

# Broadcasting Act

No. 53, May 17 2000.

Broadcasting Act

CHAPTER I

Definitions

Article 1

*Definitions*

For the purposes of this Act:

- a. 'Broadcasting', by radio or television, refers to 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 over the air, in encoded or unencoded form;
- b. 'Broadcaster' means the natural or legal person who has been granted a broadcast license and who has the editorial responsibility for the composition of schedules of broadcasting programmes within the meaning of points (a) and (c) and who transmits them or has them transmitted by a third party;
- c. 'Programming' includes the material broadcast in its entirety;
- d. 'Advertising' means any form of announcement broadcast whether in return for payment or for self-promotional purposes by the broadcaster and involving the promotion of a product or service;
- e. 'Surreptitious advertising' means the display or other representation in words or pictures of goods, services, the trade mark or the activities of a producer of goods or a provider of services in programmes outside advertising slots when such representation is intended by the broadcaster to serve advertising and to deceive the public in this respect;
- f. 'Sponsorship' means any contribution made by a legal or natural person to the financing of broadcasting programmes or their distribution with a view to promoting its name, its trade mark, its image, its activities or its products;
- g. 'Teleshopping' means direct offers televised to the public with a view to the supply of goods or services in return for payment. Teleshopping in this case includes immovable property as well as rights and obligations connected with such transactions;
- h. 'Encoded transmission' means the transmission of a radio or television broadcast intended for reception by the public the audio or video signals of which have been modified in order to grant access to the broadcast only to those who have paid for it (subscribers);
- i. 'Decoder' means a device that, by itself or together with other equipment, is intended to allow access to the content of an encoded transmission.

CHAPTER II

Jurisdiction

Article 2

*Jurisdiction over television broadcasters*

This Act shall apply to those transmissions of television programmes that can be received in Iceland and/or other States bound by the Agreement on the European Economic Area ('EEA States'), cf. Act No. 2/1993, as amended, and where the television broadcaster concerned:

- a. is established in Iceland in accordance with the definition in the third paragraph of this Article;
- b. is established neither in Iceland nor in another EEA State, but uses a frequency granted in Iceland;
- c. is established neither in Iceland nor in another EEA State, does not use a frequency granted in Iceland or in another EEA State, but does use a satellite capacity appertaining to an Icelandic party;
- d. is established neither in Iceland nor in another EEA State, does not use a frequency granted in Iceland or in another EEA State, does not use a satellite capacity appertaining to Iceland or a party in another EEA State, but does use a satellite up-link situated in Iceland;
- e. is established neither in Iceland nor in another EEA State, does not use a frequency granted in Iceland or in another EEA State, does not use a satellite capacity appertaining to an Icelandic party or a party in another EEA State, does not use a satellite up-link situated in Iceland or in another EEA State, but is deemed to be established in Iceland in accordance with the Agreement on the European Economic Area, in particular Part III, Chapter 2 on the right of establishment.

Furthermore, this Act shall apply to any party who has established itself in another EEA State in order to circumvent Icelandic legislation, provided that the activities are primarily directed towards Icelanders and the Icelandic market.

A television broadcaster shall be deemed to be established in Iceland pursuant to this Act, in particular point (a) of the first paragraph, in the following cases:

- a. The television broadcaster has its head office in Iceland and the editorial decisions about programme schedules are taken in Iceland;
- b. If the television broadcaster has its head office in Iceland but editorial decisions on programme schedules are taken in another EEA State, it shall be deemed to be established in Iceland if a significant part of the workforce involved in the pursuit of the television broadcasting activity operates in Iceland; although a significant part of the workforce involved in the pursuit of the television broadcasting activity also operates in another EEA State, the broadcaster shall be deemed to be established in Iceland if its head office is in Iceland; although a significant part of the workforce involved in the pursuit of the television broadcasting activity operates neither in Iceland nor in another EEA State, the broadcaster shall be deemed to be established in Iceland if it first began broadcasting in accordance with a broadcast license granted under Icelandic legislation, provided that it maintains a stable and effective link with the Icelandic economy;
- c. If a television broadcaster has its head office in Iceland but decisions on programme schedules are taken outside the EEA, or vice versa, it shall be deemed to be established in Iceland, provided that a significant part of the workforce involved in the pursuit of the television broadcasting activity operates in Iceland.

