

LAW ON PUBLIC SERVICE BROADCASTING

I BASIC PROVISIONS

1. Scope of the Law

Article 1

This law governs – in accordance with European standards and international documents concerning electronic media – the operation of public service broadcasters, namely the Public Broadcasting Institution Radio and Television of Serbia and the Public Broadcasting Institution Radio and Television of Vojvodina, their business activities and the guiding principles for performing these activities, the public interests that they serve, the transparency of their operation, the process of selecting authoritative bodies and their jurisdiction, the adoption of acts, and the provision of resources for operation and their funding model.

2. Public Service Broadcaster

Article 2

A public service broadcaster is defined as an independent and autonomous legal entity whose main activity enables the realisation of the public interest concerning public provision of information and provides general and comprehensive media services that include informational, educational, cultural, and entertainment content intended for all sections of the population.

The public service broadcaster under paragraph 1 of this Article refers to the republic and provincial public service broadcasters.

The Republic's public service broadcaster is the Public Broadcasting Institution Radio and Television of Serbia (hereinafter referred to as: "RTS"), with its registered office in Belgrade.

The provincial public service broadcaster is the Public Broadcasting Institution Radio and Television of Vojvodina (hereinafter referred to as: "RTV"), with its registered office in Novi Sad.

RTS and RTV shall cooperate in performing their main activities.

3. Activity of the Public Service Broadcaster

Article 3

The main activity of the public service broadcaster shall have the function of realising the public interest as defined by this law, and shall entail the production, purchase, post-production, and publishing of radio, television, and multimedia content – particularly informational, cultural

and artistic, children's, entertainment, sports, religious, and other content of public interest to the citizens aimed at realising human rights and freedoms, exchanging ideas and opinions, nurturing the values of democratic society, advancing political, gender, international and religious tolerance and understanding, as well as preserving the national identity of the Serbian people and national minorities – as well as of the provision of audio and audio-visual broadcasting services and publishing of electronic publications as services of public interest.

In addition to the activity under paragraph 1 of this Article, the public service broadcaster may perform also commercial activities, which do not jeopardize the main activity, such as:

1. assigning rights to public communication of radio, television, and other media content;
2. publishing advertisements or other forms of audio-visual commercial communication (e.g. sponsorship, product placement, etc.);
3. providing interactive services that are in relation to media services or other interactive services;
4. organising public performances of music content and other performances that are not included in the public service broadcaster's services;
5. producing, leasing, and selling phonograms and videograms;
6. providing technical services and leasing production and other capacities;
7. other commercial activities with the purpose of conducting the main activity, if they are performed alongside this activity commonly or to a lesser extent (providing intellectual services, publishing, etc.).

4. Guiding Principles of the Public Service Broadcaster's Operation

Article 4

The public service broadcaster's operation shall be guided by the following principles:

1. truthful, impartial, complete, and timely provision of information;
2. independence of editorial policy;
3. independence from financing sources;
4. prohibition of any form of censorship and unlawful influence on the operation of the public service broadcaster, editorial team, and reporters ;
5. implementation of internationally recognized standards and principles, and particularly observance of human rights and freedoms and democratic values;
6. observance of professional standards and codes.

5. Institutional Autonomy

Article 5

The public service broadcaster shall have institutional and editorial independence in conducting its main activity, particularly in relation to the following:

- 1) determining concepts and selecting programming, in accordance with the law;
- 2) scheduling of programming;
- 3) organising its activities;
- 4) selecting executive officers, editors-in-chief, and employees;

- 5) procuring and selling goods and services;
- 6) managing financial resources, in accordance with the law;
- 7) preparing and executing the financial plan;
- 8) negotiating, i.e. preparing and signing legal acts that apply to the business operation of institutions;
- 9) selecting representatives in legal affairs and other legal matters.

6. Activity of the Public Service Broadcaster

Article 6

The public service broadcaster, through its activity, shall realise public interests, show due regard for public interests, and be responsible to the public for its activity.

The responsibility of the public service broadcaster to the public and the public's influence on the public service broadcaster's activity shall be exercised particularly through:

- transparency in appointing the public service broadcaster's authoritative bodies;
- the public's involvement in enhancing radio and television programming;
- the public service broadcaster's obligation to truthfully inform the public in a timely manner about performing its activity, the conditions and manner of providing its services, and other matters that concern performing the activities for which it was established;
- the publishing of the work plan, financial plan, and report on activities and business performance;
- the submission of the report on activities and business performance of the public service broadcaster to the National Assembly and Council of Regulators;
- timely fulfillment of obligations prescribed by the law that governs free access to information of public interest.

II PUBLIC INTEREST REALISED BY THE PUBLIC SERVICE BROADCASTER

Article 7

The public interest – pursuant to the law that governs the public provision of information – realised by the public service broadcaster through its programming shall include the following:

1. truthful, timely, complete, impartial, and professional provision of information for the citizens and facilitation of freely formed expressions of opinions of listeners and viewers on the territory of the Republic of Serbia, autonomous province and local self-government;
2. respect for and representation of basic human rights and freedoms, democratic values and institutions, and advancing the public dialogue culture;
3. respect for privacy, dignity, reputation, honour, and other basic human rights;

