

## **REGULATIONS GOVERNING SUBSCRIPTION SATELLITE TELEVISION**

### SERVICES

ADOPTED BY THE

## **REGULATORY BOARD**

OF

## RWANDA UTILITIES REGULATORY AUTHORITY - (RURA)

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# REGULATIONS N° ...../ 2014 GOVERNING SUBSCRIPTION SATELLITE TELEVISION SERVICES

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## Preamble

Pursuant to the Law n° 02/2013 of 08/02/2013 Regulating Media especially in Articles 4, 7,11,16,18 and 23;

Pursuant to the Law n° 09/2013 of 01/03/2013 establishing Rwanda Utilities Regulatory Authority (RURA) and determining its mission, powers, organization and functioning, especially in Articles 5,8,10,20,37,47and 48;

Based on the recommendations made during the consultative meeting held on 23 August 2013, between RURA and different stakeholders;

The Regulatory Board, upon due consideration and deliberation in its meeting of February 12<sup>th</sup> 2014;

HEREBY issues the following Regulations on subscription satellite television services;

### **CHAPTER ONE: GENERAL PROVISIONS**

#### Article one: Purpose of these Regulations

The purpose of these regulations is to establish a licensing and regulatory framework for undertaking of subscription satellite television activities so as to deliver effective and sustainable services in Rwanda.

#### Article 2: Scope of these Regulations

These regulations shall apply to any person carrying out or intending to carry out subscription satellite television services.

### Article 3: Definition of terms

All terms used in these regulations shall have the following meanings:

a) "Access network" : The last portion of the network that is used to distribute broadcast signals to the end user;

b) "Authority" - Rwanda Utilities Regulatory Authority;

c) Bouquet" : a collection of video and / or audio channels marketed as a single package;

d) "Broadcasting service": any service which consists of the broadcasting of television or sound broadcasting material to the public, sections of the public or to subscribers;

e) "Channel": means a single defined television programming service of a licensee other than a video on demand programming service;

**f) "Effective date**": the date of signature of these regulations by the Chairperson of the Regulatory Board.

*g*) *"Feeder network"*: a portion of the network that runs from the broadcaster out to the first point of connection in a transmitter network or trunk network;

h) "Licensee" - any person who is licensed for providing satellite television services;

i) "Regulatory Board": the overall national regulation organ of the Regulatory Authority;

**j)** "Satellite television service": broadcasting service consisting in the sending of visual images or other visible signals whether with or without accompanying sounds, using satellite network.

**k)** "Satellite television service provider": any person licensed for providing satellite television service;

**1) "Subscription television service**": broadcasting service provided to an end user upon the payment of a fee;

**m) "Trunk network"**: a portion of the network where broadcast signals are carried between the first point of connection with the broadcaster up to the interface with the access network.

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## CHAPTER II. LICENSING REGIME AND LICENSE REQUIREMENTS

## Article 4: Subscription Satellite television services subject to a License

Any person who intends to provide subscription satellite television services in Rwanda shall apply for a license to the Authority. The template of the license is indicated as annex 2 to these regulations.

## Article 5: Requirements of applying for satellite television services license

Any person who intends to apply for satellite television service license shall submit to the Authority the following documents.

1) An Application letter addressed to the Authority. The letter shall at least indicate:

a statement describing the license required; and the full address of the place of operation;

2) An Application form well filled obtained from the Authority' website (annex 1);

3) A Copy of ID or Passport of contact person;

4) Applicant's financial and technical capacity to carry out satellite broadcasting services,

5) The Company profile;

6) Domestic registration Certificate for national or foreign satellite television operators specifying that Broadcasting services are among the businesses to carry out;

7) Local Point of presence for foreign companies;

8) Proof of Payment of the application fee which is non refundable and paid before to apply;

9) Performance bank guarantee as indicated in annex 3;

10) A List of channels contained in his/her bouquet;

11) The agreement with multi-channel satellite distributor;

12) The agreement with the originator of the content (where applicable);

Any other information deemed necessary by the Authority for decision making.

#### Article 6: Decision on license application

6.1. The Regulatory Board shall declare its decision as promptly as possible, but in no event later than ninety (90) working days following receipt of a complete application,6.2. In case the Authority requires additional time, he shall provide written notice to the applicant, with an explanation of the cause for the delay.

#### Article 7: Responsibilities of the Licensee

A licensee of satellite television service shall ensure that:

1) the television service, channels are distributed according to the agreement signed between the Licensee and the subscriber;

2) A support services for subscription television service is provided to the subscribers in accordance with the agreement signed between the Licensee and the subscriber;

3) the required equipment (dishes, decoders) for receiving signal are always available to the local market;

4) the signal is in good quality and the access to the satellite network is always consistent;

5) the satellite networks such as feeder network, trunk network and access network are stable and reliable in order to keep good service to the subscribers;

#### Article 8: Information to be provided by the Licensee to the subscribers

The Licensee of satellite television services shall provide the following written information to the subscribers.

