

Pursuant to Article 89, paragraph 5 and Article 121, paragraph 8 of the Law on Electronic Media (Official Gazette of the RS, number 92/2023),
at its session held on 7 May 2024, the Council of the Regulatory Authority for Electronic Media adopted a

RULEBOOK

on the Procedure for Issuing a Consent to the Deed of Transfer of Licence for Media Service Provision and on Handling Notifications of Change in Ownership Structure

I. INTRODUCTORY PROVISION

Scope of Rulebook

Article 1

This Rulebook regulates in more detail the content of the application for issuing a consent to the deed of transfer of licences for media service provision (hereinafter: licence), the documentation submitted along with the application, and the manner in which the Regulatory Authority for Electronic Media (hereinafter: Regulator) handles submitted applications, the content of notifications of change in ownership structure in core capital, the documentation submitted along with the notification and the manner in which the Regulator handles submitted notifications, as well as the manner in which the Regulator handles cases of unnotified changes in ownership.

II. ISSUING A CONSENT TO THE DEED OF TRANSFER OF LICENCE

1. Transfer of licences in the event of status changes

Application for issuing a consent

Article 2

The licence granted based on a public competition shall be non-transferrable, except in case of status changes of the licence holder, within the meaning of the law regulating the status of companies, provided it does not lead to a violation of media pluralism within the meaning of regulations governing public information and media.

Licence holders shall submit to the Regulator applications for issuing a consent to the deed of licence transfer.

If multiple licence holders participate in the status change implementation procedure, they shall jointly submit the application referred to in paragraph 2 of this article.

Content of application

Article 3

In the application for issuing a consent, it is necessary to specify what type of status change the licence holder intends to implement, what legal entities are participating in the status change and what legal entity would be the licence holder after the status change has been implemented.

Documentation to be submitted along with an application

Article 4

Along with the application for issuing a consent, a draft contract on status change shall be submitted, or a draft division plan if only one legal entity participates in the status change, as well as evidence that the licence holder has settled all obligations based on the provision of media service.

If a legal entity that is not a licence holder, nor related to any licence holder, also participates in the status change implementation procedure, along with the documents referred to in paragraph 1 of this article, the following documentation shall be submitted:

- 1) excerpt from the register maintained with the competent authority for that legal entity;
- 2) statement containing data about the legal entity (name, head office, ownership structure and registration number) or natural person (name, permanent residence, personal identification number or passport number and name of the country that issued the passport if the person is a foreigner) that directly or indirectly, through other entities, has an interest (stakes, shares, etc.) in the ownership structure of the legal entity, as well as data about the level of that interest, the accuracy and completeness of which is guaranteed by the applicant by his/her signature;
- 3) evidence that the legal entity that would be the licence holder after the status change has been implemented will meet the technical and organisational requirements for programme production, based on which the licence was granted, as well as the plan of its organisational and technical concept and personnel structure.

If multiple licence holders or also a legal entity related to another licence holder, participate in the status change implementation procedure, along with the documents referred to in paragraph 1 of this article, the following shall be submitted:

- 1) statement containing data about the licence holder that legal entity is related to and how they are related;
- 2) statement of the legal representatives of the applicant(s) that the status change implementation will not lead to media pluralism violation, according to Article 53, paragraph 1, indent 3 and Article 54 of the Law on Public information and Media (Official Gazette of the RS, number 92/2023), or data from a registered public opinion polling company indicating that listenership/viewership in the coverage/allotment area in the calendar year preceding the consolidation did not exceed 35% of total listenership/viewership in the coverage/allotment area.

The applicant shall also submit other documentation as per instruction of the Regulator in accordance with the law and bylaws.

The applicant may also submit other documentation, if the applicant believes that it may be relevant for decision-making.

The documentation shall be submitted in original copies or certified photocopies.

Documents submitted in a foreign language must be translated into Serbian and certified by a sworn court interpreter.