4. respect and promotion of pluralism in political, religious, and other ideas and facilitation of the public's familiarity with those ideas, without serving the interests of individual political parties or religious communities, or any other individual political, economic, religious or similar positions or interests;
5. fulfillment of the informational needs of all sections of the population without any discrimination, particularly taking into consideration specific social groups such as children, young and elderly people, minorities and ethnic groups, persons with disabilities, socially and medically disadvantaged, etc.;
6. fulfillment of the citizen's needs for programming that facilitates preserving and expressing the cultural identity both of the Serbian people and national minorities and ethnic groups, showing consideration for the need of national minorities and ethnic groups to have access to certain programming in their own language and alphabet;
7. impartial coverage of political, historical, economic, social, medical, cultural, educational, scientific, environmental, and other issues, enabling equal encounters of different views;
8. free and equal representation of political parties, coalitions, and candidates that have verified electoral registers for the republic, provincial, or local elections during campaigning;
9. affirmation of national cultural values of the Serbian people, national minorities and ethnic communities that live in the Republic of Serbia, as well as of meeting and intertwining of their cultures;
10. development of the media literacy of the population;
11. production of domestic documentary and feature programming;
12. timely provision of information about current events in the world and about scientific, cultural, and other civilizational achievements;
13. advancement of general education, medical education, and education in relation to environment protection;
14. development of culture and artistic creation;
15. nurturing of humanitarian, moral, artistic, and creative values;
16. fulfillment of the citizens' need for entertainment, recreation, sports, and other areas;
17. provision of information to Serbian citizens abroad, as well as the members of the Serbian people who live outside of the Republic of Serbia's territory;
18. representation of the cultural heritage and artistic creation in the country and abroad;
19. provision of information to the foreign public about the events and happenings in the Republic of Serbia.

Article 8

In its realisation of the interests under Article 7 of this law, the public service broadcaster must:

1. show consideration for linguistic standards both of the majority population and of – in adequate proportion – national minorities in the territory in which programming is broadcast, as well as the linguistic standards of deaf persons and persons with impaired hearing;

2. utilise all of its available capacities on the republic, provincial, and local levels – including the correspondents network – with the purpose to realise the rights of all citizens to equal provision of information;
3. secure the implementation and development of modern technical and technological standards in the production and publishing of programming and realise, within the foreseen period, the plans to upgrade to new digital technologies;
4. cooperate with the other public service broadcaster and exchange programming that is of interest to the Republic of Serbia's citizens;
5. ensure that radio and television recordings are preserved as cultural heritage of national interest.

Use of Language and Alphabet

Article 9

The public service broadcaster must use the Serbian language, Cyrillic alphabet, and – as the form of communication for deaf and hard of hearing people – sign language in its programming.

The use of the Serbian language shall not be mandatory in the programming intended for the members of national minorities, but this type of programming can be subtitled in the Serbian language.

The use of the Serbian language and Cyrillic alphabet is also not required in the following cases:

- 1) publishing of films and other audio-visual and radio pieces in their original form;
- 2) publishing of music pieces with lyrics in a foreign language;
- 3) if the programming is intended for foreign language learning;
- 4) if the programming is intended for foreign citizens or the citizens of the Republic of Serbia who live outside its territory and who cannot understand this programming in the Serbian language;
- 5) if – for the sake of validity of information – the programming includes the publishing of a document, name, or statement in the original form.

European Independent Production

Article 10

The public service broadcaster shall secure at least 10% of the annual programming or at least 10% of the annual programming budget for audio-visual pieces of European independent production, excluding the time slots intended for the news, sporting events, games, advertisements, teletext, or teleshopping.

The share under paragraph 1 of this Article shall be achieved gradually, in accordance with the provisions of the law that governs the electronic media, showing consideration for the obligation of the public service broadcaster to secure the realisation of the public interest through informational, educational, cultural, and entertainment content.

Programme content that is older than five years may make up no more than half of the share under paragraph 1 of this Article.

Programme content of independent production under paragraph 1 of this Article shall be selected on the basis of public competition.

The procedure and criteria for the selection of the programme content under paragraph 1 of this Article shall be determined in detail by the general act of the public service broadcaster.

The criteria for selection of programme content under paragraph 1 of this Article must not be discriminatory and must be in accordance with the programming obligations prescribed by this law.

Advertisements

Article 11

Advertisements in the programming of the public service broadcaster shall be governed by the law that regulates the electronic media and the advertising.

The public service broadcasters shall have the right to refuse to publish advertisements due to content that is not in accordance with the programming obligations prescribed by the law, other regulations, and rules that govern advertising.

III INSTITUTIONS OF THE PUBLIC SERVICE BROADCASTER

1. Status, Programmes, and New Media Services

Status

Article 12

RTS and RTV have the status of legal entities.

Programmes

Article 13

RTS provides media services on at least two television channels and at least three radio networks in the territory of the Republic of Serbia.

RTV provides media services on at least two television channels and at least three radio networks in the territory of the Autonomous Province of Vojvodina.

RTS and RTV provide media services in the form of electronic editions on the Internet.

At least one television channel and one radio network of the public service broadcaster must provide general media services.

New Media Services

Article 14

The public service broadcaster may commence the provision of a new media service in radio or television or an audio (i.e. audio-visual) media service on demand, if the service's total influence

on the market is justified by added value in terms of fulfilling the democratic, social, and cultural needs of the population and programming obligations under the provisions of Article 7 of this law.

A new media service, in terms of this law, is defined as a service that is significantly different than the services that the public service broadcaster institution is already providing in terms of content, approach, or the user group for which it is intended.

An existing media service shall be considered as a new media service if it is changed in a way that it meets the standards under paragraph 2 of this Article.

