

REGULATION on broadcasting activities

CHAPTER I

Scope

Article 1

This Regulation shall apply to radio and television broadcasting, meaning any transmission of programme material within the area of Icelandic jurisdiction, whether in the form of speech, music or images, that is intended for direct reception by the general public and distributed by means of electromagnetic waves, by wire or wireless, in encoded or unencoded form.

The transmission of broadcasting programmes which are intended exclusively for a limited audience and are restricted to buildings or premises on a continuous building lot, such as residential dwellings, hospitals, hotels, schools and factories, shall not be considered broadcasting in the understanding of this Regulation.

This Regulation shall not apply to the direct, full-length and unaltered retransmission of the entire programming of foreign television stations.

This Regulation shall not apply to transmission of broadcasting material on the Internet.

CHAPTER II

Broadcast Licensing Committee

Article 2

Role

The Broadcast Licensing Committee shall grant broadcast licenses, provided the requirements for the issuing of a broadcast license in accordance with the Broadcasting Act and this Regulation are fulfilled, in the Committee's estimation.

The Broadcast Licensing Committee shall oversee that the rules of broadcast licenses are complied with and otherwise supervise the implementation of the Broadcasting Act and this Regulation, including supervision of all broadcasts under Icelandic jurisdiction, including those of Icelandic National Broadcasting. The Post and Telecom Administration shall supervise the technical characteristics of transmissions. The Broadcast Licensing Committee may require that an approved certification body attest television broadcasters' reports on the transmission of European programme material and of material produced by independent producers.

The Broadcast Licensing Committee may, where this is deemed necessary, request information from broadcasters' book-keeping and accounts on whether the provisions of Acts or Regulations, or the licence conditions, have been violated. A special representative of the Committee shall gather and examine such documents on its behalf. Members, employees and representatives of the Committee shall be bound by an obligation of confidentiality regarding any information which should be kept secret.

The Broadcast License Committee shall rule on complaints contending that a broadcaster has not honoured democratic principles, respected freedom of speech or encouraged the expression of different opinions on controversial issues.

The Broadcast License Committee shall rule in disputes where a party, individual, company or institution, considers that its legitimate interests, in particular its reputation and good name, have been damaged by an assertion of incorrect facts in a broadcast programme and that it has been refused the right of reply by the broadcasting station concerned or equivalent remedies in a matter which it deems satisfactory.

The Broadcast Licensing Committee may temporarily suspend television broadcasts from other EEA States if the conditions of Article 5 of the Broadcasting Act are fulfilled. In such case the Broadcast License Committee must have notified the television broadcaster concerned in advance of the impending suspension and the Icelandic government must have notified the EFTA Surveillance Authority or European Commission, as appropriate, in writing of the presumed violation and the measures which it intends to take if such violation is repeated.

The Broadcast License Committee shall rule on administrative fines, pursuant to Article 30 of the Broadcasting Act, if a broadcaster fails to follow the instructions contained in Articles 9 and 11 and in Chapter VI of the Broadcasting Act, on advertising, teleshopping and sponsorship. If a violation is not deemed serious or is not repeated the Broadcast Licensing Committee may deem it sufficient to issue a warning.

The Broadcast Licensing Committee may revoke broadcast licenses in the case of serious and repeated violations of the Broadcasting Act or this Regulation.

Decisions of the Broadcast Licensing Committee constitute final administrative rulings and cannot be subject to an administrative appeal.

Article 3

Meetings of the Broadcast Licensing Committee

The Broadcast Licensing Committee shall meet as frequently as is deemed necessary. The Chairman shall call meetings and direct them. The Chairman must call a meeting if two Committee members so request.

A meeting of the Broadcast Licensing Committee shall be properly constituted if a majority of the Committee members are present.

A decision by the Broadcast Licensing Committee is only legitimate if the majority of Committee members participate in the voting. The results shall be determined by majority vote.

Minutes shall be kept of meetings of the Broadcast Licensing Committee. They must give an account of the matters dealt with at the Committee meeting, the results and rulings of the Broadcast Licensing Committee, as well as other matters considered to be of significance.