Examination of the formal validity of an application

Article 5

If the application is incomplete or contains inaccurate data, or if the documentation submitted along with the application is incomplete, the Regulator shall leave the applicant an appropriate deadline, which may not be shorter than eight days, to rectify the identified deficiencies.

If the applicant fails to rectify the deficiency within the given deadline, the application shall be dismissed in accordance with Article 59, paragraph 2 of the Law on General Administrative Procedure (Official Gazette of the RS, nos. 18/2016, 95/2018 - authentic interpretation and 2/2023 - CC decision).

Protection of media pluralism

Article 6

If multiple licence holders or also a legal entity related to another licence holder, participate in the status change implementation procedure, the Regulator shall ascertain, in accordance with the methodology prescribed by the document it adopts, according to Article 7, paragraph 1, item 14 of the Law on Electronic Media, whether the implementation of the planned status change could lead to a violation of media pluralism.

Deciding upon an application

Article 7

The Regulator shall issue a decision rejecting an application if it determines that the legal entity that would be the licence holder after the status change has been implemented would not meet the requirements referred to in Article 4, paragraph 2, item 3 of this Rulebook or if the implementation of the status change would lead to a violation of media pluralism.

The Regulator shall issue a decision consenting to the deed of licence transfer if it determines that the legal entity that would be the licence holder after the status change has been implemented would meet the requirements referred to in Article 4, paragraph 2, item 3 of this Rulebook, and if the implementation of the status change would not lead to a violation of media pluralism.

The decision referred to in paragraph 2 of this article shall instruct the legal entity to which the licence is transferred through the status change implementation to submit within 120 days the concluded contract on status change or division plan, as well as evidence that the status change has been implemented.

2. Transfer of licence granted upon request

Application for granting a consent

Article 8

The licence granted upon request may be transferred to another person only if that person accepts all obligations arising from the licence.

The licence holder shall submit to the Regulator an application for granting a consent to the deed of licence transfer.

If the licence is transferred to a licence holder, the licence holders participating in the transfer shall jointly submit the application referred to in paragraph 2 of this article.

Content of an application

Article 9

In the application for granting a consent, it is necessary to specify which legal entity would be the licence holder after the transfer has been implemented.

Documentation to be submitted along with an application

Article 10

Along with the application for granting a consent, a draft contract on licence transfer and a statement of the legal representative of the legal entity to which the licence would be transferred that it accepts all obligations arising from that licence shall be submitted, as well as evidence that the licence holder has settled all obligations based on the provision of media service.

If the licence is transferred to a legal entity that is not a licence holder, nor related to any licence holder, along with the documents referred to in paragraph 1 of this article, the following documentation shall be submitted:

- 1) excerpt from the register maintained with the competent authority for that legal entity;
- 2) statement containing data about the legal entity (name, head office, ownership structure and registration number) or natural person (name, permanent residence, personal identification number or passport number and name of the country that issued the passport if the person is a foreigner) that directly or indirectly, through other entities, has an interest (stakes, shares, etc.) in the ownership structure of the legal entity, as well as data about the level of that interest, the accuracy and completeness of which is guaranteed by the applicant by his or her signature;
- 3) evidence that the legal entity that would be the licence holder after the transfer has been implemented will meet the technical and organisational requirements for programme production, based on which the licence was granted, as well as the plan of its organisational and technical concept and personnel structure.

If the licence is transferred to a legal entity that is a licence holder or to a legal entity that is related to a licence holder, along with the documents referred to in paragraph 1 of this article, the following shall be submitted:

- 1) statement containing data about the licence holder that legal entity is related to and how they are related;
- 2) statement of the legal representative of the applicant(s) that the transfer of licence will not lead to a violation of media pluralism, according to Article 53, paragraph 1, indent 3 and Article 54 of the Law on Public Information and Media or data from a registered public opinion polling company indicating that listenership/viewership in the coverage/allotment area in the calendar year preceding the consolidation did not exceed 35% of total listenership/viewership in the coverage/allotment area.