The Director-General of the public service broadcaster shall determine the proposal to introduce a new media service that contains a clear and complete description of the new media service and an explanation of the justification of its introduction, the technical conditions, designation of the user group for which it is intended, description of the financing method, and the assessment of the possible influence on the competition in the relevant market of electronic media.

The proposal to introduce a new media service shall be submitted to the Regulator for an opinion in relation to the possible influence of the new media service on the competition in the relevant market.

The Regulator shall analyse the possible influence of the new media service on the relevant market in cooperation with the body in charge of the protection of competition.

The Regulator shall submit their opinion to the public service broadcaster along with the analysis report no later than 90 days following the day on which the proposal was submitted.

The public service broadcaster shall organise and conduct a public debate on the proposal to introduce a new media service, which cannot last less than 30 days.

After the public debate, the public service broadcaster's Management Board shall make a decision about the introduction of the new media service.

Article 15

The public service broadcaster shall provide media services via an operator of an electronic communication network for terrestrial broadcast, as well as via other operators that provide media content distribution.

The conditions of the distribution under paragraph 1 of this Article shall be regulated by a contract.

The public service broadcaster shall have the rights for the operation of the electronic communication network for terrestrial broadcast in order to secure to it a high-quality reception of analogue signal for at least 90% of the population, i.e. digital signal for at least 95% of the population in the areas where the public service broadcaster's service is provided. It will also secure to it multiplex capacities for the broadcast and distribution of programmes, the technical conditions for broadcast in standard and high image resolution, and technical support for other technical and technological, programming, and service improvements, with payment for the service of the operator of electronic communications networks for distribution and broadcasting, in accordance with the contract referred to in paragraph 2 of this Article.

The public service broadcaster shall obtain the right to provide media services under paragraph 1 of this Article directly on the grounds of this law and shall not be required to obtain a licence for the provision of media services in accordance with the law that governs the electronic media.

2. Bodies of the Public Service Broadcaster

Article 16

The bodies of the Public Service Broadcaster are the Management Board, Director-General, and Programming Council.

2.1. Management Board

Article 17

The management body of the public service broadcaster shall be the Management Board, which shall have nine members.

The members of the Management Board shall be appointed and dismissed by the Council of Regulators by a two-thirds majority of the total number of members.

The Council of Regulators launches a public competition for the appointment of the Management Board members six months before the Management Board members' tenure expires, in accordance with the criteria prescribed by this law.

The Management Board members shall be appointed among prominent experts in the fields that are significant for the activities of the public service broadcaster institutions (experts in the fields of media, culture, management, law, and finance).

The Council of Regulators shall appoint persons who live and work in the territory of the Autonomous Province of Vojvodina as RTV's Management Board members.

The Management Board members cannot be holders of public office or political party positions, employees of a media service provider, or persons whose Management Board membership could lead to a conflict of interests pursuant to the regulation that governs the prevention of conflict of interests in public office.

The Management Board members must not perform services or other tasks for the public service broadcaster institution.

The Management Board members' tenure shall be five years.

A person may be appointed as a Management Board member for no more than two terms.

The Management Board members shall be free in their work and take care of consistent implementation of the law.

The Regulator shall determine in detail the procedure for appointing members of the Management Board.

Article 18

The Management Board shall establish the Rules of Procedure.

The Management Board shall make decisions by a majority of votes of the total number of members, unless this law and the Statute provide for some decisions to be made by a two-thirds majority of votes of the total number of members.

The conditions for the operation of the Management Board shall be provided by the public service broadcaster.

The Management Board members shall have the right to compensation for their work in the amount of the average net salary at the public service broadcaster.

Article 19

The scope of activity of the Management Board includes the following tasks:

1. adopting the Statute of the public service broadcaster, by a two-thirds majority of votes of the total number of members;
2. adopting the development strategy of the public service broadcaster, by a two-thirds majority of votes of the total number of members;
3. adopting the programming concept of the public service broadcaster, by a two-thirds majority of votes of the total number of members;
4. adopting the work plan;
5. adopting the financial plan;
6. adopting the procurement plan and business plan;
7. deciding on licence-fee alignment;
8. appointing and dismissing the Director-General of the public service broadcaster, by a two-thirds majority of votes of the total number of members, and making an explained decision on the appointment after the public competition is conducted and making the decision available to the public;
9. appointing and dismissing editors-in-chief and programme directors – if the Statute envisage them – by a two-thirds majority of votes of the total number of members, and making an explained decision on the appointments as proposed by the Director-General after the public competition is conducted and making the decision available to the public;
10. giving approval for the Director-General's proposal on the classification of occupations and tasks and the work organisation of the public service broadcaster;
11. devising investment plans;
12. controlling financial operation and appointing an internal auditor, as proposed by the Director-General;
13. overseeing the legality of activity performance;
14. considering the proposals and recommendations of the Programming Council;
15. adopting the report on activities and business performance of the public service broadcaster and submitting it to the National Assembly and Council of Regulators, and informing the public about it;
16. performing other tasks determined by the law and the Statute.

The Management Boards of RTS and RTV shall make a joint decision on the content and form of a uniform pattern for the charging of the licence fee and a uniform pattern for exemptions from licence-fee payment.

Management Board Member's Tenure Expiration

Article 20

A Management Board member's tenure shall expire:

- 1) by the passing of the term of their appointment;

- 2) by the submission of resignation in writing to the regulatory body in charge of the area of electronic media;
- 3) by dismissal due to the reasons envisaged by this law;
- 4) by death.