### Article 3

#### *Jurisdiction over radio broadcasters*

This Act shall apply to radio transmissions where the broadcaster uses a frequency granted by Icelandic authorities or a network situated in Iceland.

### Article 4

#### *Transmissions not covered by the Act*

The provisions of this Act shall not apply to the transmission of broadcasting programmes that are intended for local audiences only and restricted to buildings or houses on a continuous piece of land, such as individual dwellings, hospitals, hotels, schools and factories.

### Article 5

#### *Suspension of retransmissions of television broadcasts from EEA States*

Notwithstanding the provisions of Article 2 and the obligation of the Icelandic State to ensure freedom of reception of television broadcasts from other EEA States, the Broadcast Licensing Committee may suspend television broadcasts from other EEA States if the following conditions are fulfilled:

- a. The broadcast manifestly, seriously and gravely infringes the provisions of Article 14 of this Act or is believed otherwise to have a potential to seriously impair the physical, mental or moral development of minors, in particular programmes that involve pornography or gratuitous violence, or the broadcast is considered to be a potential incitement to hatred on grounds of race, sex, religion or nationality;
- b. During the previous 12 months, the broadcaster has infringed the provisions referred to in point (a) on at least two prior occasions;
- c. The Broadcast Licensing Committee has notified the broadcaster and Icelandic authorities have notified the EFTA Surveillance Authority or the EU Commission, as appropriate, in writing of the alleged infringements and of the measures they intend to take should any such infringement occur again;
- d. Consultations with the transmitting State and the EFTA Surveillance Authority or the EU Commission, as appropriate, have not produced an amicable settlement within 15 days of the notification provided for in point (c), and the alleged infringement persists.

## CHAPTER III

### Broadcast license

### Article 6

#### *Broadcast license*

Broadcasts originating in Iceland are subject to a license issued by the Broadcast Licensing Committee, unless otherwise provided in Icelandic legislation, in particular the Icelandic National Broadcasting Service Act.

The Minister of Education, Culture and Science shall appoint three members to the Broadcast Licensing Committee for a term of four years and an equal number of alternate members. Two members shall be appointed pursuant to the nomination of the Supreme Court and one member shall be appointed without nomination to serve as chairman of the committee. Alternates shall be appointed in the same manner, and the alternate for the chairman shall serve as vice-chairman. Committee members and their

alternates shall meet the eligibility requirements of district court judges. The Committee may, at its discretion, summon experts to provide advice and assistance as needed.

The Broadcast Licensing Committee may grant legal and natural persons a temporary broadcast license. Licenses for radio broadcasts can be granted for a maximum of five years at a time and for television broadcasts for a maximum of seven years at a time. The period of validity of broadcast licenses shall be further provided for in a regulation. Licenses may be restricted to limited areas.

Broadcast licenses in Iceland shall be subject to the following general conditions:

- a. The licensee shall be established in an EEA State. Authorisations for the operation of broadcasting stations granted to foreign, non-EEA, parties or to Icelandic legal persons in which such a party holds a share fall within the scope of the Act on Foreign Investment in Business.
- b. The Post and Telecom Administration shall assign frequencies, in accordance with international agreements, to those parties who have been granted a broadcast license, and shall thereby specify any technical characteristics in accordance with regulations and international agreements, in particular with regard to frequency and radiated power. The direct, full-length and unaltered retransmission of the entire programming of foreign television stations shall only be permitted by means of wire and/or microwave.
- c. Broadcasters shall inform the Broadcast Licensing Committee of their prospective programme policies, as well as of any envisaged major changes of previously announced programming.
- d. Prior to commencing operation the persons responsible for the broadcasting station shall communicate to the Broadcast Licensing Committee the identity of the Managing Director responsible for all broadcast material pursuant to Chapter IX of this Act. Any changes in that respect shall be notified to the Broadcast Licensing Committee.
- e. Prior to commencing operation the persons responsible for the broadcasting station shall communicate its call sign to the Broadcast Licensing Committee.
- f. The broadcaster's operations, accounting and finances shall be kept separate from other operations and finances of the licensee. The Broadcast Licensing Committee may, where this is deemed necessary, require broadcasters to submit information from their book-keeping and accounts to determine whether the provisions of laws or regulations or the conditions of the license have been violated. The Committee shall appoint a special representative who shall collect and examine such documents on behalf of the committee. Members, employees and representatives of the Committee shall be bound by an obligation of confidentiality regarding any information that is to be kept secret.
- g. Where a broadcaster has not commenced broadcasts eight months after the date of issue of the license granted by the Broadcast Licensing Committee, the license automatically expires. If broadcasts have been terminated and are not recommenced within four months, the license is considered to have expired automatically.
- h. A broadcast license may not be transferred, leased or otherwise assigned to another party. If a licensee is declared bankrupt, the license expires immediately.