(a) The products and services offered;

(b) The cost of subscription including installation and maintenance;

(c) The conditions under which the service is supplied;

(d) The instructions regarding to usage of the service in one of the official languages;

(e) The number and allocation of channels carried on the system and the programming available on each channel;

(f) The billing and complaints procedures;

(g) The address and telephone number of the licensee's business office;

(h) The means that parents or guardians may use to control access to broadcast content considered as inappropriate by Rwandan Laws, regulations and national culture.

## Article 9: Validity of subscription satellite television services License

The validity of a license for subscription satellite television service is five (5) years renewable.

## Article 10: License Fees

The license for subscription satellite television services shall be issued upon the payment of the application and license fees as prescribed in annex 3.

The annual regulatory fee based on a percentage of the turnover shall be paid according to the Regulatory Board decision governing the matters.

## Article 11: License Renewal

11.1. The Licensee must file an application for any license renewal at least ninety (90) days prior to the expiration of the current license.

11.2. The license renewal proceeding shall be subject to the same procedure and approval criteria as an initial license application.

11.3. The Authority shall make its decision not later than 30 days prior to the expiration of the current license, and shall issue the license not less than 7 days prior to the license expiration.

## Article 12: Reasons for rejection of License Application

The Authority shall reject a license application when it is found that:

1) The application was incomplete and the requested information was not submitted within the deadline set by the Authority;

2) The applicant failed to demonstrate the technical or financial capacity to carry out the licensed activities;

3) The applicant and /or member of the applicant management has history of significant criminal case, license violations for economic, or fraudulent acts within Rwanda or other countries;

4) The applicant failed to comply with the Authority orders, information requests, or other decisions during a prior license term;

5) The applicant failed to pay the required fees to the Authority as prescribed in the license;

6) The applicant is in, or about to enter, insolvency, bankruptcy or liquidation; or

7) Any other reason that the Authority may find necessary to protect the consumers in Rwanda.

#### Article 13: Re-application

In case, the applicant has not fulfilled the requirements under these regulations, he/she is allowed to resubmit the missing documents and the proceeding shall be subject to the same procedures as an initial license application. This shall be done not later than three months following the rejection of the initial application, and shall be analyzed and processed in accordance with the rules and regulations in force.

## **Article 14: Modifications of License**

14.1. A license modification proceeding may be initiated by the Authority or on request of the license holder.

14.2. The Authority may modify a license before the expiration of the license term when it determines that an amendment of the license is needed in order to respond to:

a) Significant changes in the controlling laws or regulations, or significant court decisions that directly affect the license provisions;

b) The inability of the license holder to comply with controlling license provisions due to events beyond licensee's control;

c) Changes in the ownership or organizational status of the licensee;

d) Significant non-compliance by the licensee with current license provisions or other Authority rules, decisions or orders.

## Article 15: License transfer

15.1. Transfers of licenses, including the direct or indirect sale, assignment, conveyance, lease or other transfer of assets or activities subject to a license to a different individual or institution shall be subject to a prior written approval of the Authority.

15.2. Such approval shall be granted after consideration of the matter and if the proposed transfer meets all the conditions for granting the relevant license.

15.3. Failure to comply with such requirements shall amount to license suspension or revocation.

## Article 16: Procedures for license transfer or modification

16.1. A license transfer or modification proceeding is initiated by an application from the licensee. Until the Authority has issued an approval of the transfer, no licensee may attempt to transfer his/her license to another person.

16.2. A license transfer proceeding shall be conducted in the same manner as review of a license application. The transferee shall be considered as the applicant to assume the operational license. The duration of the license and the license terms and conditions shall remain the same, unless the license transferee requests a license modification as part of the transfer proceedings.

16.3. In the unusual circumstances where a licensee's technical or financial status raises questions about security of supply for citizens of the Republic (e.g., in cases of financial insolvency), the Authority may, on its own initiative, commence a license transfer proceeding in order to ensure that a license is transferred to a third person, in order to provide secure supply for customers.

## Article 17: License Revocation

17.1. A license revocation proceeding may be initiated by the Authority or on request of the licensee.

17.2. The Authority may revoke a license before the expiration of the license term when it determines that revocation is needed in order to respond to:

a) Licensee failure to comply with license terms and conditions;

b) Licensee abandonment of license activities;

c) Failure of the licensee to provide the Authority with monitoring and reporting data required by the license or failure to cooperate with the Authority inspection and audits;

d) Licensee submission of false or deliberately misleading data or information to the Authority in response to the Authority request or in response to the Authority monitoring reporting inspection or audit requirements;

e) Licensee failure to provide timely access to the Authority or inspection or audit of licensee facilities and corporate records;

f) Bankruptcy, financial insolvency or liquidation of licensee; and

g) Licensee failure to pay the required regulatory fees.

## CHAPTER III: PROGRAMME GUIDE AND CHANNELS TO BE AIRED BY THE LICENSEE

## Article 18: Authorized channels

In the process of analyzing the application, the Authority shall approve the channels that the applicant intends to air. Once the License is granted to the applicant, the Licensee for subscription satellite television services shall always broadcast the authorised channels.