The Council of Regulators shall immediately commence the procedure for appointing a new member of the Management Board in the case under paragraph 1 item 1) - 4) of this Article.

Management Board Member's Dismissal

Article 21

The Council of Regulators shall make the decision to dismiss a Management Board member:

- 1) if – due to ill health and on the grounds of the findings of the competent health institution – the member is incapable of carrying out the functions of a Management Board member for a period of more than six months;
- 2) if the Council determines that the member failed to provide correct personal details in the appointment procedure;
- 3) if the member is absent from three sessions of the Management Board within one year;
- 4) if the member becomes a holder of public or political office, or if they become employed with a media service provider;
- 5) if the member acted against the provisions of the law, Statute, and other regulations that govern the performance of activities of the public service broadcaster institution;
- 6) if the member is sentenced to unconditional imprisonment.

The Council of Regulators shall make the decision on the dismissal of a Management Board member, along with an explanation, by a two-thirds majority of votes of the total number of members of the Council.

The Management Board member shall be given an opportunity to comment on the reasons for dismissal during the dismissal procedure.

Article 22

The Management Board sessions shall be attended by – without the right to vote – the Director-General and other persons invited by the Management Board.

The persons under paragraph 1 of this Article shall have the obligation to provide information, clarifications, and expert explanations on the daily orders of business.

2.2 Director-General

Authorisations

Article 23

The Director-General of the Public Service Broadcaster shall:

1. represent the public service broadcaster;
2. organise and manage the work process and manage the business activities of the institution;

3. propose the development strategy and work plan before the Management Board;
4. devise and propose – together with the editors-in-chief, programming directors, and organisational units directors – the programming concept that realises the public interest before the Management Board and shall be responsible for the programming concept's realisation;
5. propose the introduction of a new media service before the Management Board;
6. ensure the legality of operation and business performance;
7. be responsible for the implementation of the Management Board's decision and shall submit reports on operation and business performance to the Management Board;
8. consider the recommendations of the Programming Council;
9. propose to the Management Board the appointments and dismissals of the editors-in-chief, as well as the Programming Directors, if Programming Directors are envisaged by the Statute;
10. obtain the opinion of the National Minority Council on candidates for the editor-in-chief of the minority language programme, before submitting a proposal for his appointment to the Management Board
11. adopt acts regarding the classification of occupations and tasks and the work organisation of the public service broadcaster that are approved by the Management Board;
12. perform other tasks determined by the law and the Statute.

Appointment and Tenure Length

Article 24

The Management Board shall make the decision on the appointment of the Director-General, along with an explanation, by a two-thirds majority of votes of the total number of members, after the public competition.

The Director-General's tenure shall be five years, and the same person may be appointed as the Director-General no more than two times.

Appointment Requirements

Article 25

The Director-General shall be appointed among prominent experts in the fields that are significant for the activities of the public service broadcaster institutions.

A person who cannot be a Management Board member shall not be appointed as the Director-General, except for employees of a media service provider.

A person who is appointed as the Director-General shall be a person with residence in the territory of the Republic of Serbia, citizenship of the Republic of Serbia, a degree in higher education, and 10 years of experience in senior management positions.

When applying, Director-General candidates shall have the obligation to – along with the evidence on fulfilling the requirements – submit a plan of work and management of the public service broadcaster institution for the following period.

Director-General's Tenure Expiration

Article 26

The Director-General's tenure shall expire:

- 1) by the passing of the term of their appointment;
- 2) by the submission of resignation in writing to the Management Board;
- 3) by dismissal due to the reasons envisaged by this law;
- 4) by death.

The Management Board shall forthwith appoint the acting Director-General and commence the procedure for appointing the new Director-General in the case under paragraph 1 items 1) - 4) of this Article.

Dismissal of the Director-General

Article 27

The Management Board shall decide on the dismissal of the Director-General if:

- 1) if – due to illness and based on the findings of the competent health institution – the Director-General is unable to perform the functions of the Director-General in a period of more than six months;
- 2) if the Council determines that the member failed to provide correct personal details in the appointment procedure;
- 3) if the Director-General acts against the provisions of the law, Statute, and other regulations that govern the performance of activities of the public service broadcaster institution;
- 4) if the Director-General is sentenced to unconditional imprisonment.

The Management Board shall make the decision on the dismissal of the Director-General, along with an explanation, by a two-thirds majority of votes of the total number of members.

The Director-General shall be given an opportunity to comment on the reasons for dismissal during the dismissal procedure.

2.3. Programming Council

Article 28

The Programming Council is an advisory body.

The Programming Council has 15 members who are elected by the Management Board among experts in the fields of media and media contractors, scientists, authors in the field of culture, and representatives of associations that focus on human rights and democracy.

Programming Council members may not be holders of public or political office.

Programming Council members' tenure shall last four years and members cannot be re-elected.

Article 29

The RTS Programming Council members are elected by the Management Board of RTS, as proposed by the National Assembly's board in charge of the area of public provision of information.

The RTV Programming Council members are elected by the Management Board of RTV, as proposed by the board of the Assembly of the Autonomous Province of Vojvodina in charge of the public provision of information.

The assembly's board in charge of the public provision of information shall propose a list of 30 candidates for the Programming Council membership to the management board that shall reflect the territorial, ethnic, religious, gender, and other structures of the population.

