

Pursuant to Article 66, Paragraph 3 and Article 67, Paragraph 1 of the Electronic Media Act ("Official Gazette" No. 153/09) the Council for Electronic Media of the Agency for Electronic Media has adopted the following

STATUTE OF THE AGENCY FOR ELECTRONIC MEDIA

I GENERAL PROVISIONS

Article 1

The present Statute regulates in detail the name and the seat of the Agency for Electronic Media (hereinafter: the Agency), the bodies of the Agency, their appointment and dismissal as well as their authority, rights and obligations, the scope of work of the Agency (regulations and general acts to be adopted by the Agency's bodies, administrative matters within the Agency's jurisdiction and other activities to be performed by the Agency), financial resources for the Agency's operation, the Agency's professional staff and its internal structure as well as other issues significant for the Agency's operation.

Article 2

(1) The Agency shall be an autonomous and independent legal person with a public authority, listed in the court register of the Commercial Court in Zagreb.

(2) The Republic of Croatia is the founder of the Agency and the founder's rights are exercised by the Government of the Republic of Croatia except where they are to be exercised, in accordance with the Electronic Media Act (hereinafter: the Act) and the present Statute, by the Croatian Parliament.

II THE NAME AND THE SEAT

Article 3

(1) The Agency shall execute its activities, operate and engage in legal transactions under the name (in Croatian): *Agencija za elektroničke medije*.

(2) The Croatian abbreviated name of the Agency shall be: AEM.

(3) The name of the Agency in English shall be: Agency for Electronic Media.

(4) The English abbreviated name of the Agency shall be: AEM.

Article 4

(1) The seat of the Agency shall be in Zagreb, Jagićeva 31.

(2) The name of the Agency shall be indicated on the building in which it has the seat.

(3) The Director of the Agency may make a decision to change the address of its seat.

Article 5

(1) The Agency shall have one or more seals of a round shape with a diameter of 38mm, bearing the title "REPUBLIKA HRVATSKA – AGENCIJA ZA ELEKTRONIČKE MEDIJE, Zagreb" around the edge and the emblem of the Republic of Croatia in the middle.

(2) The Agency shall have one or more seals of a round shape with a diameter of 18mm, bearing the title "REPUBLIKA HRVATSKA – AGENCIJA ZA ELEKTRONIČKE MEDIJE, Zagreb" around the edge and the emblem of the Republic of Croatia in the middle.

(3) In the course of its administrative activities, the Agency shall use a stamp of receipt of a rectangular shape, bearing the title "REPUBLIKA HRVATSKA – AGENCIJA ZA ELEKTRONIČKE MEDIJE, Zagreb" and sections prescribed by the Regulation on Office Management (Official Gazette No. 07/09).

Article 6

(1) The seals bearing the emblem of the Republic of Croatia shall be ordered, used and replaced in a manner prescribed by the Act on Seals and Hallmarks with the Emblem of the Republic of Croatia.

(2) The Director of the Agency or a person appointed by him/her shall be responsible for making, keeping and the proper use of the seals and stamps.

III THE BODIES OF THE AGENCY

Article 7

The bodies of the Agency are the Director of the Agency and the Council for Electronic Media (hereinafter: the Council).

Article 8

(1) The Director of the Agency shall act on behalf of, represent and manage the Agency and be responsible for the work of the professional staff of the Agency. The president of the Council shall be the Director of the Agency. The Vice-president of the Council shall be the Deputy Director of the Agency.

(2) In the course of managing the Agency the Director of the Agency shall:

1. organize and manage the work and operations of the Agency;
2. propose to the Council annual work programmes of the Agency, financial plans of the Agency, final annual financial reports of the Agency and annual reports on the operations of the Agency;
3. propose secondary legislation – regulations whose adoption is within the Council's authority;
4. propose decisions and other administrative acts whose adoption is within the Council's authority;
5. propose the Statute of the Agency, general acts – regulations prescribed by the present Statute and other general acts whose adoption is within the Council's authority;
6. propose to the Council implementation plans with defined methods and subject matter for monitoring legal and natural persons performing activities of providing audio and audiovisual media services and electronic publications;
7. conclude employment contracts with the professional staff employees; terminate employment contracts of the professional staff employees;
8. conclude employment contracts with members of the Council and issue decisions on

exercising the rights and obligations pertaining to their work and office. The employment contract of the President of the Council shall be concluded and decisions on exercising the rights and obligations pertaining to his/her work and office shall be issued by the Deputy Director of the Agency;

9. issue decisions, on exercising rights and obligations of the Agency employees on the basis of the Law, the present Statute and the Agency Rules,

10. decide on other issues regarding the organization, work and operation of the Agency provided that according to the Act, regulations - rules and/or the present Statute they are not within the Council's authority.

