## Law no. 53/2005 of 8 November

## Creates the Regulatory Authority for the Media (ERC - Entidade Reguladora para a Comunicação Social), terminating the High Authority for the Mass Media (AACS - Alta Autoridade para a Comunicação Social)

Pursuant to the terms of article 161, paragraph *c*) of the Constitution, The Assembly of the Republic decrees the following:

#### Article 1 Creation of the Regulatory Authority for the Media (ERC)

1— The Regulatory Authority for the Media (ERC) is hereby created, governed by the norms specified in the Statutes approved by this law, which form an integral part hereof and which are hereby published in the annex.

2 — ERC is a legal person governed by public law, operating as an independent administrative authority, which pursues the duties attributed to it under the Constitution, independently determining the orientation of its activities, without being subject to any instructions or guidelines from the political authorities.

3 — All the assets, rights, obligations and guarantees pertaining to the High Authority for the Mass Media (AACS - Alta Autoridade para a Comunicação Social) are automatically transferred to ERC.

4 — This law constitutes sufficient legal basis to confirm the provisions set forth in the previous number for all legal purposes, including for the purposes of registration, and the competent agencies shall carry out the acts required to regularise the situation, subject to a simple communication from the Chairperson of the Regulatory Board.

#### Article 2

## Termination of the High Authority for the Mass Media (AACS - Alta Autoridade para a Comunicação Social)

1 — The "Alta Autoridade para a Comunicação Social" is terminated on the date that the members of ERC's Regulatory Board and sole statutory auditor take office.

2 — The approval of these Statutes does not entail termination of the mandates of the members of the "Alta Autoridade para a Comunicação Social" in office at the date when this law enters into force and they shall remain in office until the members of ERC's Regulatory Board and sole statutory auditor take office.

3 — From the date when this law enters into force, any references made to the "Alta Autoridade para a Comunicação Social" stipulated by law, regulation or contract shall be considered to refer to ERC.

4 — All administrative procedures that have not been concluded on the date when the members of ERC's Regulatory Board and the sole statutory auditor take office shall be transferred to ERC, duly suspending any legal deadlines for the implementation of acts or taking decisions for a 60-day period.

## Article 3 Final and transitory provisions

1 — Until a specific law is approved regulating the remuneration of the members of the governing bodies of public institutes, the remuneration of the members of the Regulatory Board and the sole statutory auditor shall be determined by a joint ministerial order issued by the Minister of Finance and the minister responsible for the state business sector in the media area.

2 — Until the Regulatory Board has filled the respective technical, administrative and auxiliary posts, the staff members employed by the Alta Autoridade para a Comunicação Social shall be assigned to ERC on a transitory basis.

3 — The staff members assigned to the Supervisory and Registration Divisions of the Institute for the Media (Instituto da Comunicação Social), identified through a list of names to be published in the 2nd series of the *Diário da República* within 30 days after the elected members of the Regulatory Board take office, shall henceforth perform their duties for ERC, on a service commission basis.

4 - The list of names referred to in the previous number shall be approved by the Government member responsible for the media sector.

5 — Until a new State Budget enters into force or until rectification of the State Budget in force when the members of the Regulatory Board take office, ERC shall be endowed with the budgetary allocations assigned to the "Alta Autoridade para a Comunicação Social" that are, or will be, included in the State Budget.

6 — The transfer of the budgetary allocations referred to in the previous number is automatic, via the respective items of the budget of the Assembly of the Republic.

7 — The government shall alter the legal framework which regulates the organic structure and workings of the Institute for the Media (Instituto da Comunicação Social) in accordance with the provisions of this law, within 90 days after it enters into force.

## Article 4 Revocation

Law no.43/98 of 6 August is revoked.

Approved on 29 September 2005.

The President of the Assembly of the Republic, in office

Manuel Alegre de Melo Duarte.

Enacted on 25 October 2005.

Let this be published.

The President of the Republic, JORGE SAMPAIO.

Countersigned on 26 October 2005.

The Prime Minister: *José Sócrates Carvalho Pinto de Sousa*.