The Broadcast Licensing Committee oversees that rules pursuant to broadcast licenses are complied with and otherwise supervises the implementation of this Act, including the supervision of any broadcasts under Icelandic jurisdiction in accordance with Articles 2 and 3 of this Act. The Broadcast Licensing Committee may require television broadcasters to submit an attestation by an approved certification body of their reports on the transmission of European programme material pursuant to Article 7 and of material produced by independent producers pursuant to Article 10. The Post and Telecom Administration supervises the technical characteristics of transmissions. Decisions of the Broadcast Licensing Committee pursuant to this Act constitute final administrative rulings and cannot be the subject of an administrative appeal. The cost of operation of the Broadcast Licensing Committee shall be borne by the Treasury.

## CHAPTER IV

### Obligations of broadcasters

#### Article 7

##### *Programme offer*

Broadcasters shall strive for general cultural advancement and strengthen the Icelandic language. Nevertheless, licenses to broadcast in other languages than Icelandic may be granted in special cases.

Television broadcasters shall make every effort to ensure that the greater part of their transmission time is reserved for Icelandic and other European material. 'Transmission time' in this context refers to the total transmission time of television broadcasters with the exception of time devoted to news, sports events, games, advertising, text television services and teleshopping.

A more detailed definition of European programme material shall be laid down in a regulation.

#### Article 8

##### *Voice-over and subtitles in Icelandic*

Televised programme material in a foreign language shall always be accompanied by Icelandic voice-over or subtitles, as appropriate. However, this shall not apply to the lyrics of foreign songs or to live transmissions via satellite and a receiving station of news and current affairs programmes dealing principally with events as they take place. In such case the television broadcaster shall, whenever possible, provide a recapitulation or presentation in Icelandic of the events taking place. Every effort shall be made to ensure that the voice-over and subtitles are always in correct Icelandic.

The provisions of this article shall not apply to the retransmission from foreign television stations in the case of direct, full-length and unaltered retransmission of the entire programming of television stations. Further, these provisions shall not apply where radio broadcasters have been granted license to broadcast in other languages than Icelandic pursuant to Article 7, first paragraph.

#### Article 9

##### *Democratic principles*

Broadcasters shall honour democratic principles in all their operations. They shall respect freedom of speech and encourage the expression of different opinions when controversial issues are dealt with in their programmes. Nevertheless, a broadcaster who has been granted a broadcast license for the declared purpose of serving a particular cause shall not be obliged to broadcast programme material that runs contrary to the broadcaster's policy.

#### Article 10

##### *Programmes created by independent producers*

Television broadcasters shall ensure, where practicable, that at least 10 % of their transmission time pursuant to Article 7, second paragraph, or at least 10 % of their annual programming budget is reserved for European works created by producers who are independent of broadcasters. Television broadcasters shall seek to transmit as large a proportion as possible of works by independent producers within five years of their production.

A more detailed definition of independent producers for the purposes of this Article shall be laid down in a regulation.

#### Article 11

##### *Right of reply*

Any party, whether individual, company or institution, who considers that its legitimate interests, in particular reputation and good name, have been damaged by an assertion of incorrect facts in a broadcast programme shall have a right of reply at the broadcasting station concerned or equivalent remedies. The reply shall be transmitted within a reasonable time subsequent to the request being substantiated and at a time and in a manner appropriate to the broadcast to which the request refers.

#### Article 12

##### *Appeals pursuant to Articles 9 and 11*

A party who considers that a broadcaster has not fulfilled the requirements of Articles 9 and 11 as far as that party is concerned, and has been refused the opportunity of presenting its views in a broadcast in a manner that it deems satisfactory, may refer the matter to the Broadcast Licensing Committee. The Committee shall rule on the complaint within the shortest possible delay, and such ruling shall be binding for all parties.