The Broadcast Licensing Committee shall engage an employee or employees as necessary and permitted by financial allocations.

Costs resulting from the activities of the Broadcast Licensing Committee shall be paid from the National Treasury.

CHAPTER III

Licences for broadcasting operations

Article 4

Granting of a broadcast licence

The Broadcast Licensing Committee may grant legal or natural persons a temporary license for broadcasting, which originates in Iceland and which transmits only the direct, full-length and unaltered programming of a broadcasting station, unless otherwise expressly provided for by law, cf. the Icelandic National Broadcasting Service Act.

Licenses may be restricted to limited areas.

Licenses to broadcast in languages other than Icelandic may be granted if special circumstances so warrant, for instance, for the purposes of fulfilling the needs of foreigners dwelling in Iceland for longer or shorter periods.

A broadcast license may not be transferred, leased or otherwise assigned to another party.

Article 5

Period of validity of a broadcast licence

A radio broadcast license may be granted for a maximum of five years at a time and a television license for a maximum of seven years at a time. Licenses may be granted for shorter periods if application is made for such.

The licence period shall be deemed to commence on the date it was issued. If a broadcaster has not commenced broadcasts within eight months of the date of issue of the license by the Broadcast Licensing Committee, the license shall automatically expire. If broadcasting operations have been terminated and are not recommenced within four months, the license shall be deemed to have expired automatically. In the event that a licensee is subject to bankruptcy provisions, its license shall immediately become invalid.

Article 6

Application for broadcast licence

Anyone wishing to obtain a broadcast license must submit an application to the Broadcast Licensing Committee. The application must state:

1. the applicant's name and identification number. In the case of a legal entity, it must indicate the legal form and structure of ownership;
2. whether a license is sought for radio or television broadcasting, or both;
3. whether a license is sought for broadcasting in languages other than Icelandic and on what grounds;
4. whether a broadcasting license is sought for the declared purpose of promoting a specific cause;
5. whether broadcasting is to be by wire or wireless;
6. whether a broadcasting license is sought for a limited geographical area;
7. what the legal domicile and legal venue of the broadcasting station will be;
8. how transmission will be arranged;
9. what the proposed daily hours of broadcasting will be;
10. what the proposed programming policy will be, including a rough estimate of the proportion of music and spoken word, as well as the relative proportions of informative, cultural, news and entertainment programming;
11. where income is expected to be obtained for broadcasting;
12. whether authorisation has been obtained from rightholders of material;

13. when broadcasting is to commence, if a licence is granted;
14. what the identification or call signal of the broadcasting station will be;
15. the length of the period for which a license is sought.

Article 7

Processing of applications

Prior to taking a decision on an application for a broadcast license, the Broadcast License Committee shall seek the opinion of the Post and Telecom Administration. Upon receiving its opinion, the Broadcast License Committee shall decide whether to grant the broadcast license. Decisions by the Committee in this regard are final administrative decisions.

Article 8

Conditions for a broadcast license

In the event that a broadcast license is granted, the license conditions must state who the licensee is, whether the license is granted for radio or television broadcasting, whether transmission will be by wire or wireless, to what areas and broadcasting times the license is restricted, its period of validity and what the broadcasting station's identification or call signal shall be. It must, furthermore, state whether broadcasting in languages other than Icelandic is authorised. The license conditions must specify whether the broadcast license is granted on the basis of the applicant's declared purpose to promote a specific cause.

The broadcasting station's operations, accounting and finances shall be kept separate from other operations and finances of the licensee.

The license conditions shall, in addition, state that the license is in other respects subject to the provisions of the Broadcasting Act, the provisions of this Regulation and, as appropriate, the provisions of any other Regulations issued by virtue of the Broadcasting Act.

The fee for a broadcast license shall be fixed in the Act on Supplementary Income of the National Treasury.

Article 9

Notification of broadcasting director

Before a broadcasting station may commence operation, those responsible must notify the Broadcast Licensing Committee as to who shall be the broadcasting director responsible for programming. Any change in this respect must also be notified to the Broadcast Licensing Committee.