#### ANNEX

#### STATUTES OF THE REGULATORY AUTHORITY FOR THE MEDIA (ERC -ENTIDADE REGULADORA PARA A COMUNICAÇÃO SOCIAL)

# CHAPTER I

#### **General provisions**

## Article 1 Legal nature and purpose

1 — ERC — the Regulatory Authority for the Media (Entidade Reguladora para a Comunicação Social), hereinafter called ERC, is a legal person governed by public law, endowed with administrative and financial independence and its own assets, and is an independent administrative entity, exercising the necessary regulatory and supervisory powers.

2 —ERC's role is to practice all the acts required to carry out the responsibilities incumbent upon it under the Constitution, the law and the present Statutes.

## Article 2 Registered Office

ERC's registered office is in Lisbon

## Article 3 Legal framework

ERC is subject to the provisions of the present Statutes, the legal provisions specifically applicable to it, and, on a subsidiary basis, the regime that applies to all public institutes.

#### Article 4

#### Independence

ERC is independent in the pursuit of its duties, and shall freely define the orientations governing its activities, without being subject to any instructions or guidelines from the political authorities, in strict compliance with the Constitution and the law.

## Article 5 Speciality principle

1 - ERC's legal capacity solely encompasses the rights and obligations required for pursuit of its role.

2 —ERC cannot carry out activities or use its powers beyond its attributions, nor use its resources for any purposes other than those which have been entrusted to it.

## Article 6 Scope of intervention

All those entities which, under the jurisdiction of the Portuguese State, carry out media activities, shall be subject to the supervision and intervention of the regulatory board, specifically:

- a) News agencies;
- b) Individuals or corporate bodies that produce periodical publications, regardless of the form of their distribution;
- c) Radio and television operators, in relation to the programme services that they broadcast, or any complementary editorial content that they supply, under their editorial responsibility, via any media, including electronic media;
- Individuals or corporate bodies that provide radio or television programme services to the public via electronic communications networks, to the extent to which they are responsible for the selection and aggregation of such programme services;
- e) Individuals or corporate bodies that regularly provide content subject to their editorial supervision and organised as a coherent whole, to the public, via electronic communications networks.

## Article 7 Regulatory objectives

The regulatory objectives for the media sector to be pursued by ERC are as follows:

- a) Promote and ensure cultural pluralism and the diversity of expression of various schools of thought, via the media organisations that are subject to its regulatory supervision;
- b) Ensure free transmission of media content by media organisations and free access to content by those for whom the media content is intended, in a transparent and non-discriminatory manner and in such a way as to avoid any kind of social or economic exclusion, while ensuring efficient allocation of scarce resources;
- c) Ensure protection of more sensitive audiences, such as minors, in terms of content and services that may harm their development, offered to the public by the media organisations subject to its regulatory supervision;
- d) Ensure that the information supplied by the providers of editorial services is guided by strict criteria and journalistic rigour, enforcing editorial responsibility before the general public by the service providers subject to its jurisdiction, in the event of proof of breach of the applicable legal rules and principles;
- e) Ensure protection of consumers, as the addressees of media content services, in relation to communications of a financial nature or purpose, distributed via electronic media, by service providers subject to its regulatory supervision, in the event of breach of advertising laws;

f) Ensure the protection of individual personality rights whenever they are placed into question in the context of the provision of the media services subject to its regulatory supervision.

#### Article 8 **Powers**

ERC has the following powers regarding the media:

- a) Ensure the free exercise of the right to information and freedom of the press;
- Ensure there is no concentration of media ownership in order to protect pluralism and diversity, subject to the powers expressly assigned by law to the Competition Authority;
- c) Ensure media independence from the political and economic authorities;
- d) Guarantee respect for rights, freedoms and guarantees;
- e) Ensure the effective expression and presence of various schools of thought in respect of the principle of pluralism and the editorial stance of each media organisation;
- f) Ensure exercise of the right to broadcasting time, right of reply and the right to political response;
- g) Ensure, in association with the Competition Authority, the regular, effective, transparent and equitable operation of the print and audio-visual media markets;
- h) Collaborate in the definition of policies and sectoral strategies on which to establish and plan division of the radio spectrum, subject to the legal powers of ICP-ANACOM;
- i) Monitor the conformity of the advertising campaigns of the State, of the Autonomous Regions and of local authorities with the constitutional principles of impartiality and the independence of the Public Administration;
- j) Ensure media activities comply with regulatory standards.