The candidates list under paragraph 3 of this Article shall be determined on the grounds of public competition for the election of the Programming Council members.

The public competition under paragraph 3 of this Article shall be launched by the assembly's competent board six months before the Programming Council members' tenure expires.

The assembly's board in charge of the public provision of information shall determine the list of all registered candidates that meet the requirements under Article 28 paragraphs 2 and 3 of this law, no later than 30 days following the day on which the competition is launched.

The rules conducting the competition under paragraph 5 of this Article are prescribed by the assembly's act.

Article 30

The Programming Council shall take care of fulfilling the interests of listeners and viewers in terms of programming.

The Programming Council shall examine the realisation of the programming concept and the quality of the programming content of the public service broadcaster, and gives recommendations and suggestions to the Director-General and Management Board in this respect.

The Programming Council shall, at least once a year, organise a public debate on the programming content of the public service broadcaster, lasting 15 days, and the report on the conducted public debate shall, along with the recommendations for improvement expressed during the debate, be submitted to the Director-General and Management Board.

The Programming Council shall monitor the implementation of the programming principles and obligations prescribed by the law, and if these are disregarded, the Council shall inform the Management Board, Director-General, and the responsible editors in writing.

Article 31

The working methods and working means of the Programming Council shall be defined in more detail by the public service broadcaster's Statute.

The provisions referring to the Director-General's tenure expiration shall be accordingly applied to matters in relation to the Programming Council members' tenure expiration.

3. Public Service Broadcaster's Statute

Article 32

The public service broadcaster's Statute shall be adopted by the management board and approved by the Council of Regulators.

The Statute shall define in detail the internal organisation, working method of the public service broadcaster and its bodies, adoption of general acts, authorisations for the allocation of operational means, appointment procedure for the Director-General, editors-in-chief, and media directors, as well as other matters that are significant to the public service broadcaster's operation and functioning.

Statute shall be published in the *Official Gazette of the Republic of Serbia*.

IV OPERATIONAL AND FINANCING MEANS OF THE PUBLIC SERVICE BROADCASTER

1. Public Service Broadcaster's Operational Means

Article 33

The public service broadcaster's operational means shall comprise immovable and movable property (hereinafter referred to as: "means") obtained from the founders, acquired by purchase, provision of services and sale of products, or obtained from other sources.

The means used by the public service broadcaster shall be owned by the Republic of Serbia, i.e. the Autonomous Province of Vojvodina.

The provisions of the law that governs public property shall be applied to the matters of acquiring, burdening, or selling the public service broadcaster's means.

Article 34

The public service broadcaster shall be responsible for its obligations by its entire means.

2. Financing of the Public Service Broadcaster's Activity

Article 35

The Republic of Serbia shall secure stable and sufficient financing of the public service broadcaster's main activity.

The method and conditions of securing the means for financing the activity under paragraph 1 of this Article must not influence the editorial independence and institutional autonomy of the public service broadcaster.

3. Financing Sources

Article 36

The public service broadcaster shall be financed from:

- 1) the public service broadcaster licence fee;
- 2) the state budget;
- 3) net profits from the commercial exploitation of content that is produced within the main activity;
- 4) commercial revenues;
- 5) other revenues.

The revenues under paragraph 1 items 1), 2) and 3) represent state aid within the meaning of the legislation for the control of state aid.

3.1 Public Service Broadcaster Licence Fee

Article 37

The main activity of the public service broadcaster shall be financed from the licence fee, in accordance with this law.

The licence fee shall be uniform in the entire territory of the Republic of Serbia and cannot exceed RSD 500.00.

The decision on determining the licence fee under paragraph 2 of this Article shall be made jointly by the management boards of RTS and RTV, based on the analysis of net costs of conducting the main activity of the public service broadcaster under Article 3 paragraph 1 of this law and taking into consideration the net benefits from the commercial exploitation of content that is produced within the main activity of the public service broadcaster, no later than 30 June, 2015.

The decision on determining the licence-fee shall be published in the *Official Gazette of the Republic of Serbia*.

The licence fee shall be aligned once a year, based on the rate of growth in the Consumer Prices Index in the Republic of Serbia, according to the information officially published by the body in charge of statistical affairs.

The Management Board of RTS shall make the decision on the alignment of the fee, no later than 15 days following the day of publishing of the Consumer Prices Index for September in the *Official Gazette of the Republic of Serbia*.

The decision on the alignment of the fee under paragraph 6 of this Article shall be enforced as of 1 January, 2017.

The decision on the licence-fee alignment shall be published in the *Official Gazette of the Republic of Serbia*.

Licence-Fee Payer

Article 38

The licence-fee payer is defined as any natural or legal person that uses electricity meters per residential unit, i.e. per commercial space.

Records on Licence-Fee Payers

Article 39

The public service broadcaster keeps records of the licence-fee payers containing all personal and other details, namely:

a) for natural persons:

- licence-fee payer's first name and surname;
- personal identification number;
- complete information about the residency address (name of neighbourhood, municipality, Post Office number, postal address code, postal region, name of street, house number, additional house number, entrance number, storey, flat number);
- date of licence-fee payer's registration;
- date of changes made to information;
- distinctions (owner, user, grounds for exemption, form of payment monthly or in advance, debt amount, phone number and/or email address);
- Meter Point Administration Number

b) for legal persons:

- full name
- company registration number;
- tax identification number;
- bank account number;
- registered office location;
- complete address;
- responsible person;
- contact person;
- phone number or email address;
- distinctions (owner, user, grounds for exemption, form of payment monthly or in advance, debt amount, phone number and/or email address);
- Meter Point Administration Number.