The applicant shall also submit other documentation as per instruction of the Regulator in accordance with the law and bylaws.

The applicant may also submit other documentation, if the applicant believes that it may be relevant for decision-making.

The documentation shall be submitted in original copies or certified photocopies.

Documents submitted in a foreign language must be translated into Serbian and certified by a sworn court interpreter.

Examination of formal validity of an application

Article 11

If the application is incomplete or contains inaccurate information, or if the documentation submitted along with the application is incomplete, the Regulator shall leave the applicant an appropriate deadline, which may not be shorter than eight days, to rectify the identified deficiencies.

If the applicant does not rectify the deficiency within the given deadline, the application shall be dismissed in accordance with Article 59, paragraph 2 of the Law on General Administrative Procedure.

Protection of media pluralism

Article 12

If the licence is transferred to a legal entity that is a licence holder or to a legal entity that is related to a licence holder, the Regulator shall ascertain, in accordance with the methodology prescribed by the document it adopts, according to Article 7, paragraph 1, item 14) of the Law on Electronic Media, whether the planned status change could lead to media pluralism violation.

Deciding upon an application

Article 13

The Regulator shall issue a decision rejecting an application if it determines that the legal entity to which the licence would be transferred does not meet the requirements referred to in Article 10, paragraph 2, item 3) of this Rulebook or if the transfer of licence would lead to media pluralism violation or if the legal entity to which the licence would be transferred does not accept all obligations arising from the licence.

The Regulator shall issue a decision consenting to the deed of licence transfer if it determines that the legal entity to which the licence would be transferred would meet the requirements referred to in Article 10, paragraph 2, item 3) of this Rulebook, if the implementation of licence transfer would not lead to media pluralism violation and if the legal entity to which the licence would be transferred accepts all obligations arising from the licence.

The decision referred to in paragraph 2 of this article requires the applicant to submit a concluded contract on licence transfer within 30 days.

II. HANDLING NOTIFICATIONS OF CHANGE IN OWNERSHIP STRUCTURE

Notification of change in ownership structure

Article 14

The licence holder must notify the Regulator of any planned changes in ownership structure in core capital (change of the founder or change in the level of the founder's interest in the capital) in writing, by submitting to the Regulator a notification of change in ownership structure, in order to obtain a consent.

The consent referred to in paragraph 1 of this article shall be given exclusively to the media service provider in order to avoid a violation of media pluralism and may not apply to other cases of change in ownership structure.

Change in the core capital of a legal entity that has a direct or indirect interest in its ownership structure shall also be considered change in ownership structure referred to in paragraph 1 of this article.

Content of a notification

Article 15

In the notification of change in ownership structure, it is necessary to specify the type of change in ownership structure that is intended to be implemented, data about the legal entities that would participate in that change, as well as the ownership structure after the change has been implemented.

Documentation to be submitted along with a notification

Article 16

If a legal entity that a licence holder has an indirect or direct interest in the core capital of another licence holder or is otherwise related to another licence holder, also participates in the change in ownership structure, along with the notification of change in ownership structure, the following shall be submitted:

- 1) data about the licence it holds and the licence holder that legal entity is related to and how they are related;
- 2) statement of the legal representative of the notifier that the implementation of change in ownership structure will not lead to media pluralism violation, according to Article 53, paragraph 1, line 3 and Article 54 of the Law on Public Information and Media or data from a registered public opinion polling company indicating that listenership/viewership in the coverage/allotment area in the calendar year preceding the consolidation did not exceed 35% of total listenership/viewership in the coverage/allotment area.

