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**Rechnungshof  
Österreich**

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# Cost-Transparency in Government Advertising



## Baseline

- since 2012: **Act on Media Transparency**
  - adopted in the wake of scandals (“advertising for favourable coverage”)
  - **Remunerations paid for media advertisements** (by all state entities within the mandate of the ACA) are to be reported to and **published** by the Austrian Communications Authority (CA - KommAustria)
    - Exception: Remuneration below 5.000 EUR or advertisement in non-periodical media (abolished by 2024)
  - Advertisement needs to „satisfy a concrete **need for information**“
  - „Head-Ban“
- Parliamentary Enquiry Committees 2020 and 2021
- [https://www.rechnungshof.gv.at/rh/home/news/Meldungen\\_2024/Rechnungshof\\_kritisiert\\_nicht\\_nachvollziehbare\\_Entscheidung.html](https://www.rechnungshof.gv.at/rh/home/news/Meldungen_2024/Rechnungshof_kritisiert_nicht_nachvollziehbare_Entscheidung.html)

# Audit Process

- Audited Ministries:
  - Federal Chancellery
  - Federal Ministry of Finance
  - Federal Ministry for Climate Protection
- Timeframe: 2019 to 2021
- Focus on
  - Organisation, planning and realisation of and
  - expenditures for advertisements, media campaigns and media cooperations
    - Compliance: Act on Media Transparency

## Strategy, Organisation

- All Ministries lacked
  - (generic) communication strategy and
  - defined processes for relevant (working) procedures (e.g. planning and procurement of media campaigns)
- Organisation
  - centralised in FC and MoF
  - decentralised in MfCP (six directorates in five directorates general)
    - Lack of oversight on expenditures

## Expenditures

- Total (2019 – 2021): 108,02 m EUR
  - FC: 61,50 m EUR
  - MoF: 32,82 m EUR
  - MfCP: 13,70 m EUR
- ~72% to print media
- ~60% to ten media corporations
- between 8 and 11% not reported to the CA (due to exceptions and/or wrong reporting)

## Planning and Realisation

### Close analysis of six campaigns (10,13 m EUR)

- general necessity, targets and target groups not or only partly defined
- need for information not documented
  - MoF: campaigns on information already directly distributed to tax payers and on tax reform not yet adopted by the Parliament
- result testing only in part

## Exemplary cases

- „Covid-Brochures“ (FC)
  - two brochures for 877.000 EUR (content, production and distribution); depicting heads of regional governments
  - paid without verification of service delivery
- Modification of media placement plans (FC and MoF)
  - partly in favour of partisan media outlets or magazines with small editions/coverage
  - no reasons documented
- Media cooperations (MfCP)
  - Use of footage of a private TV station (300.000 EUR)
    - concrete use (what? for what purpose? how long?) not documented
  - 975 yearly subscriptions for a magazine (46.000 EUR)
    - receiving persons not documented

## Central recommendations

- Establishment of ministry-wide communication strategies
  - Scope of action, targets, target groups, themes/topics, channels, responsibilities...
- Need for information and principles of sound financial management prescribed by the constitution – efficiency, effectiveness and economy – need to be safeguarded
  - clear rules for assessment of necessity and
  - consideration of more cost-efficient forms of communication (e.g. press conferences)

*Government advertising must not be a means of media financing or mere political advertising.*

*The public sector must only run media campaigns where necessary, and the content, scope and selection of media must solely be determined according to the needs of the respective target group.*





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Thank you for your attention

#youcancountonus

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