> <li>• Relevance of PCH’s financial support</li> <li>• Program’s impact on the business line through Government of Canada funding</li> <li>• Types of Francophone content in Canadian television programming (percentage per type of program)</li> <li>• Percentage of international content broadcast by Canadian French-language channels</li> <li>• Percentage of Canadian content produced outside Quebec broadcast on TV5 Québec Canada</li> <li>• Variety of technological and commercial challenges facing TV5 QC and TV5M</li> <li>• Perceptions of key stakeholders in Canada as to the role of the federal government in supporting TV5 to address the new technological and commercial challenges</li> </ul>	<ul style="list-style-type: none"> <li>• Documentary review</li> <li>• Interviews with key stakeholders</li> <li>• Literature review</li> <li>• Review of administrative files and databases</li> <li>• Analyses of statistics and audience ratings</li> <li>• Analysis of economic impacts</li> </ul>

Evaluation question	Sub-questions	Performance indicators	Data sources
<p>1.2. To what extent are the Program's objectives still compatible with the federal government's priorities and PCH's strategic objectives?</p>	<p>Are there sufficient linkages between the Program's objectives and the recent priorities of the federal government?</p> <p>To what extent does the federal contribution to TV5 allow Canadians to enjoy varied cultural experiences and share them with each other and with the rest of the world?</p>	<ul style="list-style-type: none"> <li>• Degree of alignment of the activities related to Canadian participation in TV5 with the strategic objectives of the Department and with the role and priorities of the Government of Canada</li> <li>• % and positioning of Canadian and non-Canadian programs on TV5 QC</li> <li>• Extent of TV5 QC audience in Canada</li> <li>• Diversity of Canadian content and % on TV5MONDE's programming schedules</li> <li>• Presence of Canadian content on TV5's other distribution platforms.</li> </ul>	<ul style="list-style-type: none"> <li>• Documentary review</li> <li>• Interviews with key stakeholders</li> <li>• Review of administrative files and databases</li> <li>• Analyses of statistics and audience ratings</li> </ul>

Evaluation question	Sub-questions	Performance indicators	Data sources
<b>Performance (effectiveness, efficiency and economy)</b>			
2.1. Is the TV5 Program achieving the immediate outcomes anticipated?	<p>To what extent are the strategic orientations and guiding principles implemented as provided for in the TV5 Charter?</p> <p>To what extent does the federal participation in TV5 promote the broadcast of the signal in Canada and on the global networks?</p> <p>To what extent does the Program contribute to the presence and broadcast of Canadian programming on TV5MONDE?</p> <p>To what extent does the federal participation provide access to the Francophonie's stock of programs for broadcast in Canada?</p> <p>To what extent do special products contribute to the achievement of the Program's objectives?</p>	<ul style="list-style-type: none"> <li>• To what extent are the terms of the partnership agreement applied and respected by the TV5 decision-makers?</li> <li>• To what extent are the monitoring measures put in place by the Program effective in helping the Program achieve its objectives?</li> <li>• To what extent are the partnership agreements implemented by the TV5 decision-makers?</li> <li>• Changes in % of Canadian content broadcast on TV5MONDE in recent years</li> <li>• TV5's reach in terms of various audiences in Canada and the Francophonie</li> <li>• Does the funding provide for access to a stock of programs for broadcast in Canada?</li> <li>• Number and type of special projects funded</li> <li>• Number and type of special projects developed relative to the number and type of projects funded</li> <li>• Number and % of special projects that receive a contribution by the Program</li> <li>• Amount and % of the budget allocated to special projects</li> <li>• % of special projects benefitting Francophones outside Quebec specifically</li> <li>• Number of projects produced</li> </ul>	<ul style="list-style-type: none"> <li>• Documentary review</li> <li>• Interviews with key stakeholders</li> <li>• Review of administrative files and databases</li> <li>• Analyses of statistics and audience ratings</li> </ul>