Article 40

The information under Article 39 of this law shall be collected directly, on the grounds of written request, from the licence-fee payer, from electricity distribution companies, the ministry in charge of internal affairs, bodies of the Tax Administration of the Republic of Serbia, Business Registers Agency, Real Estate Cadastre of the Republic of Serbia, and public utility companies.

The uniform record data of the licence-fee payers shall be handled jointly by the RTS and RTV, on the bases of the decisions of the Rulebook on Handling the data, made by Management boards of RTS and RTV in an identical text.

The method of data collection under paragraph 1 of this Article, which is processed by the authorities, shall be prescribed by a special act adopted by the Government.

The licence-fee payer shall be obliged to report all changes of information under Article 40 paragraph 1 to the public service broadcaster, no later than 15 days following the day of changes made.

The public service broadcaster can use the information collected under paragraph 1 of this Article only for the purpose of the legally prescribed obligation to keep records of the licence-fee payers, calculate invoices, and charge the licence fee.

The provision of the law that governs the protection of personal information shall apply to the collection and other forms of processing of the information contained in the records under paragraph 1 of this Article.

Licence-Fee Payment Method

Article 41

The licence fee shall be paid to the account with the Treasury of the Ministry of Finance.

The form and content of the form based on which the fee is paid shall be determined by RTS and RTV jointly.

The public service broadcaster shall, by the end of the current year, deliver twelve forms to licence-fee payers for paying the licence fee in the following calendar year.

RTV shall deliver the form under paragraph 2 of this Article to the licence-fee payer that is the user of the electricity meter per residential unit, i.e. commercial space, that is located in the territory of the Autonomous Province of Vojvodina.

RTS shall deliver the form under paragraph 2 of this Article to the payer that is the user of the electricity meter per residential unit, i.e. commercial space, that is located outside the territory of the Autonomous Province of Vojvodina.

The licence-fee payer shall pay the licence fee monthly, by the fifth day of the current month for the previous month.

The funds collected based on the licence-fee shall be paid to the sub-account of RTS and RTV with the Treasury of the Ministry of Finance.

The funds paid in the territory of the Republic of Serbia outside the territory of the Autonomous Province of Vojvodina shall represent revenues of RTS.

The funds collected in the territory of the Autonomous Province of Vojvodina shall be allocated so that 70% of the paid funds are allocated to RTV, and 30% of the paid funds are allocated to RTS.

RTS and RTV shall initiate the collection procedure, in accordance with the law, in the case of unpaid licence fee.

An interest in accordance with the law shall be calculated for unpaid received obligations

Exemption from Licence-Fee Payment

Article 42

A natural person, owner of an electricity meter, living in a one-member household or who is a provider for a multiple-member household shall be exempt from the licence fee, if:

1. they are a person with disability with 100% body damage;
2. they are a person with disability with less than 100% body damage, but if – in accordance with the provisions of special regulations – they are entitled to the right to financial aid for a caregiver or help of others;

3. they are a person who permanently lost their hearing or they are a blind person and
4. they are a user of the right to financial welfare;
5. they are a retiree with the minimum pension;
6. they are a natural person using several electricity meters, for the electricity meter in the residential unit, i.e. commercial space, that is not being used.

The following shall also be exempt from the licence fee:

1. institutions that are, in accordance with the provisions of the law regulating the area of social protection considered as institutions for the accommodation of users, educational and correctional institutions, health care institutions and organisations of persons with disabilities, and companies for the vocational training and employment of persons with disabilities;
2. diplomatic and consular offices, under the condition of reciprocity.

The right to licence-fee payment exemption shall be exercised on the grounds of a request that shall be submitted on the form for licence-fee payment exemption along with the required documentation.

The decision on the licence-fee payment exemption under paragraph 3 of this Article shall be applied to the public service broadcaster in accordance with the law that governs the general management procedure.

The decision under paragraph 4 of this Article shall be final, and no legal disputes can be initiated against it.

The licence-fee payment exemption form shall be uniform, and its contents and form shall be determined by a joint decision of RTS and RTV.

The required documentation for persons under paragraph 1 items 1) - 4) of this Article is the decision of the competent body.

The required documentation for persons under paragraph 1 item 5 of this Article are the evidence of pension amount, evidence of the number of household members, and evidence of the household provider status.

The required documentation for persons under paragraph 1 item 6 of this Article are the evidence of real estate ownership, evidence that the building is not being used, and evidence of the consumption of electricity.

The required documentation for institutions and diplomatic and consular offices under paragraph 2 items 1 and 2 of this Article is the excerpt from the public register.

Any change to the status on the ground of which the right to licence-fee payment exemption is realised must be reported to the public service broadcaster, no later than 15 days following the day the change is made.

3.2 Funding from the State Budget

Article 43

A portion of the means of financing the main activity of the public service broadcaster can also be secured from the Republic of Serbia's state budget and the budget of the Autonomous Province of Vojvodina, namely for the following projects:

1) the production, broadcast, and distribution of programmed intended for foreign countries, programmes intended for the diaspora, as well as programmes intended for the population living in the territory of the Autonomous Province of Kosovo and Metochy.