If a legal entity that is not a licence holder, nor related to a licence holder, participates in the change in ownership structure, along with the notification of change in ownership structure, the following documentation shall be submitted:

- 1) if the future founder is a legal entity:
 - (1) excerpt from the register maintained with the competent authority for that entity;
 - (2) statement containing data about the legal entity (name, head office, ownership structure and registration number) or natural person (name, permanent residence, personal identification number or passport number and name of the country that issued the passport if the person is a foreigner) that directly or indirectly, through other entities, has an interest (stakes, shares, etc.) in the ownership structure of the future founder of the notifier, as well as data about the level of that interest, the accuracy and completeness of which is guaranteed by the notifier by his/her signature;
 - (3) statement containing data about the legal entity (name, head office, ownership structure and registration number) in which the founder of the future founder of the notifier has an interest in the core capital and data about the legal entity with which the future founder of the notifier is associated in terms of the law regulating the legal status of companies, the accuracy and completeness of which is guaranteed by the notifier by his/her signature;
- 2) if the future founder is a natural person:
 - (1) copy of that person's ID card, or passport if the person is a foreigner;
 - (2) statement containing data about the legal entity (name, head office, ownership structure and registration number) in which the natural person has an interest in the core capital and data about the legal entities with which the person is associated in terms of the law regulating the legal status of companies, the accuracy and completeness of which is guaranteed by the notifier by his/her signature.

The notifier shall also submit other documentation as per instruction of the Regulator in accordance with the law and bylaws.

The notifier may also submit other documentation that the notifier believes may be relevant for decision-making.

The documentation shall be submitted in original copies or certified photocopies.

Documents submitted in a foreign language must be translated into Serbian and certified by a sworn court interpreter.

Examination of formal validity of a notification

Article 17

If the notification is incomplete or contains inaccurate data, or if the documentation submitted along with the notification is incomplete, the Regulator shall leave the notifier an appropriate deadline, which may not be shorter than eight days, to rectify the identified deficiencies.

If the notifier does not rectify the deficiency within the given deadline, the notification shall be dismissed in accordance with Article 59, paragraph 2 of the Law on General Administrative Procedure.

Ascertaining media pluralism violation

Article 18

The Regulator shall ascertain, in accordance with the methodology prescribed by the document it adopts, according to Article 7, paragraph 1, item 14) of the Law on Electronic Media, whether the planned change in ownership structure could lead to a violation of media pluralism.

Deciding upon a notification

Article 19

If it determines that the planned change in ownership structure of the licence holder will not lead to a violation of media pluralism, the Regulator shall issue a decision on the consent to the planned change in ownership structure.

If the Regulator determines that the planned changes in the ownership structure of interest in core capital could lead to a violation of media pluralism, it shall issue a decision refusing to approve the planned change and recommend to the holder of the licence for the provision of media services to adjust the changes in such a manner as to avoid a violation of media pluralism.

The Regulator's decision referred to in the previous paragraph of this article shall be final and an administrative dispute may be brought against it.

If the holder of the licence for the provision of media services fails to comply with the recommendation from the Regulator's decision, leading to any of the legally envisaged cases of media pluralism violation, the Regulator shall revoke the holder's licence in accordance with the provisions of the Law on Electronic Media.

III. NON-NOTIFICATION OF CHANGE IN OWNERSHIP STRUCTURE

Article 20

If the licence holder implements a change in ownership structure without prior consent issued by the Regulator, the Regulator shall initiate appropriate procedures before the competent authorities and/or launch an examination procedure for violation of obligation arising from the requirements specified in the licence or the approval for the provision of media services, in accordance with the Law

on Electronic Media.

IV. TRANSITIONAL AND FINAL PROVISIONS

Article 21

Proceedings initiated before the entry into force of this Rulebook shall be concluded in accordance with the provisions of this Rulebook.

Article 22

With the entry into force of this Rulebook, the Rulebook on the Procedure for Issuing A consent to the Deed of Transfer of Licences for the Provision of Media Services and on Handling Notifications of Change in Ownership Structure (Official Gazette of the RS, number 93/2015) shall cease to be valid.

Article 23

This Rulebook shall enter into force on the eighth day from the day of its publication in the Official Gazette of the Republic of Serbia.

Number 760/2024/1
In Belgrade, 7 May 2024
Regulatory Authority for Electronic Media
President of the Council

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