

**Translation from Finnish**  
**Legally binding only in Finnish and Swedish**  
**Ministry of Transport and Communications, Finland**

**Act on the Finnish Broadcasting Company**  
(1380/1993; amendments up to 436/2017 included)

**Chapter 1**  
**General provisions**

**Section 1 (492/2002)**  
**Status of the company**

The Finnish Broadcasting Company (Yleisradio Oy) is a limited liability company engaged in public service as referred to in section 7 and operating in the administrative branch of the Ministry of Transport and Communications. The company may also engage in other activities in accordance with its articles of association.

Separate provisions are issued on the right of the company to operate television and radio broadcasting. The provisions of the Information Society Code (917/2014) apply to technical radio equipment required for its activities. (436/2017)

The provisions of the Limited Liability Companies Act (624/2006) apply to the company with exceptions provided in this Act. (436/2017)

**Section 2**  
**Company ownership**

The State owns and controls an amount of the company's share capital that corresponds to at least 70 per cent of all the shares and of the votes generated by all the shares in the company.

**Section 3 (492/2002)**  
**Operating requirements of the company**

In developing other television and radio broadcasting activities, including the related additional and extra services, the Ministry of Transport and Communications takes into account the operating requirements of public service referred to in section 7.

## **Chapter 2**

### **Company administration**

#### **Section 4**

##### **Administrative bodies**

The administrative bodies consist of an administrative council, a board of directors, and a director-general acting as managing director.

#### **Section 5**

##### **Administrative council**

The company has an administrative council with 21 members.

The members of the administrative council are elected by Parliament in its first session of the electoral term. Their term of office begins as soon as the election has been completed, and continues until the election of the new members of the administrative council. The members of the administrative council shall include experts in the fields of science, art, education, business and economics, as well as representatives of different social and language groups. (37/2000)

The members of the administrative council elect a chair and a vice chair from among themselves.

Subsection 4 was repealed by Act (746/1998).

#### **Section 6 (635/2005)**

##### **Duties of the administrative council**

The duties of the administrative council are:

- 1) to elect and dismiss the company's board of directors and its chair and to confirm the fee of the board members;
- 2) to decide on issues concerning considerable restriction or expansion of the activities or significant changes in the organisation of the company;
- 3) to oversee that tasks under public service programme activities are carried out;
- 4) to carry out a prior evaluation, as referred to in section 6 a, of services and functions in relation to public service and the communications market as a whole, paying attention to whether they serve the democratic, social and cultural needs of society, and on the basis of such evaluation, to determine whether the service or function is to be started or not, and to publish this decision with its justifications; (74/2012)

4 a) to determine the company strategy; (436/2017)

5) to set out guidelines on the operation and finances;

6) to review and approve the annual report of the board of directors; (474/2012)

7) to supervise the administration of the company and issue a statement on the financial statement and the auditors' report to the ordinary general meeting of the shareholders;

By the end of April every year the administrative council shall submit to Parliament a report on the implementation of public service as referred to in section 7 and on its guidance and supervision activities during the previous calendar year. Prior to submitting the report, the administrative council shall consult the Sámi Parliament. (474/2012)

The administrative council shall also consider other matters presented to it by the board of directors. (474/2012)

The chair shall summon a meeting of the administrative council, if at least one third of the members so request for the purpose of processing a matter they have been informed of in writing. An invitation to the meeting shall be delivered within one month of the arrival of the request. (474/2012)

#### **Section 6 a (474/2012)**

##### **Prior evaluation**

A prior evaluation shall be carried out of such new services and functions that have a more than insignificant influence on the available content services as a whole and that are considerable in terms of significance, duration and cost. At the discretion of the administrative council, an evaluation may be conducted whenever it is deemed necessary on reasonable grounds.

A prior evaluation shall be conducted at the request made by the Finnish Broadcasting Company or another legal or natural person and submitted for reasonable grounds, or on the initiative of the administrative council.

An evaluation shall include an estimate of the impacts of the planned service or function on the market and competition, along with any other impacts.

In drafting an evaluation, the competition and consumer authorities and key operators in the sector shall be provided with the opportunity to present their opinion either in writing or verbally. Any other experts deemed necessary may also be consulted.

#### **Section 6 b (436/2017)**

##### **Expert consultation process**

In support of its operation, the administrative council may request for statements from experts it deems necessary or hear them orally.

### **Section 6 c (436/2017)**

#### **Board of directors**

The company shall have a board of directors with at least five and at the most eight members who shall not be members of the administrative council or the company's senior management.

The members in the board of directors shall represent both language groups and their expertise shall be adequately diversified.

The duties of the board of directors are:

- 1) to elect and dismiss the company's director-general and to confirm the terms of the office, including his or her salary; the director-general shall not be a member of the administrative council or the board of directors;
- 2) to elect other members of the company's senior management and confirm the terms of their office, including their salaries;
- 3) to decide the budget for the following year;
- 4) to summon the ordinary general meeting and prepare the items of its agenda;
- 5) to submit an annual report of the company's operations to the Finnish Communications Regulatory Authority.