#### Article 13

##### *Obligations relating to public interest*

Broadcasters shall have the obligation to transmit, free of charge, announcements from the Civil Defence, the police, life-saving associations or rescue teams and to interrupt their programme for the sake of public interest, in cases of emergency.

#### Article 14

##### *Protection of minors against unauthorised programme material*

Television broadcasters may not transmit programmes, including advertising, which might seriously impair the physical, mental or moral development of minors, in particular programmes that involve pornography or gratuitous violence, at times of broadcast when minors are likely to be able to view those programmes.

Furthermore, programmes deemed unsuitable for minors pursuant to the first paragraph above shall only be transmitted in a way that ensures by technical measures that minors in the area of transmission will not normally hear or see such broadcasts. When such programmes are broadcast they shall be preceded by a spoken warning or be identified by the presence of a visual symbol throughout their duration.

Further rules regarding the implementation of this Article shall be laid down in a ministerial decree.

## CHAPTER V

### Broadcasters' revenues

#### Article 15

##### *Revenues*

Broadcasters may generate revenues through license fees, subscriptions, advertising, teleshopping spots, sponsorship and the sale or rental of goods related to their programming.

## CHAPTER VI

### Advertising, teleshopping and sponsorship

#### Article 16

##### *General principles*

Advertising shall be readily recognisable as such and kept quite separate from other parts of the programme service by optical and/or acoustic means. The same rule shall apply to teleshopping spots.

Surreptitious advertising shall be prohibited, as shall surreptitious teleshopping spots.

Advertising and teleshopping spots shall not use subliminal techniques.

#### Article 17

##### *Broadcast time reserved for advertising and teleshopping spots*

As a general rule advertising shall be broadcast in separate general advertising slots between programmes. The same rule shall apply to teleshopping spots.

Isolated advertising and teleshopping spots shall remain the exception.

Notwithstanding the first paragraph above, advertising and teleshopping spots may also be inserted during programmes in such a way that the integrity and value of the programme, the integrity of the broadcast and the rights of the rights holders are not prejudiced, as follows:

- a. In programmes consisting of autonomous parts, or in sports programmes and similarly structured events, advertising and teleshopping spots shall only be inserted between the parts or in the intervals.
- b. The transmission of films, including films made for television, provided their scheduled duration is more than 45 minutes, may be interrupted once for each period of 45 minutes with advertising or teleshopping spots. A further interruption shall be allowed if their scheduled duration is at least 20 minutes longer than two or more complete periods of 45 minutes.
- c. Where programmes, other than those covered by point (a), are interrupted by advertising or teleshopping spots, a period of at least 20 minutes should elapse between each successive advertising break within the programme.

Advertising and teleshopping spots may not be inserted in any broadcast of a religious service or programme, news or news related programmes or children's programmes. Nevertheless, news related programmes may be interrupted if their scheduled duration is 30 minutes or longer.

#### Article 18

##### *Restrictions on advertising time on television*

In television programmes, the proportion of transmission time devoted to advertising spots shall not exceed 15 % of the daily transmission time. This proportion may however be increased to 20 % if time devoted to teleshopping spots is included, with the exception of teleshopping windows within the meaning of Article 19. The proportion of advertising and teleshopping spots within a given clock hour shall not exceed 20 %. For the purposes of this Article, advertising does not include:

- a. Announcements made by the broadcaster in connection with its own programmes and ancillary products directly derived from those programmes.
- b. Public service announcements and charity appeals broadcast free of charge.

#### Article 19

##### *Special provisions on teleshopping windows*

The following provisions shall apply to windows devoted to teleshopping broadcast by a channel not exclusively devoted to teleshopping:

- a. These windows shall be of a minimum uninterrupted duration of 15 minutes.
- b. The maximum number of windows per day shall be eight. Their overall duration shall not exceed three hours per day. They must be clearly identified as teleshopping windows by optical and acoustic means.

All provisions of this Act shall apply, as appropriate and *mutatis mutandis*, to channels exclusively devoted to teleshopping. Advertising on such channels shall be allowed within the daily limits established by Article 18, except that points (a) and (b) shall not apply.

The provisions of the Act on Door-to-Door Sales and Teleshopping Contracts shall apply, as appropriate, to teleshopping pursuant to this Act.