#### Article 9 Co-regulation and self-regulation

ERC must promote co-regulation, and encourage the media, trade unions, associations and other bodies operating in the sector to adopt self-regulation mechanisms.

## Article 10 Collaboration with other entities

1 — All public or private entities must help ERC retrieve the information and documents requested for pursuit of its responsibilities.

2 — The courts must inform the Regulatory Board of the content of sentences or judgements issued with regard to the right of reply or any crimes committed via the media as well as any legal proceedings regarding infringement of the right to inform.

#### Article 11

## Relationships of cooperation or association

1 - ERC can determine relationships of cooperation or association within the scope of its responsibilities, with other national or foreign public or private entities, in particular in the context of the European Union, provided that this does not entail any delegation or sharing of its regulatory powers.

2 — ERC must maintain coordination mechanisms with the regulatory authorities for competition and communications and with the Institute for the Media (Instituto da Comunicação Social), in particular by holding periodic meetings with the respective management bodies.

## Article 12 Equivalence to the State

In pursuit of its responsibilities, ERC assumes the rights and obligations assigned to the State in the applicable legal and regulatory provisions, in particular as regards:

- a) Enforced collection of levies, service income and other credits;
- b) Protection of its facilities and its staff;
- c) Supervision of compliance with public service obligations in the media sector, deciding what constitutes an infringement and the application of competent sanctions.

## CHAPTER II Organisational structure

## Article 13 Bodies

The governing bodies of ERC are the Regulatory Board, executive management board, advisory board and sole statutory auditor.

## SECTION I Regulatory Board

## Article 14 Function

The Regulatory Board is the collegiate body responsible for defining and implementing ERC's regulatory activity.

## Composition and designation

1 - The Regulatory Board is comprised by a chairperson, a deputy chairperson and three members.

2 —The Assembly of the Republic designates four of the members of the Regulatory Board by means of a resolution.

3 - The members designated by the Assembly of the Republic shall co-opt the fifth member of the Regulatory Board.

# Article 16 **Designation procedure**

1 - A complete list of the candidatures, duly including the respective statements of acceptance, may be submitted by a minimum of 10 members of the Assembly of the Republic and a maximum of 40, to the President of the Assembly of the Republic, up to 10 days before the meeting scheduled for the election.

2 - The lists of candidates must include a number of candidates equal to the number of mandates to be filled.

3 — Within five days prior to the meeting scheduled for election, the proposed candidates shall be subject to a parliamentary hearing, to be carried out before the competent parliamentary commission, to verify the requirements needed to fill the post.

4 — Up until two days prior to the meeting scheduled for election, the President of the Assembly of the Republic shall organise the list of candidate names, ordered alphabetically, which shall published in the *Diário da Assembleia da República*. This deadline may be extended in the event that there are alterations to the list after the hearing by the competent parliamentary commission.

5 - The ballot papers shall contain all the lists submitted, each including the names of all the candidates, in alphabetical order.

6 - Next to each list of candidates, there shall be a blank box, which is to be marked with the voter's choice.

7 - Each member of the Assembly of the Republic shall put a cross in the box pertaining to the candidate list he/she is voting for. He/she may not vote for more than one list, on penalty of thereby rendering the ballot paper null and void.

8 — The candidates on the list that obtains the vote of two thirds of the members of the Assembly of the Republic present shall be deemed to be elected, provided that the respective vote exceeds the absolute majority of effective members of the Assembly of the Republic.

9 — The list of elected candidates shall be published in the 1st Series-A of the *Diário da República,* in the form of a resolution of the Assembly of the Republic, within five days after election of all the designated members of the regulatory board

Article 17 Co-opting 1 —Within no more than five days after publication of the list in the 1st series-A of the *Diário da República*, the designated members shall meet, after being convened by the eldest member, in order to co-opt the fifth member of the Regulatory Board.

2 - After a prior discussion, the designated members must decide, by consensus, on the name of the co-opted member.

3 - If it is impossible to reach a consensus, the person who receives the highest number of votes shall be co-opted.

4 — The co-opting decision shall be published in the 1st series-A of the *Diário da República* within five days after the decision has been taken.