(3) With the consent of the Council, the Director of the Agency may issue power of authority to third parties to represent the Agency in certain matters.

Article 9

(1) The Council shall manage the Agency and carry out the duties of a regulatory body in the field of electronic media. The Council shall have the authority of an administrative council in the sense of the Institutions Act. The president of the Council shall sign the Council's decisions.

(2) The Council shall have seven members one of which is the President of the Council.

(3) The President and other members of the Council shall be appointed and relieved of duty by the Croatian Parliament upon the proposal of the Government of the Republic of Croatia.

(4) The president and members of the Council shall be appointed for a five-year term, whereby they can be re-appointed.

(5) Upon the proposal of the President of the Council, the Council shall choose a Vice-president of the Council by secret voting and the majority of votes.

(6) The Vice-president of the Council shall stand in for the President of the Council in case of his/her absence or impediment.

Article 10

(1) Only citizens of the Republic of Croatia who have professional knowledge, abilities and experience in radio or television activities as well as in publishing, cultural or similar activities may be appointed as members of the Council.

(2) Members of the Council shall be public persons who have distinguished themselves in public life by advocating the respect for democratic principles and the rule of law, building and promotion of the highest values of the constitutional system of the Republic of Croatia, development of civil society, defence of human rights and freedoms, as well as protection of the freedom of expression.

Article 11

(1) A member of the Council may not be a state official, an official in the executive or judicial authority or an official of a political party.

(2) Members of the Council may not be owners, stock holders or holders of shares, members of management or supervisory boards or members of boards of directors or other corresponding management bodies, managers or directors general or other heads of business management of legal persons subject to provisions of the Act, pertaining to audio and audiovisual media services and network operators.

(3) Members of the Council may not be persons who are employed with or have a contractual or some other relation with any legal person or another service which is linked to audio and audiovisual media services and network operators, or persons performing tasks which could lead to a conflict of interests.

Article 12

Members of the Council may not accept any gifts or services from media service providers nor enter into relationships which would lead to a conflict of interests in relation to the remits stipulated by the Act.

Article 13

(1) The Croatian Parliament may, upon the proposal of the Government of the Republic of Croatia, relieve of duty the President or a member of the Council before the expiry of his/her term of office in the cases stipulated by the Act.

(2) The Council is obliged to inform the Government of the Republic of Croatia in written form of the existence of reasons for relieving of duty the President or a member of the Council before the expiry of his/her term of office. Before reaching the decision on relieving, the president or member of the Council has to be allowed to reply on the reasons for the relief.

(3) The President and members of the Council are obliged to discharge their duties so as not to jeopardize the autonomy and independence of the Agency and to ensure that the principles of transparency, objectivity and impartiality are upheld, to attend and vote at the Council's sessions, to maintain the confidentiality of data acquired through the work of the Agency and to comply with their obligations from the Act, regulations and general acts of the Agency and the present Statute.

(4) The President or another member of the Council shall commit a serious breach of duty:

1. if their work or conduct are detrimental to the Agency's reputation;
2. if they violate the autonomy and independence of the Agency while discharging their duties;
3. if they act contrary to the provisions of Article 12 of the present Statute.

(5) The existence of the reasons from Paragraph 4 of the present Article which constitute a serious breach of duty shall be determined by the Council.

Article 14

The Council shall pass decisions by the majority of votes of all members of the Council. The manner and procedure of passing decisions on the selection of the most advantageous bidder as well as on terminating a concession shall be determined by the Council in its Rules of Procedure. The decisions of the Council on the selection of the most advantageous bidder as well as on terminating a concession shall be published in *the Official Gazette*.

Article 15

(1) Upon the proposal of the Director of the Agency, the Council shall adopt the Statute of the Agency which shall be endorsed by the Croatian Parliament.

(2) The Council shall adopt rules – regulations for the implementation of the Act and other legislation where authorized.