Evaluation question	Sub-questions	Performance indicators	Data sources
<p>2.2. Is the TV5 Program achieving the intermediate outcomes anticipated?</p>	<p>To what extent does the federal participation in TV5 contribute to the positioning of Canadian programs during prime time on TV5MONDE's programming schedules?</p> <p>To what extent does the Program contribute to the expansion of the audience in Canada and abroad for programs from the Francophonie?</p> <p>To what extent does the Canadian public have access to a showcase of Francophone cultural diversity?</p> <p>To what extent does the Program contribute to the creation and production of Canadian audiovisual products?</p>	<ul style="list-style-type: none"> <li>• Positioning index (%) per type and frequency of Canadian programs on TV5 QC's and TV5M's programming schedules</li> <li>• % of Canadian content broadcast during prime time on TV5M</li> <li>• Change in the number of households reached in Canada and abroad in the last five years</li> <li>• Number of countries reached</li> <li>• Number of hotel rooms reached</li> <li>• % of programs from the international Francophonie broadcast on TV5 QC</li> <li>• Number of Canadian households reached</li> <li>• Types of programs aired</li> <li>• Origin of the programs aired</li> <li>• Types of Canadian audiovisual projects funded through special projects</li> <li>• Change in the budget envelope dedicated to special projects relative to TV5 QC's total budget</li> <li>• % and positioning on TV5M's programming schedule of Canadian content funded through special projects</li> <li>• Perception of recipients as to the Program's impact on the creation and production of their audiovisual products</li> </ul>	<ul style="list-style-type: none"> <li>• Document review</li> <li>• Review of administrative files and databases</li> <li>• Analyses of statistics and audience ratings</li> <li>• Interviews with key stakeholders</li> <li>• Analysis of economic impacts</li> </ul>

Evaluation question	Sub-questions	Performance indicators	Data sources
<p>2.3. Is the TV5 Program achieving the long-term outcomes anticipated?</p>	<p>What is TV5's contribution to the international visibility of the Canadian Francophonie?</p> <p>What is TV5's contribution to the visibility of the international Francophonie?</p> <p>To what extent do the Program's activities contribute to maintaining Canada's influence within the Francophonie?</p>	<ul style="list-style-type: none"> <li>• Change in the % and positioning of Canadian programs on TV5MONDE programming schedules</li> <li>• Change (last 5 years) in the number of households reached</li> <li>• Change (last 5 years) in the number of countries reached</li> <li>• Percentage of programs from the Francophonie outside France</li> <li>• Role of Canadians in TV5MONDE's decision-making bodies</li> <li>• Canada's contribution, and the weight of that contribution in negotiations and decisions within the TV5 Partnership</li> <li>• Perception of key stakeholders as to the Canadian influence on the general orientations, principles and funding of TV5</li> </ul>	<ul style="list-style-type: none"> <li>• Document review</li> <li>• Review of administrative files and databases</li> <li>• Analyses of statistics and audience ratings</li> <li>• Interviews with key stakeholders</li> </ul>

Evaluation question	Sub-questions	Performance indicators	Data sources
<ul style="list-style-type: none"> <li>Efficiency</li> </ul>			
3.1 To what extent have the various means translated into achievements and results?	Does TV5's current level of funding produce the outputs required to achieve results?	<ul style="list-style-type: none"> <li>Ratio of total management operation costs to the total operating budget (Program, TV5 QC and TV5M)</li> <li>Change in the positioning of Canadian programs on TV5 QC's and TV5M's programming schedules</li> </ul>	<ul style="list-style-type: none"> <li>Document review</li> <li>Review of administrative files and databases</li> <li>Analyses of statistics and audience ratings</li> </ul>
3.2 Could the same effects have been produced with fewer means? Or, could the same means have produced more substantial effects?		<ul style="list-style-type: none"> <li>Change in TV5 QC's and TV5MONDE's operating costs relative to Canada's financial contribution to TV5 QC in recent years</li> </ul>	<ul style="list-style-type: none"> <li>Document review</li> <li>Review of administrative files and databases</li> </ul>
<ul style="list-style-type: none"> <li>Effectiveness of costs and alternatives</li> </ul>			
4.1. To what extent have the Program outcomes contributed to the achievement of the Program's specific and general objectives?	To what extent does the current positioning of Canadian content on TV5MONDE contribute to Canada's international presence?	<ul style="list-style-type: none"> <li>Change in % and positioning of Canadian programs on TV5M's programming schedules</li> </ul>	<ul style="list-style-type: none"> <li>Analyses of statistics and audience ratings</li> </ul>
4.2. Is the Program executed within budget and without undesirable effects?		<ul style="list-style-type: none"> <li>Financial results achieved by TV5 QC management</li> </ul>	<ul style="list-style-type: none"> <li>Document review</li> </ul>