## Article 18

## Guarantees of independence and incompatibilities

1 — The members of the Regulatory Board to be appointed and co-opted shall be persons of recognised reputation, independence and technical and professional competence.

2 — The members of the Regulatory Board are independent with regard to performance of their duties and are not subject to any specific guidelines or instructions.

3 — Without prejudice to the provisions of article 22, no. 1, paragraphs d), e) and f), the members of the Regulatory Board cannot be dismissed.

4 — Anyone who is, or who has been, a member of the management bodies of companies, trade unions, business associations or confederations in the media sector in the last two years, cannot be designated.

5 — Anyone who is, or who has been, a member of the government, of the executive bodies of the autonomous regions or of the local governments in the last two years, cannot be designated.

6 — The members of the Regulatory Board are subject to the incompatibilities and impediments of the holders of senior public positions.

7 - During their term of office, the members of the Regulatory Board cannot:

- a) Have interests of a financial nature or stakes in entities which carry out media activities;
- b) Hold any other public position or professional activity, except teaching duties in higher education on a part-time basis.

8 — The members of the Regulatory Board cannot hold any position endowed with executive duties in companies, trade unions, business associations or confederations in the media sector for a two-year period after the date on which they terminate their term of office.

## Article 19 Duration of the term of office

The members of the Regulatory Board are appointed for a five-year period, which is not renewable, wherein the members shall remain in office until they are effectively replaced or until termination of their duties

## Article 20 Status and duties

1 - The members of the Regulatory Board are subject to the statute of members of management bodies of public institutes in relation to anything that does not derive from these Statutes.

2 — The members of the Regulatory Board are subject to the general social security regime unless they belong to the permanent civil service structure, in which case the specific regime of their post of origin shall apply to them.

3 — The members of the Regulatory Board must pursue their duties with impartiality, seriousness, independence and a high sense of responsibility and may not publicly issue grave value judgements about the content of the deliberations approved.

## Article 21

## Taking office

Within a maximum of five days after publication of the list in the 1st series-A of the *Diário da República,* the members of the Regulatory Board shall take office in the presence of the President of the Assembly of the Republic.

## Article 22 Termination of office

1 — The members of the Regulatory Board shall terminate their office:

- a) At the end of the term for which they have been designated;
- b) As a result of death, permanent disability or an overriding incompatibility;
- c) Due to their resignation;
- d) Due to failure to attend three consecutive meetings or nine interspersed meetings, unless there is a justification accepted by the plenary session of the Regulatory Board;
- e) Due to dismissal determined by the Assembly of the Republic, approved by two thirds of the members of the Assembly of the Republic present, provided that it is greater than the absolute majority of the members of the Assembly of the Republic in office, in the event of a serious breach of their statutory duties, proven to have occurred during performance of their duties or in compliance with any obligation inherent to their position;
- f) Due to dissolution of the Regulatory Board.

2 - In the event of termination of office of an individual member of the Regulatory Board, a new member shall be chosen who shall serve a full, non-renewable five-year term of office.

3 — Any vacancy which occurs shall be filled, in accordance with the respective case, through co-opting, in accordance with the procedure foreseen in article 17, or designation by a parliamentary resolution adopted within no more than 10 days, in accordance with the procedure foreseen in article 16, subject to the necessary adaptations.

## Article 23 Dissolution of the Regulatory Board

1 - The Regulatory Board can only be dissolved by a resolution of the Assembly of the Republic, approved by two thirds of the members of the Assembly of the Republic present, provided that it is greater than the absolute majority of the members of the Assembly of the Republic in office, in the event of detection of serious irregularities in the operation of the board.

2 - In the event of dissolution, the new members of the Regulatory Board shall be appointed urgently and shall take office within no more than 30 days after the date of approval of the dissolution resolution.

## Article 24 Powers of the Regulatory Board

1 - It is incumbent upon the Regulatory Board to elect, from amongst its members, the chairperson and deputy chairperson, at a meeting to be held within five days after publication in the 1st series-A of the *Diário da República* of the co-opting procedure specified in article 17,

2 — During pursuit of its duties, it is incumbent upon the Regulatory Board to define and conduct ERC's activities:

- a) Define ERC's general orientation and monitor its implementation;
- b) Approve the management plans and budgets, as well as the respective management reports and accounts;
- c) Approve the regulations, directives and decisions, as well as any other deliberations assigned to it by law and under these Statutes;
- d) Draw up a report every year on the status of media activities and its regulatory and supervisory activity, and then publish this report;
- e) Approve the organisational and operational regulations of ERC's services and respective staff structure;
- f) Designate ERC's proxies and representatives vis-à-vis other entities;
- g) Decide upon the creation or closure of agencies or delegations of ERC;
- h) Carry out any other acts required to undertake ERC's responsibilities with regard to which no other body is competent.

