

**COMMERCIAL RADIO BROADCASTING SERVICES**

**DIRECTIVE**

**WHEREAS**, Commercial Radio Broadcasting Service is an alternative broadcasting service in providing education, entertainment, information to the public and it is found essential to develop and expand this service; and

**WHEREAS**, it is essential to ensure fair utilization of the limited radio wave wealth of the country by allocating Commercial Broadcasting Service equitably and ensuring fair competition; and

**WHEREAS**, it is essential to establish a system of controlling and monitoring the service in a transparent and accountable manner,

**NOW, THEREFORE**, this Directive is issued pursuant to Article 47 of Proclamation No. 533/2007.

**PART ONE**

**GENERAL PROVISIONS**

**1. SHORT TITLE**

This Directive may be cited as the "Commercial Radio Broadcasting Services Directive No. 01/2008."

**2. DEFINITIONS**

*In this Directive unless the context requires otherwise:-*

- 1 "**Commercial Radio Broadcasting Service**" means a radio transmission service established for profit by a legal entity with the purpose of educating, informing and entertaining the public.
- 2 "**Applicant**" means a legal entity which is established for commercial purposes and has applied to obtain a Commercial Radio Broadcasting Service license by filling the application form prepared by the Authority.

- 3 **"Licensee"** means an entity licensed in accordance with Article 9 of this directive or an entity which lawfully engaged in rendering broadcasting service before the enactment of this directive.
- 4 **"Licensing Team"** means a team consisting of different professionals which invites applicants who want to obtain licenses for commercial radio broadcasting service, registers applications submitted, screens applications, and submits its recommendations to the Chief Executive, issues licenses when approved and carry out related activities as per this Directive.
- 5 **"Chief Executive"** means the Director General or the Deputy Director General of the Authority.
- 6 **"Regional State"** means any of the regional states under Article 47(1) of the Constitution of the Democratic Republic of Ethiopia and includes Addis Ababa and Dire Dawa city administrations.
- 7 **"National transmission"** means a commercial radio broadcasting service whose transmission covers more than one regional state.
- 8 **"Regional transmission"** means a commercial radio broadcasting service whose transmission is limited to one regional state only.
- 9 **"Local transmission"** means a commercial radio broadcasting service whose transmission is limited to one woreda or municipality only.
- 10 **"National Program"** means a program prepared in Ethiopia and by Ethiopians.
- 11 **"Authority"** means the Ethiopian Broadcasting Authority.
- 12 **"Board"** means the Board of the Authority.
- 13 **"Ministry"** means the Ministry of Information.
- 14 **"Proclamation"** means the Broadcasting Service Proclamation No. 533/2007.
- 15 **"Person"** means a juridical person.

**PART TWO**  
**ISSUANCE OF LICENSE**

**3. REQUIREMENT OF A LICENSE**

1. No person may undertake broadcasting service without obtaining a broadcasting service license from the Authority.
2. A broadcasting service licensee may not operate more than one broadcasting station with one license.

**4. APPLICATION FORM**

*It shall include the following particulars:-*

1. The name and address of the applicant.
2. Objectives of the program, its sources and day and hour of the transmission program.
3. Type and power of the transmitter.
4. The location where the transmitter is to be erected.
5. The capital needed to establish and run the project.
6. Other additional information in relation to the applicant.

**5. DOCUMENTS WHICH SHOULD BE SUBMITTED ATTACHED TO THE APPLICATION FORM**

1. The Memorandum and Articles of Association of the applicant.
2. The project proposal.
3. Evidence showing the source of finance.
4. Educational certificates and experience of managers who would run the station.
5. The organizational structure of the transmission service; educational level, experience and position title of the staff
6. Other documents which the applicant considers useful.

## **6. INVITATION OF APPLICANTS**

- 6.1. The Authority shall invite applicants for commercial radio broadcasting service by a notice published in a newspaper having a wide circulation or by other mass media. The notice shall include the following particulars:
1. The category of broadcasting service for which the license is intended to be issued.
  2. The area to be covered by the service.
  3. The radio wave available.
  4. Time and place of application.
  5. Other necessary information.
- 6.2. Upon the expiry of the application period, if necessary, the Authority may invite the community by the mass media to give its opinion in writing about the applicants stating the list of applicants and the items on which opinion is sought.
- 6.3. Without prejudice to the decision to be given in accordance with this Directive, the Authority may request the applicant to give further explanation regarding the comments of the community.

## **7. UNACCEPTABLE APPLICATION**

*If the Applicant:-*

1. fails to produce legal evidence as to the source of its financing;
  2. fails to produce project proposal;
  3. fails to produce confirmed financial document/s ;
  4. is a body that may not be entitled to a license as provided for in Article 23 of the Proclamation;
- his application shall be rejected without going into detail screening.