Evaluation question	Sub-questions	Performance indicators	Data sources
<p>4.3 Are the most appropriate and effective means being used to achieve TV5's anticipated outcomes, or should other models be considered?</p>	<p>What would be the effects of a decrease in federal participation in TV5 on the broadcast of Canadian audiovisual content in the Francophonie?</p> <p>What would be the effects on TV5 QC of a decrease in subscription revenue?</p>	<ul style="list-style-type: none"> <li>• Change in the % of TV5 QC's subscription revenue relative to the total budget</li> <li>• Change in the % and positioning of Canadian programs on TV5MONDE's programming schedules relative to Canada's financial contribution</li> <li>• Changes in TV5QC's operating costs relative to other similar channels</li> <li>• Change in TV5 QC's overall advertising revenue</li> <li>• Change in the Quebec government's financial contribution to TV5 relative to the federal participation</li> <li>• Perception of key stakeholders as to the potential effects on TV5 QC of a decrease in subscription revenue</li> </ul>	<ul style="list-style-type: none"> <li>• Document review</li> <li>• Review of administrative files and databases</li> <li>• Analyses of statistics and audience ratings</li> <li>• Interviews with key stakeholders</li> </ul>
<p>4.4 Are TV5 QC's and TV5MONDE's current governance and management structures consistent with the achievement of the objectives of the federal government's participation in TV5?</p>		<ul style="list-style-type: none"> <li>• Extent to which the Government of Canada influences the general orientations, guiding principles and funding of TV5 QC and TV5MONDE</li> <li>• Extent to which the mechanisms put in place to monitor outcomes contribute to the achievement of the Program's objectives</li> <li>• Perception of key stakeholders as to the effectiveness of TV5 QC's and TV5M's governance and management structures</li> </ul>	<ul style="list-style-type: none"> <li>• Document review</li> <li>• Review of administrative files and databases</li> <li>• Interviews with key stakeholders</li> </ul>

## Appendix C – Tables

**Table 1: TV5 Program – Actual Expenditures**

Dollars	Fiscal Year / Exercice financier					
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Total
<b>Vote / Crédit 1 (Operating Expenditures / Dépenses de fonctionnement)</b>						
Personnel						-
Operating & Maintenance / Fonctionnement et entretien						-
EBP / RASE @ 20%						-
<b>Total Vote / Crédit 1</b>	-	-	-	-	-	-
<b>Vote / Crédit 5 (Grants &amp; Contributions / Subventions et contributions)</b>						
Grants / Subventions (Monde)	4,105,062	4,674,105	4,385,826	7,049,448	7,435,690	27,650,131
Contributions (Program)	2,957,391	3,031,043	2,581,174	5,093,441	4,675,346	18,338,395
<b>Total Votes / Crédits 5</b>	<b>7,062,453</b>	<b>7,705,148</b>	<b>6,967,000</b>	<b>12,142,889</b>	<b>12,111,036</b>	<b>45,988,526</b>
<b>Total Votes 1 &amp; 5 / Crédits 1 et 5</b>	<b>7,062,453</b>	<b>7,705,148</b>	<b>6,967,000</b>	<b>12,142,889</b>	<b>12,111,036</b>	<b>45,988,526</b>
Accommodation / locaux						-
<b>Total Budget – Budget Total</b>	<b>7,062,453</b>	<b>7,705,148</b>	<b>6,967,000</b>	<b>12,142,889</b>	<b>12,111,036</b>	<b>45,988,526</b>