3 — During the course of its regulatory and supervisory duties, the Regulatory Board shall:

- a) Ensure respect for the legal limits and principles with regard to any content disseminated by entities who pursue media activities, in particular, in relation to news accuracy and the protection of personal rights, freedoms and guarantees;
- b) Ensure respect for the legal limits and principles with regard to any advertising contents in those areas whose competence is not legally bestowed upon the Consumer Institute (Instituto do Consumidor) and the Committee for Levying Fines in Economic and Advertising matters (Comissão de Aplicação das Coimas

em Matéria Económica e de Publicidade) or any other entities foreseen in the legal regime for advertising;

- c) Supervise compliance with the laws, regulations and technical requirements applicable in the context of its responsibilities;
- d) Issue its prior opinion on the purpose and terms of public tenders for assigning licenses for radio and TV activity;
- e) Award licenses for radio and TV activity and decide, providing due grounds, upon any requests for alteration to the approved projects, any renewal applications regarding licenses or, in accordance with the respective case, about the need to hold a new public tender;
- Apply the sanction regulations foreseen in the specific sectorial legislation, regarding the suspension or revocation of the licenses for radio and TV activity and any other sanctions foreseen in Laws nos. 4/2001 of 23 February and 32/2003 of 22 August;
- g) Maintain the records stipulated by law and, to this end, carry out audits to supervise and monitor the information supplied;
- h) Organise and maintain databases to oversee compliance with the law by those entities and services subject to its supervision;
- Check compliance by television and radio broadcasters with the general and specific purposes of the respective activities, as well as with the obligations imposed by the licenses or permits, without prejudice to any responsibilities bestowed by law upon ICP-ANACOM;
- j) Appreciate and decide upon any complaints pertaining to the right of reply, right to broadcasting time and right to political response;
- Issue a prior, legally-binding opinion on the appointment and dismissal of the directors and assistant directors, responsible for the fields of programming and information, of state-owned media bodies and other public entities;
- m) Issue a prior, non-legally-binding opinion on radio and TV public service concession contracts, as well as any ensuing alterations;
- n) Organise the production and subsequent full publication of annual audits of radio and TV public service concessionaires and check the correct pursuit of concession contracts;
- o) Take part, in coordination with the Competition Authority, in determining economically relevant markets in the media sector;
- p) Issue its opinion, under the terms of the law, about any ownership acquisitions or conciliation practices of entities that carry out media activities;
- q) Identify powers of influence over public opinion from the perspective of the defence of pluralism and diversity, wherein it may adopt any necessary measures to safeguard these principles;
- r) Define the parameters for access to, and ordering of, electronic TV and radio programme guides;
- s) Specify the radio and TV programmes that must be subject to "must-carry" obligations by companies offering electronic communications networks, pursuant to article 43, number 1 of Law no.5/2004 of February 10 as well as those which are the object of delivery obligations, without prejudice to the powers held in this case by the Competition Authority and by ICP-ANACOM;