#### Article 20

##### *The protection of minors against inappropriate advertising*

The nature and presentation of broadcast advertisements shall be such as not to cause moral or physical detriment to minors. Therefore, such advertising:

- a. shall not exhort minors to buy a product or a service by exploiting their inexperience or credulity,
- b. shall not encourage minors to persuade their parents or others to purchase the goods or services being advertised,
- c. shall not exploit the special trust minors place in parents, teachers or other persons, and
- d. shall not unreasonably show minors in dangerous situations.

The provisions of the first paragraph above shall also apply to teleshopping windows. Such windows shall not exhort minors to contract for the sale or rental of goods or services.



## Article 21

### *Sponsorship*

Broadcasters may seek sponsorship for the production of individual programmes, provided that the sponsor does not influence the content and style of the sponsored programme nor affect the responsibility and editorial independence of the broadcaster. News and current affairs programmes may not be sponsored.

Sponsored programmes must not encourage the purchase or rental of the products or services of the sponsor or a third party, in particular by making special promotional references to those products or services. A regulation laying down special rules for programmes sponsored by charitable or humanitarian organisations may be issued. Sponsored programmes must be clearly identified as such by an introduction, the name and/or trade mark of the sponsor at the beginning and/or at the end of the programmes.

General programming may not be financed by other parties than the licensee, although this does not apply in the case of individual programmes.

Programmes may not be sponsored by natural or legal persons who manufacture or sell products, or provide services, the advertising of which is prohibited. Nevertheless, manufacturers and suppliers of medicinal products may promote the name or the image of their undertaking by way of sponsorship but may not promote specific medicinal products or medical treatments.

## CHAPTER VII

### Access to public telecommunications networks

#### Article 22

##### *Access to public telecommunications networks*

Where a broadcaster applies for access to a cable network or other public telecommunications network used for broadcasts, including broadband, the application shall be dealt with in accordance with the Telecommunications Act and the Post and Telecom Administration Act, as appropriate in each case.

Where necessary a regulation may provide for a limitation of the number of channels in the above telecommunications infrastructures that can be allocated to broadcasters owned by the same or related parties.

## CHAPTER VIII

### Limitations on exclusive broadcasting rights

#### Article 23

##### *Public access to important events*

A regulation may be issued providing that in the case of national or non-national events which are regarded as being of major importance for society the exclusive rights of television broadcasters to broadcast such events may only be exercised in such a way as to provide the majority of the nation with the possibility of following such events via live coverage or deferred coverage on free television. The regulation shall contain an exhaustive and detailed list of designated events, and this list shall be drawn up in due and effective time. The regulation shall further contain provisions on whether these events should be available via whole or partial live coverage, or where necessary or

appropriate for objective reasons in the public interest, whole or partial deferred coverage, as well as on other points considered necessary.

Where a television broadcaster acquires exclusive rights falling under this Article and applicable in Iceland and other EEA States, this shall be communicated forthwith to the Broadcast Licensing Committee which shall supervise the implementation of measures pursuant to this Article.

Where, in order to fulfil the obligation under the first paragraph above, a television broadcaster offers another broadcaster the possibility of transmitting an event, the right to do so shall be ceded at a reasonable price.

In the case of a disagreement between a broadcaster who fulfils the coverage requirement and another broadcaster on the amount to be paid for the broadcasting rights, either party may request the Broadcast Licensing Committee to rule on the amount to be considered a reasonable price. The Committee shall fix the price taking into account normal market prices for such rights in a competitive market.

The ruling of the Broadcast Licensing Committee as regards the price may be appealed to a court of law. However, an appeal to a court does not postpone the implementation of the Committee's ruling, and the right to broadcast the event in question shall be granted to the television broadcaster who fulfils the coverage requirement, provided that a deposit considered adequate by the Broadcast Licensing Committee is lodged to ensure payment of the price fixed.

The exercise by television broadcasters of their exclusive rights to television coverage of important events may be limited in certain ways, as laid down in a regulation, in order to provide other television broadcasters with the possibility of broadcasting brief news reports on such events, subject to certain conditions.

#### Article 24

##### *Mutual recognition of the rules of the EEA States*

In the case of events that a State within the European Economic Area has designated as being of major importance for that society, television broadcasters under Icelandic jurisdiction are only free to exercise their exclusive rights to television coverage of those events in such a way as to provide the majority of the nation in question with the possibility of following the events on free television.