2) project intended for the development of new technologies, digitalisation of archives, digitalisation of technological equipment, development of new distribution services in accordance with the possibilities enabled by digitalisation;

3) other project of special social significance in accordance with the law that governs the public provision of information.

The decision on project proposal shall be made by the Management Board of the public service broadcaster by 1 March of the current year for the following year, and shall be submitted to the republic or provincial body in charge of the public provision of information.

The project proposals that the public service broadcaster intends to realise in the following year must contain the precise amount of the lacking financial means that are going to be financed from the state budget, which cannot exceed the net costs of the realisation of the planned project and which shall be made based on the projected licence-fee billing and the projected realisation of commercial revenues.

After the budget act is adopted, the body in charge of the public provision of information at the republic or provincial level shall conclude a contract with the public service broadcaster.

3.3 Net Benefits

Article 44

Revenues of the public service broadcaster are the net benefits from the commercial exploitation of content that is produced within the main activity (hereinafter referred to as: net benefits).

Cross-Consolidation

Article 45

The funds collected from the licence fee and net benefits shall be used only for the financing of the public service broadcaster's main activity and cannot be used for the financing of a commercial activity (cross-subsidising).

If the public service broadcaster acts in violation of the cross-subsidising ban under paragraph 1 of this Article, the Council of Regulators shall – based on the information obtained in the procedure of control over its operation, from the report of the Republic Auditing Institution, an authorised independent auditor, or an internal auditor – order by a decision the refund of the amount that is used in violation against the cross-subsidising ban by payment to a special sub-account of the Regulator intended for this purpose.

The funds paid under paragraph 2 of this Article shall be refunded to the public service broadcaster by the Council of Regulators for the financing of the main activity in the following year.

The public service broadcaster can keep the collected licence fee over the amount of net costs of conducting the main activity up to 10% of the costs calculated by the annual financial plan for the main activity, and all funds above it are due to be paid to a special sub-account of the Regulator intended for this purpose.

The funds paid under paragraph 4 of this Article shall be refunded to the public service broadcaster by the Council of Regulators for the financing of the main activity in the following year.

The total of the annual fee planned for the following year shall be reduced by the funds under paragraphs 2 and 4 of this Article.

3.4 Commercial Revenues

Article 46

The public service broadcaster shall realise its commercial revenue by conducting a commercial activity under Article 3 paragraph 2 of this law, except in the cases under Article 44 of this law.

The public service broadcaster shall use commercial revenues for the maintenance and development of commercial activities explicitly stated also in Article 3 paragraph 2 of this law, and can use them also for co-financing its main activity, in accordance with the adopted work plan and financial plan.

The public service broadcaster shall conduct its commercial activity showing consideration for the regulations on the protection of competition, and it shall especially not provide commercial services, including the service of publishing advertisements or other forms of audiovisual commercial communication, at prices that are lower than market prices, nor shall it offer a price above the market price when purchasing rights to broadcast sports events.

The funds acquired by the commercial activity must not jeopardize the main activity of the public service broadcaster or affect its independence.

In the case of purchasing exclusive rights to broadcast radio, television, or other media content of outstanding significance, including broadcast of sports events, the public service broadcaster shall be obliged to assign unused rights in a timely and non-discriminatory manner to other providers of the relevant media services.

The rules on the assignment of unused rights to contents under paragraph 5 of this Article shall be prescribed by the Council of Regulators.

If the Council of Regulators – based on the information obtained within the control over the operation of the public service broadcaster – determines that the obligations under paragraphs 2 and 5 of this Article are violated, it shall submit to the body in charge of the protection of competition a initiative to examine the violation of competition.

3.5 Other Revenues

Article 47

The public service broadcaster can also obtain means from the funds of international organisations.

The means acquired as “other revenues” must not jeopardize the main activity of the public service broadcaster or affect its independence.

4. Revenues and Expenditures of the Public Service Broadcaster

Article 48

The public service broadcaster's expenditures are divided into basic, commercial, and joint expenditures.

The public service broadcaster's basic expenditures are the costs that are incurred through or that are related to conducting the main activity of the public service broadcaster, and the public service broadcaster's commercial expenditures are the costs that are incurred through or that are related to conducting commercial or other activities that do not make up the main activities of the public service broadcaster.

The public service broadcaster's joint expenditures are divided into basic or commercial, according to the proportion that is determined by the Statute of the public service broadcaster and the general act on the financial operations of the public service broadcaster.

The Method of Monitoring Revenues and Expenditures

Article 49

The public service broadcaster shall be obliged to produce a method of monitoring direct and indirect revenues and expenditures that pertain to conducting the main and commercial activities of the public service broadcaster. This method shall allow for direct and indirect revenues, expenditures, and business results that pertain to conducting the public service broadcaster's main activity to be separated in bookkeeping by accounting from direct and indirect revenues, expenditures, and business results that pertain to conducting the public service broadcaster's commercial activities.

The method of separation by accounting under paragraph 1 of this Article shall be defined in detail by the public service broadcaster within the general act on financial operations.

The public service broadcaster's internal auditor shall regularly monitor the implementation of the provisions of this Article and submit reports on the said to the Management Board.

V. AUDIT

Article 50

All calculation of the revenues and expenditures as well as the financial reports of the public service broadcaster shall be subject to periodical and annual auditing by an internal auditor and annual auditing by an independent authorised auditor.

VI. REPORT ON ACTIVITIES AND BUSINESS PERFORMANCE

Article 51

Radio and Television of Serbia and Radio and Television of Vojvodina shall, once a year, submit to the National Assembly for examination and decision-making, and to the Council of

Regulators for information, the Report on activities and business performance for the previous year, along with a report of an independent authorised auditor.