- t) Arbitrate and settle any litigation which arises in the context of media activities under the terms defined by law, including any conflicts of interest related to coverage and transmission of events classified as being of general public interest which are subject to exclusive rights and any conflictual situations regarding the right of access to public places;
- u) Check and promote compliance by the editorial statutes of media bodies as well as by the individuals or corporate bodies mentioned in article 6, paragraphs *d*) and *e*), of these Statutes with the respective legal requirements;
- v) Assess any occurrence of a major alteration to the orientation or nature of the media bodies when the clause of journalists' conscience is invoked, at the request of the party concerned;
- x) Supervise the neutrality and impartiality of the advertising campaigns undertaken by the state, autonomous regions or local governments, including the power to decree the provisional suspension of their dissemination until a decision has been made by a competent judicial authority;
- z) Strive to ensure the seriousness and impartiality of opinion surveys and polls;
- aa) Proceed with classification of media organisations, under the terms of the applicable legislation;
- *ab*) Ensure studies and other research and dissemination initiatives in the fields of the media and content in the context of promoting free exercise of freedom of expression and freedom of the press and critical use of the media;
- *ac*) Oversee the processing of any administrative offences committed in the media whose competence has been assigned to it under the present Statutes or by any other law, as well as applying the respective administrative fines and additional sanctions;
- *ad*) Take part and intervene in any initiatives that involve equivalent international authorities;
- *ae*) Restrict the circulation of any information society services which contain content submitted to editorial supervision which infringe or seriously threaten any of the values specified in article 7, number 1 of Decree-Law 7/2004 of January 7, without prejudice to the competence of ICP-ANACOM with regard to electronic communications of a private, commercial or advertising nature.

## Article 25 Advisory powers

1 - ERC shall issue its opinion on any legislative initiatives pertaining to its sphere of responsibilities which the Assembly of the Republic or the Government are obliged to submit to it, and can, on its initiative, suggest or propose measures of a political or legislative nature in those areas the fall within its responsibilities.

2 -It is assumed that ERC's opinion is favourable if it has not been issued within 10 days after receiving a request to issue an opinion.

## Article 26 Chairperson of the Regulatory Board

1 - It is incumbent upon the chairperson of the Regulatory Board:

- a) To convene and chair the Regulatory Board and coordinate its meetings;
- b) To coordinate the activity of the Regulatory Board;
- c) To convene and chair the executive management board and coordinate its meetings;
- d) To coordinate the activity of the executive management board, ensuring the management of its services and respective financial management;
- e) To determine the preferential fields of intervention of the other members of the regulatory board;
- f) To represent the ERC in and out of court;
- g) To ensure the relations of ERC with the Assembly of the Republic, the Government and other authorities.

2 -In his or her absence, the chairperson of the Regulatory Board shall be substituted by the deputy chairperson or, if the latter is absent or unable to attend, by the eldest member of the regulatory board.

3 - 1 In the event of a duly well-founded emergency, the chairperson of the Regulatory Board or whosoever replaces him or her when absent or unable to attend, may carry out any acts which fall within the competence of the Regulatory Board, subject to ratification at the first subsequent ordinary meeting of the Regulatory Board.

## Article 27

#### **Delegation of powers**

1 - The Regulatory Board may delegate its powers to any of its members or to employees and agents of ERC, and shall determine, in each case, the respective limits and conditions of this delegation of powers.

2 - The chairperson of the Regulatory Board may delegate the exercise of part of his powers to any other members of the board.

3 - Any deliberations involving the delegation of powers must be published in the 2nd series of *Diário da República*, but shall take effect from the date of adoption of the respective deliberation.

## Article 28 Operation

1 - The Regulatory Board shall hold ordinary meetings once a week and extraordinary meetings whenever convened by its chairperson at his or her own initiative or at the request of two other members.

2 — The Regulatory Board may designate an employee to provide advisory services to it, wherein the latter shall be responsible, amongst other tasks, for sending out convocations and drawing up minutes of the meetings.

3 — The Regulatory Board may decide, in each specific case, that its meetings are public, and may also invite any interested parties to attend the meetings.

4 — Any decisions which affect interested parties shall be made public, in the form of a summary document, issued immediately after the end of the meeting, without prejudice to the need to publish the full minutes or notify interested parties when legally required to do so.

## Article 29 **Quorum**

1 - The Regulatory Board may only meet and take decisions if three of its members are present.

2 - Decisions are taken by a majority, requiring, in all circumstances, a vote in favour by three members.

3 -The presence of all members in office is required for:

- a) Election of the chairperson and deputy chairperson;
- b) Approval of any legally binding regulations;
- c) Granting of licenses for TV activity;
- d) Approval of internal regulations pertaining to ERC's organisation and operation;
- e) Creation of departments or services;
- f) Approval of management plans and of the budget, as well as the respective management reports and accounts.

## Article 30 How ERC is legally bound

1 - ERC is legally bound by the signature:

- a) Of the chairperson of the Regulatory Board or of another two members, unless otherwise decided by the board;
- b) Of whosoever is empowered to this end, under the terms and within the remit of the respective power of attorney.