Exclusive rights shall be exercised in accordance with rules laid down by the State concerned regarding whole or partial coverage of the events, as well as live or deferred transmission of the broadcast.

The Broadcast Licensing Committee shall supervise the implementation of measures pursuant to this Article.

#### CHAPTER IX

##### Responsibility for broadcast material

#### Article 25

##### *Obligation to preserve original broadcast material*

Any holder of a broadcast license pursuant to this Act shall preserve a recording of all original broadcast material for a period of at least 18 months. However, news reports may be kept in written form. Any person who claims to be the victim of unfair treatment

during a broadcast shall be given a copy of the recording of that broadcast. A copy of the broadcast shall be submitted to the Broadcast Licensing Committee if it so requests.

#### Article 26

##### *Responsibility*

Where broadcasting of programme material contravenes the law the following shall apply in respect of criminal liability and liability for damages:

- a. Persons presenting programme material in their own name shall be responsible for that material. This applies both to live broadcasts and broadcasts of recorded material. The provisions of this paragraph shall also apply to broadcast interviews, each participant appearing in his or her own name being responsible for his or her personal contribution.
- b. Presenters shall be responsible for any material composed by another person.
- c. Advertisers shall be responsible for their own advertisements.
- d. The broadcaster's Managing Director shall be responsible for all other material.
- e. Broadcasters shall be responsible for the payment of fines and damages that their employees incur pursuant to this Article. Fines and damages may be collected from the broadcaster by an order of attachment.

#### Article 27

##### *Obligation to provide information, termination of criminal liability etc.*

Where a person considers that his or her rights have been violated in the broadcast of programme material, the broadcaster shall provide the person concerned with adequate information as to the identity of the person responsible for that programme pursuant to Article 26.

The right to initiate legal proceedings in the case of infringements in connection with a broadcast shall be in accordance with general practice. Criminal liability shall cease to apply if, within six months following the broadcast, no civil proceedings have been initiated, no demand for public prosecution has been lodged where appropriate, and no official inquiry has been started based on an infringement which is liable for unconditional public prosecution.

## CHAPTER X

### Sanctions

#### Article 28

##### *Punitive measures*

The following infringements of this Act shall be sanctioned with a fine:

- a. Broadcasting without a license granted by the Broadcast Licensing Committee pursuant to Article 6, first paragraph.
- b. Failure to provide Icelandic voice-over or subtitles with programmes broadcast in a foreign language pursuant to Article 8, first paragraph.
- c. Failure to fulfil obligations relating to public interest pursuant to Article 13.
- d. Transmission of material prohibited pursuant to Article 14, first paragraph, and failure to observe precautionary measures for the protection of minors to be laid down in a regulation pursuant to Article 14, second paragraph.

- e. Unauthorised exercise of exclusive rights pursuant to the provisions of a regulation that may be introduced pursuant to Article 23.
  - f. Unauthorised exercise of exclusive rights pursuant to Article 24.
  - g. Failure to fulfil the obligation to preserve original broadcast material or to submit a copy of the recording of a broadcast pursuant to Article 25.
  - h. Failure to fulfil the obligation to provide information pursuant to Article 27, first paragraph.
  - i. Unauthorised exploitation of programme material pursuant to Article 32.
  - j. Unauthorised use of decoders pursuant to Article 33.
- Grave or repeated infringements pursuant to the previous paragraph may be sanctioned with imprisonment.

#### Article 29

##### *Confiscation*

Objects and equipment used for infringements of Article 33 shall be confiscated unless the owner is not involved in the infringement. Profits that are the result of an infringement shall be confiscated. Confiscated objects and profits shall remain the property of the Treasury. Those who have suffered loss in connection with the infringement shall be granted priority to the value of confiscated objects or profits where compensation cannot be sought by other means.

Receiving sets may be confiscated if they have been used in connection with the unlawful exploitation of programme material for pecuniary gain pursuant to Article 32.

#### Article 30

##### *Administrative fines*

Broadcasters who do not follow the instructions contained in Articles 9 and 11 and in Chapter VI on advertising, teleshopping and sponsorship, shall be liable to administrative fines according to a ruling of the Broadcast Licensing Committee. This shall apply except where sanctions are provided for in other legislation.