**Table 2: TV5 Program – Annual Budget**

Dollars	Fiscal Year					
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Total
<b>Credit 1 (Operating expenditures)</b>						
Personnel						-
Operating and maintenance	380,000	380,000	380,000	380,000	380,000	<b>1,900,000</b>
EBP @ 20 %						-
<b>Total Credit 1</b>	<b>380,000</b>	<b>380,000</b>	<b>380,000</b>	<b>380,000</b>	<b>380,000</b>	<b>1,900,000</b>
<b>Credit 5 (Grants and contributions)</b>						
Grants (TV5MONDE)	5,000,000	5,000,000	5,000,000	8,000,000	8,000,000	<b>31,000,000</b>
Contributions (TV5 Québec Canada)	2,400,000	2,500,000	2,500,000	4,500,000	4,500,000	<b>16,400,000</b>
<b>Total Credits 5</b>	<b>7,400,000</b>	<b>7,500,000</b>	<b>7,500,000</b>	<b>12,500,000</b>	<b>12,500,000</b>	<b>47,400,000</b>
<b>Total Credits 1 and 5</b>	<b>7,780,000</b>	<b>7,880,000</b>	<b>7,880,000</b>	<b>12,880,000</b>	<b>12,880,000</b>	<b>49,300,000</b>
Accommodation						-
<b>Total Budget</b>	<b>7,780,000</b>	<b>7,880,000</b>	<b>7,880,000</b>	<b>12,880,000</b>	<b>12,880,000</b>	<b>49,300,000</b>

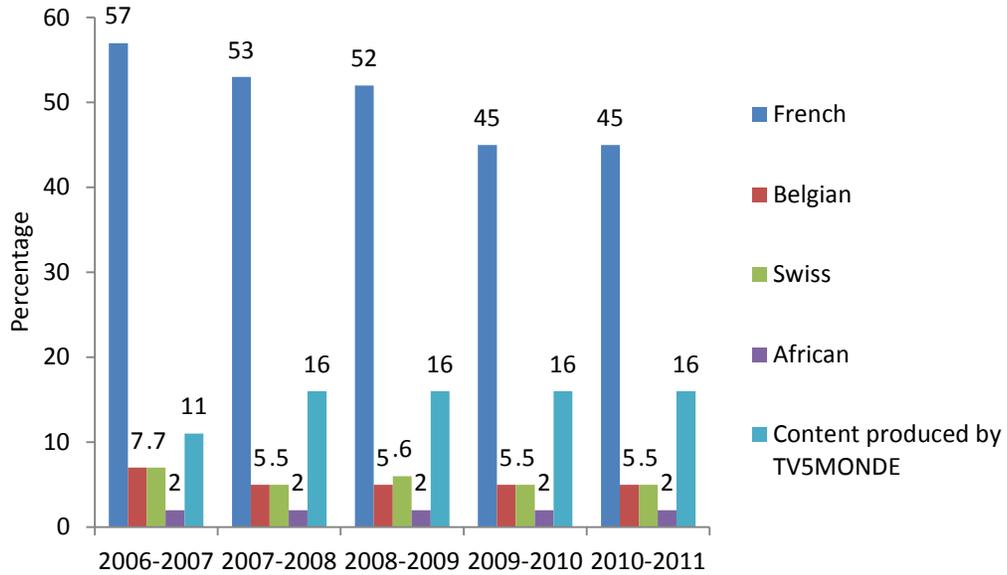
## Appendix D – Stakeholder Groups Consulted

From April to July, 2012, in-person and telephone interviews were held with 23 stakeholders. They included:

- a group of 7 *stakeholders* who are (or have been) employed by the TV5 Program or elsewhere at PCH.
- a group of 16 *key stakeholders* who are (or have been) involved, or who have an interest, in the TV5 Program.