2 — Merely routine procedural acts may be signed by any member of the Regulatory Board or by workers or employees of the ERC to whom the said power has been specifically delegated.

#### Article 31 External and legal representation

1 - The chairperson of the Regulatory Board shall represent ERC externally, without prejudice to the right to delegate powers.

2 - The legal representation of ERC may be conferred upon a lawyer by a decision by the Regulatory Board.

#### **Executive management board**

#### Article 32 Function

The executive management board is the body responsible for ERC's administrative and financial management and the management of services.

## Article 33 Composition

1 - The executive management board is comprised, by virtue of its respective duties, by the chairperson and deputy chairperson of the Regulatory Board and by the executive director.

2 — The executive director shall perform the duties delegated by the executive management board and shall be hired subject to a decision taken by the Regulatory Board.

## SECTION III Sole statutory auditor

## Article 34 Function

The sole statutory auditor is the entity responsible for monitoring the legality and efficiency of ERC's financial and asset management and consultation of the Regulatory Board in this regard.

# Article 35

## Status

1 — The sole statutory auditor shall be a chartered accountant designated by a resolution issued by the Assembly of the Republic, or by the process specified in article 16 of these Statutes.

2 - The sole statutory auditor shall take office under the terms specified in article 21 of these Statutes.

## Article 36 Competence

It is incumbent upon the sole statutory auditor, in particular, to:

- a) Monitor and control ERC's financial and asset management;
- b) Periodically examine ERC's financial and economic situation and check compliance with the regulations to which its activity is subject;

- c) Issue a prior opinion within no more than 10 days after the acquisition, encumbrance, lease and sale of real estate properties;
- d) Issue an opinion about ERC's budget and annual report and accounts;
- e) Issue an opinion about any matter submitted to it by ERC's governing bodies;
- f) Notify the competent entities about any irregularities that he or she detects.

## Article 37

## Duration of the term of office

The sole statutory auditor shall be appointed for a non-renewable five-year term and shall remain in office until his or her effective replacement or until he or she terminates his or her duties.

## SECTION IV Advisory board

## Article 38 Function

The advisory board is the consultation and participation body with regard to the definition of ERC's general operation, contributing to coordination with public and private entities that represent relevant interests in the context of the media and related sectors.

#### Article 39

#### **Composition and designation**

1 - The advisory board is comprised by:

- a) A representative from the Competition Authority (AdC Autoridade da Concorrência)
- b) A representative from the Institute for the Media (Instituto da Comunicação Social);
- c) A representative from ICP-ANACOM;
- d) A representative from the Consumer Institute (Instituto do Consumidor);
- e) A representative from the Institute of Cinema, Audio-visual and Multimedia (Instituto do Cinema, Audiovisual e Multimédia);
- f) A representative from the CRUP Council of Deans of Portuguese Universities;
- g) A representative from the Coordinating Board of Higher Polytechnic Institutes;
- h) A representative from CENJOR Vocational Training Protocol Centre for Journalists;
- i) A representative from the trade union association of journalists with the largest number of members;
- j) A representative from the media confederation with the largest number of members;
- I) A representative from the consumer association for the media sector with the largest number of members;

- m) A representative from the association of advertising agencies with the largest number of members;
- n) A representative from the association of advertisers with the largest number of members;
- o) A representative from the Civil Institute of Advertising Self-Regulation (ICAP Instituto Civil da Autodisciplina da Publicidade)
- p) A representative from APCT the Portuguese Association for Print Run and Circulation Control;
- q) A representative from CAEM Resources Study and Analysis Committee.

2 — The representatives indicated in the previous number and the respective substitute members shall be designated for a three-year period by the competent bodies of the entities represented, and may be replaced at any time.

3 — The name and identification of the representatives and of the respective substitute members shall be notified to the chairperson of the advisory board in the 30 days prior to the end of the mandate or in the 30 days subsequent to the vacancy.

4 — The chairperson of the Regulatory Board shall chair the meetings of the advisory board and may intervene therein, but without any voting rights.

5 — Participation in the advisory board's meetings does not bestow the right to any direct or indirect remuneration, in particular to the payment of attendance fees, travel expenses or any other cost allowances.