- (3) The Council shall adopt rules – general acts regulating the internal structure of the Agency.
- (4) The Council shall adopt its Rules of Procedure regulating the issues from Article 14 of the present Statute as well as other issues regarding the Council's operation.
- (5) The Statute of the Agency and general acts of the Agency shall be published on the Agency's information board and website, and rules from Paragraph 2 of the present Article shall be published in *the Official Gazette* and on the Agency's website.

Article 16

- (1) The Council shall submit reports to the Croatian Parliament and other competent bodies in accordance with the Act and other regulations.
- (2) A constituent part of the Council's Annual Report to the Croatian Parliament shall be the Annual Report of the Director of the Agency on the Agency's operations.

Article 17

- (1) The President and members of the Council shall discharge their duties professionally as the full time employees of the Agency.
- (2) The President and members of the Council shall conclude relevant employment contracts with the Agency for the period of time to which they were appointed.
- (3) The salaries of the director of the Agency and Council members shall be determined by the Croatian Parliament upon the proposal of the Government of the Republic of Croatia.
- (4) The President and members of the Council shall have the rights as employees of the Agency determined by the Rules of Procedures for the Agency's Employees.
- (5) The President and members of the Council shall have the rights pertaining to their office (use of official vehicles, official mobile phones, official credit cards etc.) in accordance with the Rules of Procedure.

Article 18

The President of the Council shall:

1. call the meetings, propose the agenda and preside over the Council's sessions;
2. sign regulations, decisions and other acts adopted by the Council;
3. propose reports on the Council's operations;
4. propose the Council's Rules of Procedure.

III THE AGENCY OPERATIONS

Article 19

The Agency operations shall consist of tasks prescribed by the Act, special legislation and the present Statute and performed by the Professional Staff of the Agency for the Council as the regulatory body and the managing body.

A) Public authority tasks

Article 20

(1) In the scope of its public authority tasks the Council shall adopt secondary legislation acts prescribed to be within its authority by the Act and special regulations.

(2) The Council shall publish the regulations from Paragraph 1 of the present Article in *the Official Gazette*.

Article 21

(1) Acting and deciding in administrative matters the Council shall:

1. conduct the procedures of granting a concession to provide television and radio media services in accordance with the Act, the Concession Act and secondary legislation;
2. pass the decisions on the selection of the most advantageous bidder upon the conducted relevant public tender for granting a concession;
3. pass the decisions on terminating a concession;
4. pass the decisions on the expiry of a concession as well as the decisions determining that a concession shall have ceased to exist;
5. pass the decisions on re-granting a concession;
6. pass the decisions on annulling a decision on the selection of the most advantageous bidder;
7. issue warnings to media service providers in cases of non-compliance with programme schedules;
8. pass the decisions on granting or withholding licences for providing on-demand audio and/or audiovisual media services;
9. pass the decisions on granting or withholding licences for satellite, internet, cable and other ways of transmission of audiovisual and/or radio programmes;
10. pass the decisions on the termination of licences for satellite, internet, cable and other ways of transmission of audiovisual and/or radio programmes;
11. pass the decisions on bans on performing the activities of providing audio and/or audiovisual media services;
12. grant or withhold licences for providing television media services and radio media services;
13. may decide to pass the decision on temporary limitation to/of the freedom of broadcasting audiovisual media services from other states;
14. pass the decision on excluding a legal person from Article 58, Paragraph 1 of the Act from participating in a public tender for granting a concession;
15. when granting or terminating a concession, pass the decision determining the status of a non-profit television and/or radio broadcaster from Article 49, Paragraph 1 of the Act;
16. pass the decision on the allocation of the resources of the Fund for the Promotion of Pluralism and Diversity of Electronic Media;
17. give the consent to transfer a licence for providing on-demand audio and/or audiovisual media services to another legal person;
18. give the consent to transfer a concession to another legal person.

(2) The Council's decisions from Paragraph 1 of the present Article are not subject to appellate review; however administrative proceedings may be initiated against before the Administrative Court of the Republic of Croatia.

Article 22

The Council shall enter into a contract for granting the concession for providing television and radio media services on the basis of the relevant final decision on the selection of the most advantageous bidder.