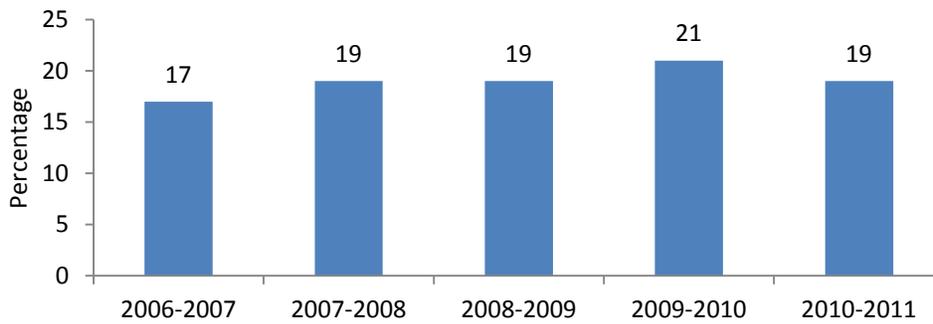
# Appendix E – Figures

**Figure 1: Percentage of airtime devoted to foreign content broadcast on TV5 QC (2007 to 2012)**



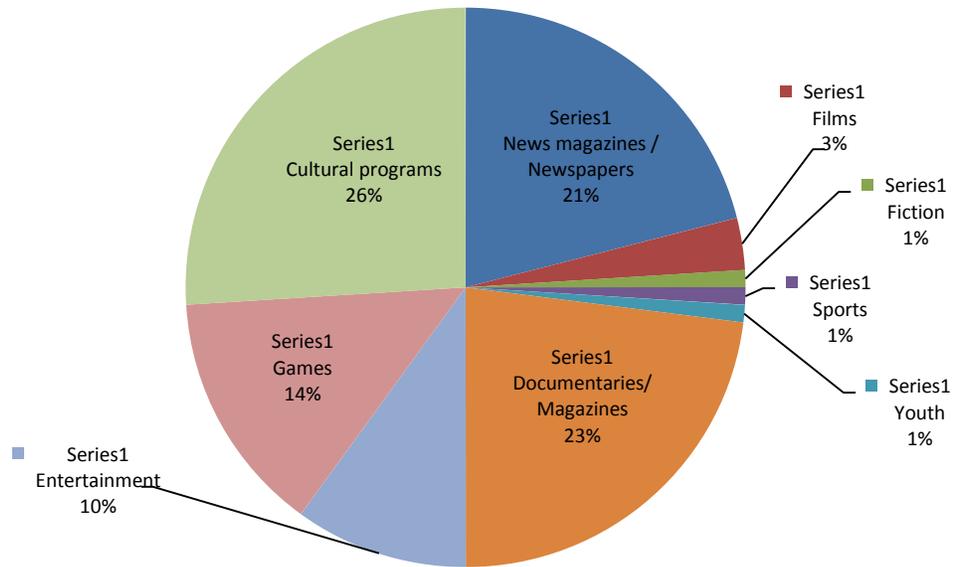
Source: TV5 Québec Canada, 2006, 2007, 2008, 2009, 2010, 2011

**Figure 2: Percentage of airtime devoted to Canadian content broadcast on TV5 QC (2007 to 2012)**



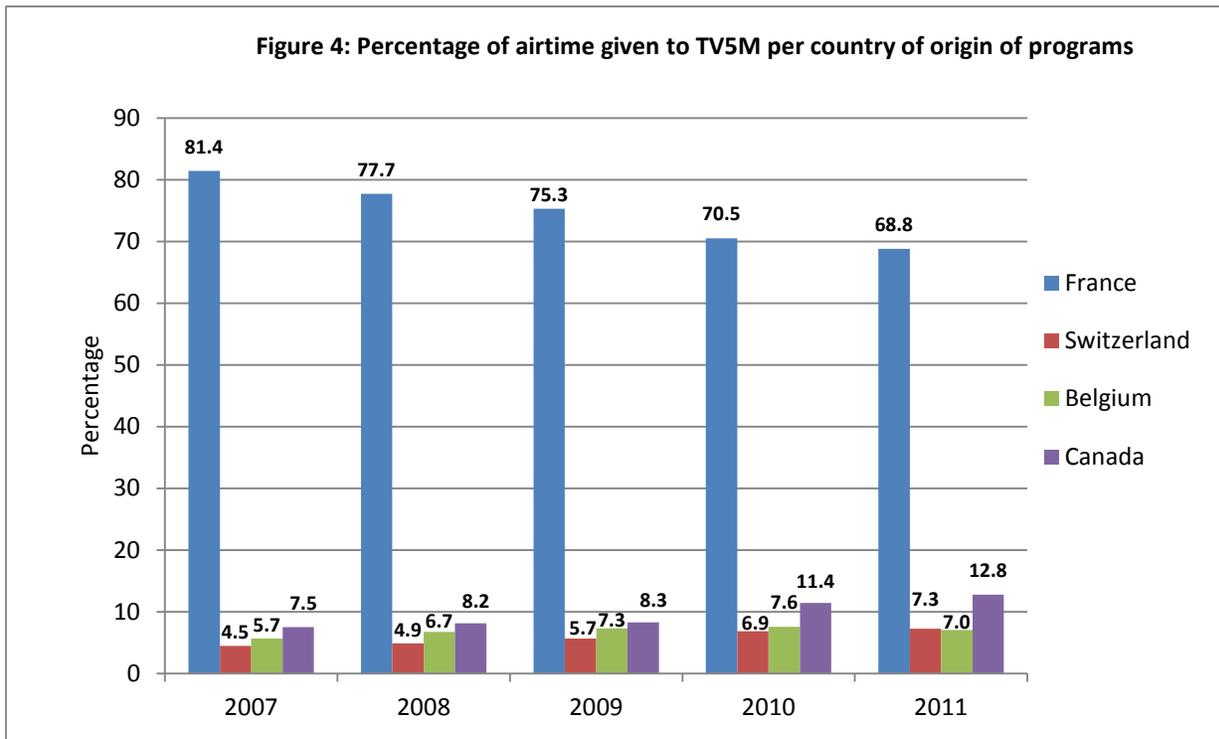
Source: TV5 Québec Canada, 2006, 2007, 2008, 2009, 2010, 2011