## **8. EVALUATION CRITERIA**

- 8.1 Applicants who pass the initial screening according to Article 9/2/ of this Directive shall be evaluated against the criteria set here below and the winners shall be declared. The following are the required criteria.
1. Reliability and sufficiency of the financial resource to render the service.

2. The capability of equipment and technologies listed in the applicant's project proposal to render the service.
  3. The applicant's organizational capacity, knowledge and experience to render the service.
  4. The contents of the program submitted by the applicant and social needs covered by the program.
  5. The transmission time allocated for the service.
- 8.2. The Authority shall issue detail criteria based on the above general criteria

## **9. PROCEDURE OF ISSUANCE OF LICENSE**

1. The License Team shall submit the result of its initial screening with explanation to the Chief Executive as per Article 10 of this Directive.
2. Upon examining the list of applicants and explanation submitted to him by the Team, the Chief Executive shall forward his decision to the Team indicating applicants who passed for the second screening.
3. The License Team shall evaluate those applicants who passed the initial screening against criteria set in Article 8 of this Directive and forward its recommendation to the Chief Executive with the list of applicants entitled to a license and those who are denied.
4. The Chief Executive shall decide indicating who are entitled to the license and who are denied.
5. The decision of the Chief Executive shall be notify to the applicants.
6. Applicants entitled to obtain license shall be notified in writing to pay the prescribed fee and collect their license.
7. As explained here above, licenses shall be issued to those applicants who pay the fee in time and sign the document prepared by the Authority.
8. If an Applicant, who is notified in writing to collect his license, fails to do so, within 1(one) month from receipt of the letter by paying the fee and signing the document prepared by the Authority, the decision to issue the license shall be cancelled.
9. The Authority shall give clear explanations for those applicants who would like to know the reasons why they are denied license.

10. An Applicant who is denied a license may submit his grievance to the Board within 14(fourteen) days from the date of decision by the Chief Executive.
11. All licensees should register the license issued by the Authority with the Ministry of Trade and Industry or the Regional Bureau of Trade and Industry as the case may be.

### **PART THREE** **THE LICENSE TEAM**

#### **10. DUTIES AND RESPONSIBILITIES OF THE LICENSE TEAM**

The License Team of the Authority shall:

1. receive application forms filled by applicants together with the annexed documents; register same and thereby issue a receipt.
2. if necessary, publicize the names of the applicants registered by means of a convenient mass media and collect the opinion of the public.
3. keep the application forms and the documents attached thereto as well as the opinions of the public.
4. screen the applications and submit its recommendation with the list of the applicants to the Chief Executive as per Art. 9 of this Directive.
5. make official the list of applicants who passed the first screening as per the decision of the Chief Executive.
6. make detail evaluation as per Art. 8 of this Directive and submit its recommendations with the necessary explanations to the Chief Executive.

### **PART FOUR** **THE LICENSEE**

#### **11. DUTIES AND RESPONSIBILITIES OF THE LICENSEE.**

11.1. *The Licensee shall:*

1. transmit its program only with the radio station for which he has a license.
2. pay the appropriate license fee set for the type of license.

3. respect the Broadcasting Service Proclamation of the nation, other relevant laws and the various directives issued by the Ministry.
4. establish a procedure which ensures that the directives of the Ministry are complied with.
5. ensure that foreign nationals employed by the broadcasting station, if there are any, first obtain work permit from the concerned government organ.
6. fulfill the requirements of the regulations of the International Telecommunication Union issued from time to time.
7. keep appropriate financial records related to the radio station.
8. transmit its program only with the type and capacity of equipment permitted unless permitted otherwise by the Authority..
9. keep the records of the management staff and employees of the station and produce the records to the Authority upon request.
10. utilize the authorized transmission time fully.
11. provide equal treatment to all communities in its license area.
12. ensure that transmission of its programs covers the whole license area.
13. include regional and national news in its program.

## **12. CONDITIONS STATED IN THE LICENSEE'S APPLICATION**

1. Conditions stated in the Licensee's application shall continue to be conditions of the license.
2. The Authority shall prepare and shall have the Licensee sign conditions of license based on the conditions stated in his application.

## **13. PERIOD OF VALIDITY**

The validity period of commercial radio broadcasting service is as follows:

1. where the transmission is at national level, 8 years.
2. where the transmission is limited to a regional state, 10 years.
3. where the transmission is limited to a local level, 12 years.
4. where the transmission is limited to Addis Ababa and its surroundings, 6 years.
5. where the transmission is limited to Dire Dawa, 10 years.

**PART FIVE**  
**FEES**

**14. TYPE OF FEES**

1. An applicant shall pay an application fee upon submission of his application and a licensee shall pay license fee upon issuance of the license, annual fee and renewal fee upon renewal.
2. The amount to be paid shall be determined by the Authority.