Article 10

Changes to the conditions of a broadcast license

In the event that a broadcast license holder requests that the conditions of the license be altered, it must make application for such to the Broadcast License Committee.

Article 11

Renewal of a broadcast license

If a broadcast license holder wishes to renew its license, it must make application for such to the Broadcast License Committee; such application must be received by the Committee no later than two months prior to the expiry of the current license. If circumstances warrant, the Broadcast License Committee may alter the conditions upon renewing the broadcast license.

CHAPTER IV

Advertising

Article 12

Advertising refers to any form of announcement broadcast in return for payment or for self-promotional purposes by the broadcaster, and involving the promotion of a product or service, including announcements from a television station in connection with its own programming and support services directly related to it.

Article 13

Advertising and minors

Television stations may not broadcast advertising which could have seriously detrimental effect on the physical, mental or moral development of minors, in particular programmes that involve pornography or gratuitous violence, during those hours of programming when there is a risk of minors viewing it. Broadcasting advertising must be made and presented so that it will not cause moral or physical injury to minors. Broadcasting advertising may not:

- a. encourage minors to purchase a product or a service by exploiting their inexperience or credulity,

- b. encourage minors to persuade their parents or others to purchase the goods or services being advertised,
- c. exploit the special trust minors place in parents, teachers or other persons, and
- d. shall not without cause show minors in dangerous situations.

The provisions of the first paragraph shall also apply to teleshopping programmes. Such programmes may not encourage minors to contract for the sale or rental of goods or services.

Article 14

Presentation of advertising

Advertisements shall normally be presented in a group at special general advertising slots between programming items. Advertising slots shall be specifically identified as such with a sound signal or picture symbol; such identification need not be the same at the beginning and conclusion of the advertising period. The same shall apply to teleshopping slots. The broadcasting of individual advertisements or teleshopping slots between programme items is unauthorised except in exceptional instances, e.g. in the case of unusually long advertisements, e.g. 10-15 minutes in length.

Article 15

Prohibition against programme interruption

Notwithstanding the provisions of Article 14, the transmission of individual programme items may be interrupted if the conditions of Article 16 are fulfilled. The transmission of the following programming items may not, however, be interrupted with advertising or teleshopping slots:

1. church services or religious programming;
2. news, i.e. programmes where audiences are presented with edited information on recent events;
3. news-related programmes, i.e. programmes on current affairs which are less than 30 minutes in length;
4. children's programming.

Weather information or forecasts shall not be considered as news or news-related programming in the understanding of this Article.

Article 16

Programming interruption

In the case of programming as referred to in sub-paragraphs a to c, the broadcasting of a programme may be interrupted with advertising or teleshopping slots as provided for here below, provided the interruption of programming does not lead to distortion of the programme or substantial disturbance of continuous broadcasting, or prejudice the rights of rightholders:

- a. programmes consisting of autonomous parts, sports programmes and similarly structured events, consisting of parts which form a substantial whole, but would have been separated by the nature of the material or progress of events without the advertising slots. Such programmes may be interrupted by broadcasting of advertising if this is inserted between independent sections or in intermissions or at junctures in programmes;
- b. dramatic films intended for cinema projection and television dramas which are longer than 45 minutes in length may be interrupted by advertising or tele-shopping slots once every 45 minutes. The broadcast may be interrupted again if the viewing time is more than 20 minutes longer than two or more, full 45-minute periods, as described here below:

a dramatic film shorter than 45 minutes duration:	may not be interrupted by advertising
a dramatic film longer than 45 minutes duration:	may be interrupted once
a dramatic film of 46-89 minutes duration:	may be interrupted once
a dramatic film of 90-109 minutes duration:	may be interrupted twice
a dramatic film of 110-135 minutes duration:	may be interrupted three times
a dramatic film of 136 -180 minutes duration:	may be interrupted four times
a dramatic film of 180 - 225 minutes duration:	may be interrupted five times

Entertainment programmes, documentaries made for television and television series are not covered by this sub-paragraph or the definition above;

a. Other programming items. Other programme items may be interrupted by advertising but at least 20 minutes must elapse between pauses for advertising during the same programme item.