**Figure 3: Breakdown in airtime of programs on TV5 QC in 2011 per program category**



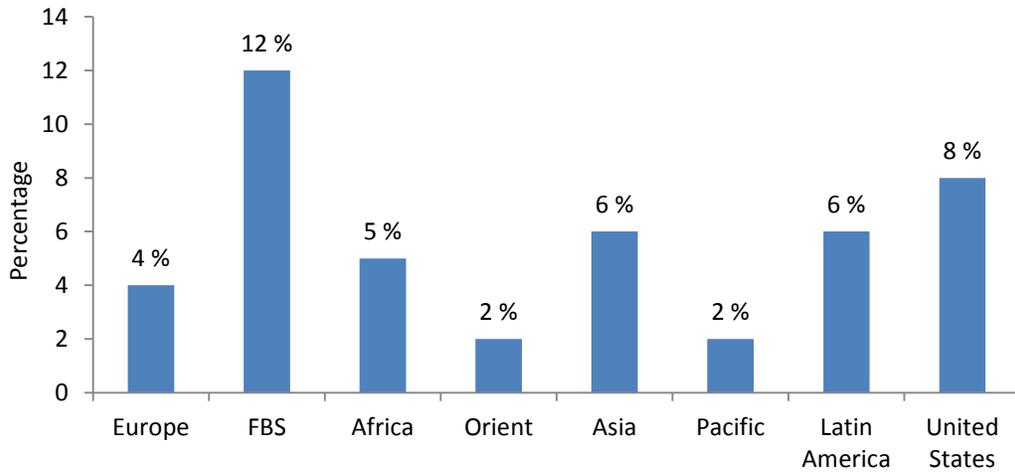
Source: TV5 Québec Canada, 2011

**Figure 4: Percentage of airtime given to TV5M per country of origin of programs**



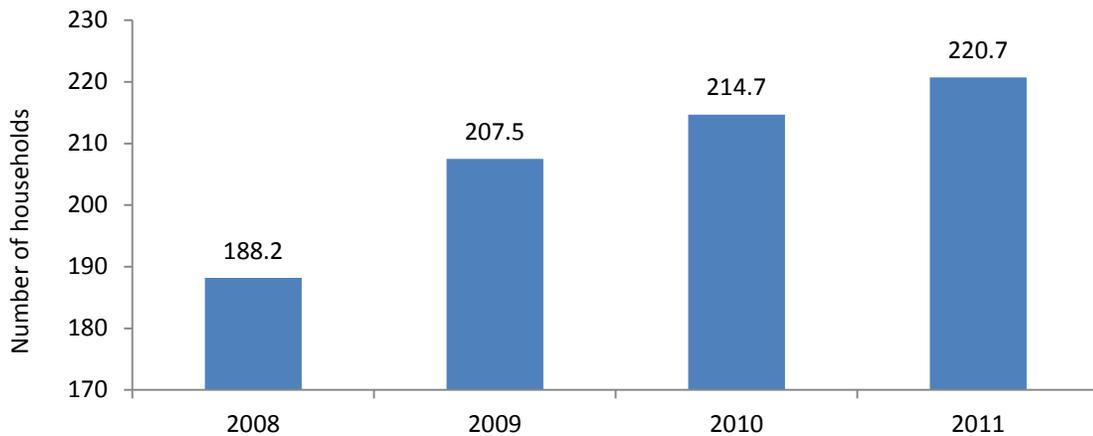
Source: TV5 Monde, 2012

**Figure 5: Average percentage of Canadian content broadcast on TV5MONDE per region during prime time (6:00 p.m. to midnight) from 2007 to 2011**