# Article 19: Reorganizing channels and Adding new channel to the bouquet

A licensee for satellite television services is entitled to reorganize the existing channels or add a new channel to his/her bouquet. The Licensee shall, in any case, inform and provide to the Authority at least two (2) weeks before the following written information:

- (a) the name of the channel;
- (b) the nature of the channel and its content;
- (c) the country where the channel was packaged;
- (d) the full name of channel supplier;
- (e) the primary language(s) of channel; and
- (f) the duration of the channel (whether it is a special event channel).

After a period of five (5) working days without any objection from the Authority, the new channel is considered as accepted by the Authority.

## Article 20: Removal of a channel

The Licensee is entitled to remove a channel from the bouquet and by doing so he or she must inform the Authority within fourteen (14) days the reason behind of such removal. If the removal of a channel is abruptly done by the owner of the contents, the service provider should quickly inform the Authority as soon as practicable to indicate the reason of such channel removal.

## Article 21: Electronic Programme Guide

The Licensee shall prepare an electronic programme guide for audiences to use for accessing information relating to the schedules of programme materials.

A licensee shall ensure that an electronic programme guide is user friendly and easy to navigate through programme materials.

#### Article 22: Must carry channels

The licensee of subscription satellite television services shall carry or add to his bouquet channel(s) of Public television broadcaster in accordance with the regulations set by the Authority. The public broadcaster shall cooperate with the licensee in allowing him to carry and broadcast the public TV channels through a service agreement. The copy of such service agreement shall be submitted to the Authority one (1) week after the date of the signature.

#### Article 23: Free to air channels

The subscription satellite television services provider is allowed to combine free to air and subscription channels in one bouquet, provided that free to air channels shall remain accessible to the subscribersat least three (3) months after the subscription is considered to be expired.

#### Article 24: Expiration of the subscription

The subscription satellite television services licensee shall inform his subscribers for the expiration of their subscription. This should be done within seven (7) days before the expiration of the subscription of the concerned subscriber. The way of doing so is either through a mobile telephone of the subscriber by sending a short message or any other electronic means which may effectively alert the subscriber.

#### Article 25: Partnership in subscription satellite television services

The foreign satellite television service provider is allowed to partner with local satellite television services licensee through a partnership agreement.

This agreement shall specify the rights and obligations of each party and its copy shall be submitted to the Authority one week after the date of the signature.

#### Article 26: Ownership of the Customers

The licensee for subscription satellite television service is deemed to be the unique owner of the customers and shall be answerable to any ancillary services rendered to them.

### **CHAPTER IV. MONITORING AND ENFORCEMENT**

### Article 27: License Monitoring Requirements

27.1. The Authority shall monitor the performance of each license holder for full compliance with all terms and conditions of the license;

27.2. The Authority shall include terms and conditions in the license requiring licensees to report on financial, technical, organization and other data needed to allow the Authority to effectively monitor the licensee compliance to license obligations;

27.3. The Authority may also perform physical inspections of the license holder's facilities and corporate records on license holder's premises. These inspections may be conducted on an announced and unannounced basis. The inspections and audits shall be conducted during normal business hours, except when the Authority has a reasonable basis to believe that non-compliant activities are occurring outside of normal business hours.

## Article 28: License Enforcement Action

28.1. If the Authority determines that the licensee has failed to comply with any term or condition of the license, the Authority shall send a written warning to the licensee including a deadline for correction of the alleged license violation

28.2. If the license holder, after receipt of the warning from the Authority, does not cure the alleged non-compliance, the Authority may proceed for further sanctions which may consist of monetary sanctions not exceeding two million Rwandan Francs (Rwf 2,000,000) and license suspension or revocation.

#### **CHAPTER V. TRANSITIONAL AND FINAL PROVISIONS**

#### Article 29: Transitional period

29.1. All existing licensees performing subscription satellite television services shall comply with these regulations within six (6) months from their effective date.

29.2. Any other person who commences subscription satellite television services after the effective date of these regulations shall fulfill all the license application requirements in accordance with these regulations prior to commencing operations.

#### Article 30: Interpretations of these regulations

Upon request and in appropriate circumstances, the Authority may, at its sole discretion, provide an interpretation of these Regulations to assist the licensee or license applicant in ensuring its compliance with these regulations.

## Article 31: Repealing provision

All prior provisions contrary to these regulations are hereby repealed.

## Article 32: Commencement

These regulations shall come into force on the date of their signature.

Done on 12/02/ 2014

Eng. Coletha .U. RUHAMYA Chairperson of the Regulatory Board Annex 1. Application Form

Annex 2: License Template

Annex 3. Application fee, license Fee and Performance bank guarantee

Application fee	Rwf 500,000
License fee	Rwf 12,000,000
Performance bank guarantee required	USD \$ 200,000

Signed and Sealed

Eng. Coletha .U. RUHAMYA Chairperson of the Regulatory Board