Rulings regarding administrative fines pursuant to the previous paragraph shall take into account, among other things, any revenues received by the broadcaster as a result of the infringement. The amount of the administrative fine shall be between twice and ten times the revenue generated by an infringement of Chapter VI of this Act.

The Broadcast Licensing Committee's rulings as regards fines are enforceable.

Broadcasters may appeal rulings on fines to a court of law. The time limit for appeal expires three months after the party concerned gained knowledge of the Broadcast Licensing Committee's ruling. An appeal suspends the enforcement.

In the case of an infringement of the provisions of this Article that is not deemed grave or has not been repeated the Broadcast Licensing Committee may decide to issue a warning only.

#### Article 31

##### *Revocation of broadcast licenses*

The Broadcast Licensing Committee may revoke broadcast licenses in the case of serious and repeated infringements.

## CHAPTER XI

## Miscellaneous provisions

### Article 32

#### *Unauthorised exploitation of broadcast programme material*

Users of receiving sets may not exploit broadcast programme material for pecuniary gain, e.g. by recording it, publishing it or by selling access to their receiving sets.

### Article 33

#### *Infringements in connection with decoders*

Decoders may not be manufactured, supplied, rented, installed or repaired with the purpose of providing non-subscribers with access to an encoded broadcast.

Decoders may not be used for the reception of an encoded broadcast unless subscription fees are paid.

### Article 34

#### *Digital broadcasts*

The Minister of Culture and Education may decide to initiate preparations for digital broadcasting in Iceland.

Broadcasters shall have a right of consultation during the stage of preparation for digital broadcasting.

New broadcast licenses issued pursuant to this Act as well as renewed licenses shall be subject to the condition that a regulation may be issued stipulating the conversion of broadcasting signals into digital signals, provided that such a conversion is decided upon with reasonable notice, taking technical and economic conditions into account. This provision shall also apply to the statutory license of the Icelandic National Broadcasting Service (RÚV).

### Article 35

#### *Regulation*

The Minister of Culture and Education shall lay down more detailed provisions for the implementation of this Act as a whole or parts thereof.

### Article 36

#### *Entry into force.*

This Act shall enter into force immediately. The provisions of the Broadcasting Act No. 68/1985, as amended, shall be repealed, with the exception of the following provisions concerning the Icelandic National Broadcasting Service: Article 2, first paragraph, Chapter III, Chapter IV, Article 31 and Article 32. The latter Act shall be renamed: National Broadcasting Service Act. The Act shall be published with the aforementioned amendments and with the new chapter and article numbers.

## CHAPTER XII

### Amendments to other Acts

#### Article 37

At the time of entry into force of this Act the *Broadcasting Act No. 68/1985, as amended*, is amended as follows:

1. Article 31 is amended as follows:
  - a. The first paragraph is deleted.

b. In the second paragraph, 'The Post and Telecommunication Administration' is replaced by 'other parties'.

2. Article 32 is amended as follows:

a. In the first sentence, 'The Post and Telecommunication Administration' is replaced by 'telecommunications organisations'.

b. In the third sentence, 'pursuant to Article 3' is replaced by 'pursuant to the provisions of the Broadcasting Act'.

c. In the fifth sentence, 'The Post and Telecommunication Administration' is replaced by 'The Post and Telecom Administration'.

Temporary provisions

Notwithstanding Article 2, Article 3(6) and Article 6(4)(a), the Ministry for Foreign Affairs may authorise the NATO Defence Force to continue its operation of a broadcasting station pursuant to Act No. 110/1951 and Act No. 106/1954 in compliance with the provisions of Chapters I to IV, as appropriate.

After the entry into force of this Act, the mandate of the present board of the Cultural Fund of Broadcasting Stations shall remain in force until the board has completed its mission. However, the mandate shall expire no later than 31 December 2001. During this period the board shall have the sole function of supervising the progress of previously subsidised projects, ascertaining that these projects progress and are implemented in accordance with the original applications and with the conditions on which subsidy was granted, collecting due Cultural Fund fees, and otherwise representing the Fund.

Regulations issued pursuant to the Broadcasting Act No. 68/1985, as amended, shall remain in force, as appropriate, until one or more regulations concerning the implementation of the present Act have been issued.

This Act shall be reviewed within three years of its adoption.

*Adopted by the Althing, 8 May 2000.*