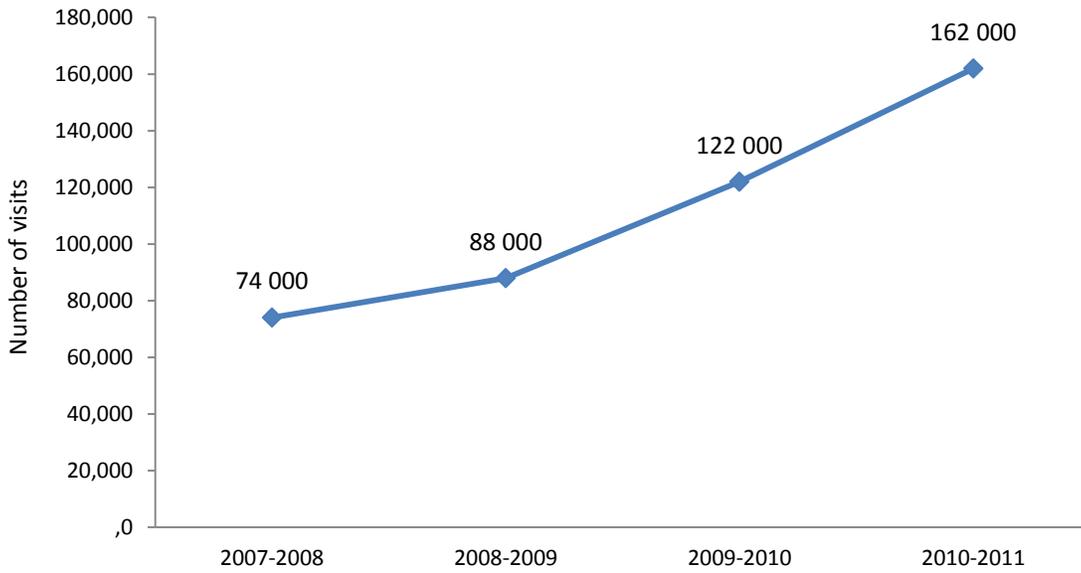
*Source: TV5MONDE 2007, 2008, 2009, 2010, 2011*

**Figure 6 Change in number of households reached, in millions, from 2007 to 2011 (TV5MONDE)**



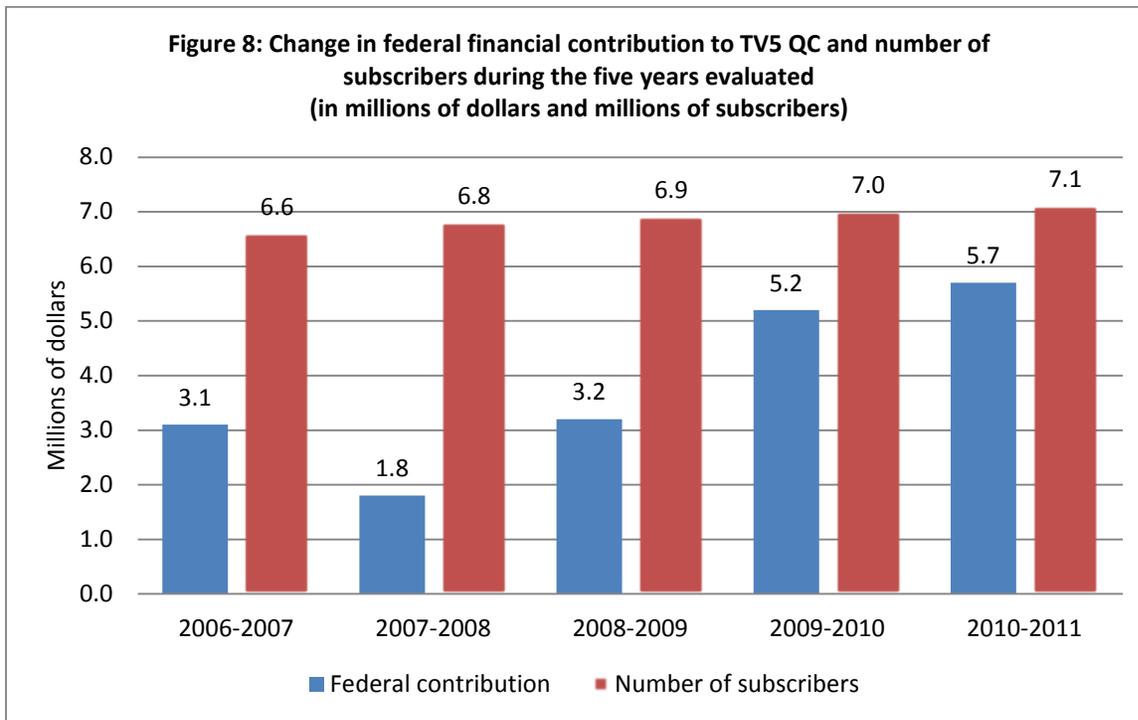
*Source: TV5MONDE, 2008b; TV5MONDE, 2009; TV5MONDE 2010a, TV5MONDE, 2011*