Article 23

In performing other public authority tasks the Council shall:

1. give prior consent to television and/or radio broadcasters to integrate their programmes into regional or national networks;
2. give prior consent to changing or making additions to the programme basis;
3. give an order to a television and/or radio broadcaster to align its ownership structure with the provisions of the Act;
4. issue written warnings to media service providers regarding the fulfilment of obligations from Article 52, Paragraph 1 of the Act;
5. keep the Register of Media Service Providers;
6. issue certificates and other documents regarding the data from the official records in its keeping;
7. take measures to ensure broadcasting of events of major importance for society by a television broadcaster;
8. issue orders to a television and/or radio broadcaster to enable another television and/or broadcasters to exercise their the right to short information;
9. ensure supervision over the implementation of provisions on the programme principles and obligations determined by the Act and special legislation, save for electronic publications, and pass annual monitoring plans;
10. ensure supervision over audiovisual and radio programmes broadcast via satellite, internet, cable and other permissible ways of transmission;
11. ensure the supervision of the purposeful utilization of the Fund's resources in line with Article 64 of this Act;
12. consider the complaints of citizens on media services providers' conduct with regard to the implementation of the Law and undertake measures in accordance with the Act;
13. pass recommendations for the implementation of the Act;
14. promote self-regulation and co-regulation for the implementation of the Act;
15. conduct the procedure of determining compliance or non-compliance with the provisions of the Act and initiate procedures in accordance with the penal provisions of the Act and the Misdemeanour Act.

B) Other tasks of the Council

Article 24

The Council shall:

- cooperate with regulatory bodies of other states and/or European Commission in the exchange of information for implementation of this Act, especially provisions of Article 6, Article 19 paragraph 3, Article 73 paragraph 6, Article 77 and Article 79 paragraph 3 of the Act;
- submit reports to the European Commission, in accordance with the Act and other regulations;
- promote media literacy;
- organise public counselling and expert gatherings and conduct analysis concerning certain issues in the electronic media sector;
- pass the annual work programme of the Agency;
- decide on complaints or appeals of the Agency's employees on the decisions of the Director of the Agency on their rights and obligations as well as appeals of the members of the Council on the decisions on the rights pertaining to their office.

V. FUND FOR THE PROMOTION OF PLURALISM AND DIVERSITY OF ELECTRONIC MEDIA

Article 25

(1) The Fund for the Promotion of Pluralism and Diversity of Electronic Media (hereinafter: the Fund) is the Fund of the Agency.

(2) The Fund's means shall stimulate the production and broadcasting of audiovisual and radio programmes of television and/or radio broadcasters at the local and regional levels which are of public interest and of audiovisual and radio programmes of non-profit television and/or radio broadcasters, with a view to fulfil the goals from Article 64, Paragraph 1 of the Act, as well as the employment of highly qualified skilled professionals with television and/or radio broadcasters at the local and regional levels and non-profit television and/or radio broadcasters.

Article 26

(1) The financial resources of the Fund shall be the funds secured by the provisions of the Act and the Croatian Radio Television Act.

(2) The Council shall allocate the Fund's resources in equal ratio for the promotion of pluralism and diversity of audiovisual and radio programmes according to the criteria stipulated by the secondary legislation act.

(3) On the basis of the secondary legislation act from Paragraph 2 of the present Article, the Council shall stipulate the method of evaluation of tenders for the allocation of the Fund's resources by its Decision and pass the decisions on the allocation of the Fund's resources to the broadcasters.

(4) The decisions from Paragraph 3 of the present Article shall be shall be published in *the Official Gazette*.

VI PROFESSIONAL STAFF OF THE AGENCY

Article 27

(1) The Agency shall have the Professional Staff which shall perform expert, administrative and technical tasks and tasks of monitoring the compliance with the provisions of the Act.

(2) The Director of the Agency shall manage and be responsible for the work of the Professional Staff.

(3) The Professional Staff of the Agency shall consist of:

- Expert, administrative, financial, general and technical tasks department,
- Monitoring department.

(4) Detailed provisions on the structure, organization and operations of the Professional Staff; job positions and their relevant tasks as well as the conditions for the conclusion of employment contracts and job assignments shall be determined by general acts - the Rules on the Internal Structure and the Job Classification Code.

(5) The Rules on the Internal Structure of the Agency shall be adopted by the Council upon the proposal of the Director of the Agency.

(6) The Agency's Professional Staff Job Classification Code shall be adopted by the Director of the Agency.