**15. TIME OF PAYMENT**

1. The fee for the application shall be paid upon submission of the application.
2. The license fee shall be paid before the applicant takes the license certificate.
3. If the licensee fails to pay the annual fee within 60 days of the lapse of the government fiscal year, he shall pay penalty of 5% for each month of delay. The total penalty, however, may not exceed 50% (fifty percent) of the total fee.

**PART SIX**  
**SUSPENSION AND REVOCATION OF LICENSE AND**  
**GRIEVANCE PROCEDURE**

**16. SUSPENSION OF LICENSE**

1. The Authority may suspend a license where the licensee violates the relevant provisions of the Proclamation and this Directive.
2. The decision of suspension made in accordance with Sub-article (1) of this Article shall be served to the licensee stating in writing the reasons thereto and the effective date of the suspension.
3. The licensee should notify in writing if he rectifies the reason for the suspension within 15 days of the notification by the Authority.
4. The Authority shall withdraw the suspension if it ascertains that the reason for the suspension is rectified.

## **17. REVOCATION OF LICENSE**

17.1. *A license may be revoked on any one of the following grounds:*

1. where it is proved that the licensee has failed to commence transmission within one year of obtaining the license.
2. where it is proved that the license is obtained by fraudulent or irregular means.
3. where the broadcasting station suspends its transmission for more than one month without good cause.
4. where a court orders the closure of the station.
5. where the licensee, by his own initiative, stops the service.
6. where the licensee violates the provisions of Article 30(4) of the Proclamation.
7. where the licensee fails to settle the fees in accordance with Article 15 of this Directive.
8. where he fails, in accordance with Article 16 (3), to notify the Authority in writing that the cause of the suspension is rectified.

17.2. The Authority shall notify the licensee, in writing, where a license is revoked for the reasons enumerated in Article 17.1 here above.

## **18. GRIEVANCE PROCEDURE**

1. A licensee whose license is suspended or revoked may submit his grievance to the Board of the Authority, in writing, within 14 days of the written notification by the Authority.
2. The Board shall give its decision within 30 days.

## **PART SEVEN** **APPROVAL AND NOTIFICATION OF CHANGES**

### **19. APPROVAL**

*The licensee should get the approval of the authority before he:*

1. increases or reduces the capacity of the transmitter permitted.
2. changes the type and length of the antennae.

3. changes the location of the transmitter and antennae.
4. increases the height of the antennae.
5. amends, varies or cancels contracts related to possession or ownership of property.
6. makes changes in the holding of shares or transfers shares.
7. receives radio program from foreign or domestic broadcasters to transmit by his own radio station.

## 20. **NOTIFICATION**

*The licensee should notify the authority of the following changes within 14(fourteen) days of the change:*

1. Discontinuance of transmission due to failure of equipment.
2. Dismissal or change of program director.
3. Change of programmes and transmission hours.
4. Change of address.

## **PART EIGHT** **MISCELLANEOUS PROVISIONS**

## 21. **NATIONAL, REGIONAL, AND LOCAL TRANSMISSION PROGRAMME**

1. **If it is a national broadcasting station;**  
It shall allocate at least 60% of its weekly transmission to national programs.
2. **If it is a regional broadcasting station;**  
It shall allocate at least 60% of its weekly transmission to programs related to the regional affairs.
3. **If it is a local broadcasting station**  
It shall allocate at least 60% of its weekly transmission to the local affairs.

## **22. RECORD KEEPING**

Without prejudice to the provisions of Articles 38 of the Proclamation, a licensee shall keep record of the following particulars during the tenure of his license:

1. Business plan and annual budget.
2. Accounting records and annual audit reports.
3. Investment activities carried out by the licensee.
4. Contracts and agreements concluded by the licensee or his agent.
5. List of donors and non-monetary aid.
6. List of employees with their position, years of service and training scheme designed by the licensee.
7. Program schedule and amendments.

## **23. PROHIBITION TO TRANSFER THE RADIO STATION.**

1. The licensee cannot transfer, sell, lease or pledge his license or the rights acquired in the license.
2. Without prejudice to the provision of Article 23.1 here above, the licensee may, in the event he cannot carry out the operation, return the license to the Authority and apply for transfer. Upon approval of the Authority he can transfer the equipment to another party.

## **24. REPEAL**

Commercial Radio Broadcasting Service Directive No. 1/2006 are hereby repealed.

## **24. AMENDMENT TO THE DIRECTIVE**

This Directive may be amended by the Ministry at any time.

## **25. EFFECTIVE DATE**

This Directive shall be effective as of May 14<sup>th</sup> 2008 G.C.

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