The Report on activities and business performance under paragraph 1 of this Article shall be prepared in a way that it clearly separates the main activity from the commercial activity, as well as the financing sources for those activities.

VII. APPLICATION OF PROVISIONS OF OTHER LAWS

Article 52

The provisions of the law that governs public provision of information and electronic media shall be applied to the matter that refers to the public service broadcaster and that are not regulated by the provisions of this law.

VIII. SUPERVISION

Article 53

The supervision of the application of the provisions of this law shall be performed by the ministry in charge of the public provision of information.

IX. PENAL PROVISIONS

Article 54

A natural person that fails to report changes to the information in accordance with Article 40 paragraph 4 of this Law shall be fined with a fine in the amount of RSD 3,000.00.

A legal person that fails to report changes to the information in accordance with Article 40 paragraph 4 of this Law shall be fined with a fine in the amount of RSD 10,000.00.

Article 55

A natural person that fails to report changes to the information in accordance with Article 42 paragraph 11 of this Law shall be fined with a fine in the amount of RSD 3,000.00.

A legal person that fails to report changes to the information in accordance with Article 42 paragraph 11 of this Law shall be fined with a fine in the amount of RSD 10,000.00.

X. TRANSITIONAL AND FINAL PROVISIONS

Article 56

By the day of this law's entry in force, the Broadcasting Institutions of Serbia, i.e. the Broadcasting Institution of Vojvodina, established by the Law on Broadcasting (*Official Gazette of RS*, No. 42/02, 97/04, 76/05, 79/05-state law, 62/06, 85/06 and 41/09), shall continue to operate as the Public Broadcasting Institution Radio and Television of Serbia, i.e. the Public Broadcasting Institution Radio and Television of Vojvodina.

By the day of this law's entry in force, the person appointed or elected on the grounds of the provisions of the Law on Broadcasting (*Official Gazette of RS*, No. 42/02, 97/04, 76/05, 79/05-state law, 62/06, 85/06 and 41/09), shall continue to perform their functions until the expiration of their elected, i.e. appointed, tenure.

The person under paragraph 2 of this Article cannot be re-appointed if they have already been appointed, i.e. elected as many times as they can be appointed to the appropriate position according to this law.

By the day of this law's entry in force, the employees of the Broadcasting Institutions of Serbia, i.e. of the Broadcasting Institution of Vojvodina, shall continue to work as the employees of the Public Broadcasting Institution Radio and Television of Serbia, i.e. the employees of the Public Broadcasting Institution Radio and Television of Vojvodina in the positions in which they have been working.

Article 57

RTS and RTV shall be obliged to align their acts with the provisions of this law no later than six months following the date of entry into force of this law.

Article 58

RTS and RTV shall be obliged to, by the 1st of October, 2015, form shared records of the licence-fee payers and make the decision on the contents and form of the uniform form for the charging of the licence-fee and the uniform form for the exemption from the licence-fee payment.

Article 59

The National Assembly shall, no later than 90 days following the day of entry into force of this law, adopt the act that governs the rules about conducting a public competition for the appointment of members of the Programming Council defined by Article 29 of this law.

The Government shall, no later than 90 days following the day of entry into force of this law, adopt the act on the method of collecting the licence-fee payers' information under Article 40 of this law.

The Regulator shall, no later than 90 days following the day of entry into force of this law, adopt the act that shall govern in detail the procedure of appointing members of the Management Boards of public service broadcasters under Article 17 of this law.

Article 60

The Government of the Republic of Serbia shall, no later than six months following the day of entry into force of this law, resolve the issue of managing the real estate and means of the broadcasting infrastructure used by RTV on the basis of the shares balance with RTS, published in the *Official Gazette of RS*, No. 25/2006, and which is not covered by the Decision of the Government of the Republic of Serbia on the establishing of the Public Enterprise Broadcasting Equipment and Connections (*Official Gazette of RS*, No. 84/2009).

The Public Enterprise Broadcasting Equipment and Connections shall, within the deadline set under paragraph 1 of this Article, take over the employees of Radio and Television of Vojvodina who perform the tasks of management, organising, maintenance and development of broadcasting equipment and connections.

Article 61

The provisions of Articles 37 through 42 of this law shall apply as of 1 January, 2016.

Article 62

Until the provisions under Articles 37 through 42 of this law start to apply, the Public Broadcasting Institution Radio and Television of Serbia and the Public Broadcasting Institution Radio and Television of Vojvodina shall be financed from the Republic of Serbia's state budget.

The budget means for the operation of the Public Broadcasting Institution Radio and Television of Serbia and the Public Broadcasting Institution Radio and Television of Vojvodina shall be allocated per the ministry in charge of the public provision of information.

The Government shall, by an ordinance, regulate in more detail the method of transferring means.

The Government shall issue the ordinance under paragraph 3 of this Article no later than 15 days following the day of the adoption of the Republic of Serbia's state budget.

Article 63

With the entry into force of this Law, the provisions of Articles 76. though 94 of the Law on Broadcasting ("Official Gazette of RS", no. 42/02, 97/04, 76/05, 79/05- state law, 62/06, 85/06 and 41/09) shall be repealed.

Article 64

This law shall enter into force on the eight day following the day of publishing in the *Official Gazette of the Republic of Serbia*.