**Figure 7: Monthly average of visits to TV5.ca (2007-2008 to 2010-2011)**

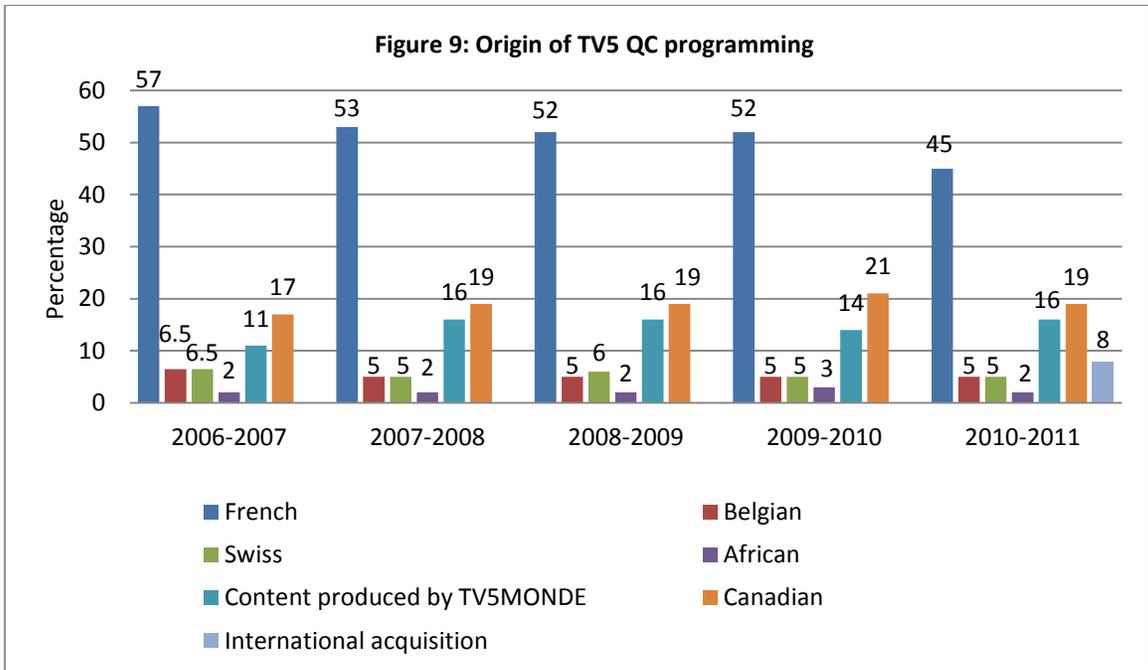


Source: TV5MONDE 2007, 2008, 2009, 2010, 2011

**Figure 8: Change in federal financial contribution to TV5 QC and number of subscribers during the five years evaluated (in millions of dollars and millions of subscribers)**



Source: TV5 Québec Canada, 2006, 2007, 2008, 2009, 2010, 2011. TV5 Program administrative data.



Source: TV5 Québec Canada, 2006, 2007, 2008, 2009, 2010, 2011