## **Chapter 3**

### **Functions of the company**

#### **Section 7 (635/2005)**

##### **Public service**

The company is responsible for the provision of versatile and comprehensive television and radio programming with the related additional and extra services for all citizens under equal conditions. These and other content services related to public service may be provided in public communications networks nationally and regionally. (436/2017)

The public service programming shall in particular:

- 1) support democracy and everyone's opportunity to participate by providing a wide variety of information, opinions and debates as well as opportunities to interact;
- 2) produce, create, develop and maintain Finnish culture, art and inspiring entertainment; (474/2012)

3) take educational and equality aspects into consideration in the programmes, provide an opportunity to learn and study, give focus on programming for children and young people, and offer devotional programmes; (474/2012)

4) treat in its broadcasting Finnish-speaking and Swedish-speaking citizens on equal grounds and produce services in the Sami, Romany and sign language and, where applicable, also in the languages of other language groups in the country;

5) support the preservation of Finnish cultural heritage, support tolerance, equal treatment, equality, and cultural diversity and provide programming for minority and special groups; (436/2017)

6) promote cultural interaction and maintain production intended for international distribution;

7) broadcast official announcements that are further specified by decree, and prepare for broadcasting in exceptional circumstances.

#### **Section 7 a (436/2017)**

##### **Cooperation**

In its activities the company shall promote freedom of expression, high-quality journalism and pluralism of the media.

#### **Section 7 b (436/2017)**

##### **Differentiating the material provision**

If the company provides material, which has been created in the production of television and radio programming, elsewhere than in television and radio operations, it shall differentiate the public service television and radio broadcasting from other public service operations.

For the purposes of this section, differentiation means that for each financial period a profit and loss statement shall be issued on the differentiated operations as well as a balance sheet on public service operations. A profit and loss statement and a balance sheet that both must be traceable to company accounts shall be drawn up, where appropriate, in accordance with the provisions of the Accounting Act (1336/1997).

If the company takes into its own use material produced in public service television and radio operations in order to provide it elsewhere than in television and radio operations, the same terms shall be applied as when the company releases material to be used outside the company.

#### **Section 8 (396/2003)**

##### **Other duties**

The annual general meeting may decide to amend the articles of association so as to allow the company to engage in other activities than public service provided in accordance with section 7. In accounting, these activities shall be kept separate from public service operations.

#### **Section 8 a (396/2003)**

##### **Differentiation of network services**

If the company provides network service as referred to in section 2 of the Communications Market Act (393/2003), it shall for accounting purposes differentiate the operations related to network service provision from other operations.

Subsection 2 was repealed by Act (474/2012).

Chapter 4 was repealed by Act (746/1998).

#### **Chapter 5**

##### **Miscellaneous provisions**

#### **Section 12 (492/2002)**

##### **Prohibition on advertising**

The company shall not broadcast advertising in connection with its television or radio programmes or other content services that are provided within the framework of public service in various telecommunications networks.

The company shall not produce sponsored programmes.

#### **Section 12 a (474/2012)**

##### **Financial supervisory duties of the Finnish Communications Regulatory Authority**

The Finnish Communications Regulatory Authority monitors that sections 7 a, 8, 8 a and 12 are complied with and that no price undercutting or cross-subsidisation is practised.

By the end of April every year the company shall submit to the Finnish Communications Regulatory Authority its financial statements, profit and loss statements and balance sheets of differentiated operations with notes and company auditors' report on the separation calculations. Notwithstanding secrecy provisions, the company shall also provide the Finnish Communications Regulatory Authority with any other information it needs for supervision purposes, if it so requests.

If the company violates the provisions of sections 7 a, 8, 8 a, 12 or 12 a, the Finnish Communications Regulatory Authority may obligate the company to rectify its error or omission. A notice of a conditional fine or of having the act done at the company's expense may be imposed as sanctions in support of the obligation.

Provisions on notice of a conditional fine and notice of enforced compliance are laid down in the Act on conditional fines (1113/1990).

#### **Section 12 b (474/2012)**

##### **Report to the Finnish Communications Regulatory Authority**

By the end of April every year the company shall submit a report to the Finnish Communications Regulatory Authority on the service provided during the previous calendar year. The report shall include the information needed in the supervision of television and radio broadcasting by the Communications Regulatory Authority.

The Communications Regulatory Authority shall issue a statement to the Government about the report on the basis of the financial statements referred to in section 12 a(2) by the end of September. The statement shall also be reported for information to the parliamentary committee that handles issues concerning the Finnish Broadcasting Company Oy.

## **Chapter 6**

### **Entry into force**

#### **Section 13**

##### **Entry into force**

This Act enters into force on 1 January 1994.

Measures necessary for the implementation of this Act may be undertaken before the Act's entry into force.

#### **Section 14**

##### **Repealed provisions**

This Act repeals:

- 1) the Act on the right of the Government to Transfer to a Limited Company State Property Acquired for the Purpose of Public Broadcasting (216/34), adopted on 18 May 1934, as amended, and
- 2) subsection 1 of section 6 of the Act on Telecommunications Operations adopted on 20 February 1987.

#### **Section 15**

##### **Transitional provisions**

The operating licence for broadcasting issued by the Government to the Finnish Broadcasting Company shall expire on the entry into force of this Act.

The administrative council elected for the Finnish Broadcasting Company on 16 April 1991 shall continue in office after the entry into force of this Act as an administrative council in the meaning of this Act until the end of its present term of office. Decisions concerning the transition period are made by the administrative council as regards the management appointed for the five-year term beginning on 1 January 1990. The transition period will end by the end of 1994.