Article 17

Proportion of advertising in total programming

The proportion of advertising may not exceed 15% of daily programming. This is equivalent to an average of nine minutes per hour.

This proportion may be increased to 20% if teleshopping slots are included, with the exclusion of teleshopping programmes. This is equivalent to an average of twelve minutes per hour.

The proportion of advertising and teleshopping slots within a specified hour period may not exceed 20% or twelve minutes per hour.

Article 18

Time length of advertising

The authorised broadcasting time of television stations of television advertising shall be as follows:

1. The proportion of advertising time may not exceed 15% of daily programming. This proportion may, however, be increased to 20% if tele-shopping slots are included, with the exception of teleshopping programmes, i.e. television programming of at least 15 minutes in duration which is devoted exclusively to teleshopping.

2. The proportion of advertising and teleshopping slots within a specified hour period may not exceed 20%.

The provisions of this Article shall not apply to the following transmissions:

- a. announcements from a television station in connection with its own programming and support services directly related to it;
- b. public service announcements and requests for assistance from charities which are broadcast free of charge.

CHAPTER V

Sponsorship

Article 19

A broadcasting station may obtain sponsorship for the preparation of individual programming items, but never for news or news-related material, i.e. obtain a financial contribution from a legal or natural person to the making or broadcasting of programmes with a view to promoting its name, its trade mark, its image, its activities or its products, provided the following conditions are complied with:

- a. Sponsored programmes must be clearly identified as such by the presentation of, the name of, and/or the trade mark of the sponsor at the beginning and/or end of the programmes. A programme item may not be interrupted for presentation of the sponsor. If a programme item may be interrupted with the broadcasting of advertising or teleshopping spots, a presentation of the sponsor of the programme may be presented at the beginning and end of the advertising period. Presentation of a sponsor may not involve further promotion of the sponsor's products or services, neither in written nor oral form.
- b. A sponsor may not influence the content or approach of the sponsored programme, nor affect the responsibility and editorial independence of the broadcaster.
- c. Sponsored programmes may not encourage the purchase or rental of the products or services of the sponsor or a third party, e.g. by advertising such products or services especially.
- d. Producers and sellers of pharmaceuticals may mention the name or image of their enterprises in sponsoring programmes, provided this does not involve promotion of individual pharmaceuticals or medical treatment.

CHAPTER VI

Programming material from independent producers

Article 20

Television broadcasting stations must ensure, as far as practicable, that at least 10% of their broadcasting time, cf. the second paragraph of Article 7 of the Broadcasting Act, each year or at least 10% of their annual programming budget is used for European productions by independent producers.

Television broadcasters shall emphasise showing as large a proportion as possible of works by independent producers within five years of their production.

A producer is considered to be an independent producer, as referred to in the first paragraph, if a television broadcasting station owns no more than R of the production company or if two or more television broadcasting stations together own no more than S of the company; during the past three years it may not have produced more than 9/10 of its television material for the same television broadcasting station.

CHAPTER VII **Protection of minors**

Article 21

Television stations may not broadcast programming which could have seriously detrimental effect on the physical, mental or moral development of minors, in particular programmes that involve pornography or gratuitous violence, during those hours of programming when there is a risk of viewing it or before 11 pm. Programming which is not considered suitable for minors, cf. the first paragraph, may only be shown in a way that ensures by technical measures, such as encryption of broadcast programming, that minors in the area of transmission will not normally hear or see such broadcasts. When such programmes are broadcast, they must be preceded by a spoken warning or be identified by the presence of a visual symbol throughout their duration.

Article 22

This Regulation is set by authority of Articles 10, 14 and 35 of the Broadcasting Act, No. 53/2000, and shall enter into force at once. As of the same date Regulation No. 610/1989, cf. Regulation No. 28/1991, on broadcasting in accordance with temporary authorisation, as subsequently amended, and Regulation No. 611/1989, on broadcasting advertising, shall be repealed.

Ministry of Education, Science and Culture, 16 January 2002.