Article 28

(1) For the purposes of employment rights and obligations of the Agency's employees the general labour legislation shall apply.

(2) The Rules of Procedure for the Agency's Employees shall be adopted by the Director of the Agency.

Article 29

(1) The Agency's employees conducting the procedures in administrative matters within the Agency's jurisdiction shall be obliged to have adequate qualifications, required work experience and the expert exam pass certificate, in accordance with the Code from Article 27, Paragraph 4 of the present Statute.

(2) Employees from Paragraph 1 of the present Article may not be owners, stock holders or holders of shares, members of management or supervisory boards or members of boards of directors or other corresponding management bodies nor may they have a contractual or some other relation with any legal person subject to the provisions of the Act.

VII PROPERTY AND FINANCIAL TRANSACTIONS OF THE AGENCY

Article 30

(1) The property of the Agency shall consist of real estate, material assets, financial assets and property rights.

(2) The Agency's liability shall be covered by all of its property.

(3) The Agency may conclude a transaction by the decision of the Director of the Agency provided that its financial value does not exceed the amount of HRK 30.000.00.

(4) Any decision on concluding a transaction whose financial value exceeds the amount of HRK 30.000.00 shall be passed by the Council.

Article 31

(1) The funds for the work of the Agency, including the resources for the salaries of the Director of the Agency and the members of the Council, shall be ensured in compliance with the annual financial plan of the Agency, from 0,5% of the aggregate gross annual revenue accrued in the preceding year by media service providers in the course of their activities of providing on-demand audio and/or audiovisual media services, television and/or radio media services and electronic publications.

(2) The Agency may also, in accordance with the Law, ensure the funds for its work from other resources.

Article 32

(1) Financial resources of the Agency shall be determined and allocated by an annual financial plan, whereby the Fund's resources shall be separately presented, as well as an annual report on the execution of the financial plan, including the report on the execution of the Fund's financial plan.

(2) Resources of the Agency's financial plan shall be managed by the Director of the Agency, save for the resources which might be specified by the present Statute or the Council's decision on adopting an annual financial plan to be managed by the Council.

Article 33

The Agency shall keep accounting records in compliance with accountancy regulations for non-profit organizations.

VIII OFFICIAL SECRET

Article 34

(1) Documents and information which, due to their nature and significance, are not approved for publishing, forwarding or submitting to unauthorized persons shall be considered an official secret.

(2) The Director of the Agency shall determine in accordance with the Law what is to be considered an official secret.

(3) Documents, data, records and papers considered to be an official secret shall be labelled as such.

(4) Information and documents which have been publicly accessible in any manner or those which are published in accordance with special regulations or decisions of the management bodies shall not be considered an official secret.

(5) All Agency employees are obliged to keep official secret, and the obligation shall expire after the period of five years from the date of the termination of the office of the member of the Council or the date of the termination of the employment in the Agency professional staff.

IX DEFENCE

Article 35

In accordance with the Law on Defence and the plans of the relevant state administration body, the Council shall be responsible to ensure operational/working conditions in case of immediate threat to the independence and integrity of the Republic of Croatia as well as in case of exceptional circumstances.

X TRADE UNION ACTIVITIES

Article 36

(1) The employees of the Agency shall be free to organize trade union activities.

(2) The Agency shall be obliged to ensure working conditions for a trade union representative and execution of his/her rights in accordance with the Labour Law and other regulations.

XI PUBLICITY OF WORK

Article 37

(1) The Agency's work shall be public.

(2) The publicity of work of the Agency shall be ensured by informing the public of its activities through the Agency's website and informing the media, upon request, on its work as well as by granting access to relevant documentation.

XII TRANSITIONAL AND FINAL PROVISIONS

Article 38

The Statute of the Agency for Electronic Media adopted by the Council for Electronic Media on 16th October 2007 and endorsed by the Croatian Parliament by its Decision published in the Official Gazette No. 34/2008 shall cease to apply on the date of the present Statute coming into force.

Article 39

Having received prior endorsement from the Croatian Parliament, the present Statute shall come into force on the day of its publication on the information board of the Agency.

THE DIRECTOR OF THE AGENCY
THE PRESIDENT OF THE COUNCIL

Zdenko Ljevak

The Croatian Parliament adopted the Decision to Endorse the Statute of the Agency for Electronic Media (Official Gazette, No. 90/10) on 15th July 2010.