## Article 40

## Responsibilities

1 - It is incumbent upon the advisory board to issue non-binding opinions about ERC's general operation or any other matters that the Regulatory Board decides to submit to its appraisal.

2 - The advisory board shall issue its opinions within 30 days after the request or, in the event of an emergency, within the deadline stipulated by the Regulatory Board.

## Article 41

## Operation

1 — The advisory board shall hold ordinary meetings when convened by its chairperson twice a year and shall hold extraordinary meetings at the initiative of its chairperson or at the request of one third of its members.

2 — The advisory board is deemed to have been appointed, for all the purposes foreseen in this law, provided that half of its members have been designated.

3 - The quorum for a meeting to be held and for decisions to be taken is half of its members in office.

4 — Sending of meeting convocation notices or working documents shall be conducted, on a mandatory and exclusive basis, by email.

## CHAPTER III Specialised and consulting services

## Article 42 Services

ERC is endowed with administrative and technical support services, created by the Regulatory Board in line with the respective activity plan and insofar as this is permitted by the budget.

## Article 43 Staff regime

1 - ERC's staff members are subject to the legal regime of an individual employment contract and are covered by the general social security regime.

2 — ERC is endowed with its own staff structure as decided in an internal regulation.

3 - ERC may be a party to collective work regulation instruments.

4 — Staff recruitment shall be preceded by a public announcement, which must be published in two national newspapers, and shall be carried out according to objective selection criteria, to be decided in a regulation approved by ERC's Regulatory Board.

5 — The terms of work provision and discipline shall be defined in a regulation approved by ERC's Regulatory Board, observing the provisions of the legal imperatives of the individual employment contract regime.

## Article 44

## Incompatibilities

ERC's staff members may not provide work or other services, remunerated or otherwise, to companies that are subject to its supervision or to others whose activities clash with ERC's responsibilities and powers.

## Article 45

## Supervisory duties

1 — ERC's employees and agents, respective proxies as well as qualified, duly accredited persons or entities who perform supervisory duties, are equivalent to enforcement agents while performing their duties and provided that they can provide evidence of this capacity, and therefore enjoy the following prerogatives:

- a) To access the premises, places and services of the entities subject to ERC's supervision and regulation;
- b) To request documents for analysis and request written information;
- c) To identify all individuals who have infringed the legislation and regulations, whose compliance they must ensure, in order to subsequently open a formal proceeding;
- d) To claim the collaboration of the competent authorities when they deem that this is necessary for pursuit of their duties.

2 - ERC's employees, agents and any duly accredited, qualified persons or entities who perform the duties specified in the previous number shall be assigned ID cards

whose standard format and issuance conditions will be stipulated in an administrative rule issued by the government member responsible for the media.

## Article 46 **Mobility**

1 — Employees of the direct or indirect administration of the state, autonomous regions and local authorities, as well as employees or directors of public or private companies, may be assigned or requisitioned to perform duties for ERC, wherein their original position and the rights acquired therein shall be guaranteed, and wherein the period spent performing these duties shall be considered as time of service provided at their institution of origin, and ERC shall assume the respective expenses.

2 — ERC's employees may perform duties at other entities, without prejudice to the provisions of article 44, on the basis of secondment, requisition or other terms, in accordance with the law, wherein their original position and the rights acquired therein shall be guaranteed, and the period spent performing these duties shall be considered as time of service provided at ERC.

#### Article 47

## Specialised consultants

1 - Subject to prior inclusion in the budget, the Regulatory Board may commission individuals or corporate bodies to carry out studies or technical opinions pertaining to those areas encompassed by the responsibilities specified in these Statutes on the basis of a provision of services.

2 - The studies and technical opinions drawn up by the persons identified in the previous number shall not be binding for ERC, unless they are specifically ratified by the Regulatory Board.

## CHAPTER IV Financial and asset management

## Article 48 General rules

1 - ERC's financial and asset management is subject to the provisions of these Statutes or to the legal regime applicable to public institutes.

2 — ERC's financial and asset management, including the practise of acts of private management, is subject to the public accounting regime, in accordance with the principles of transparency and economy and shall ensure compliance with European Union and international legislation on public markets.

3 — ERC must adopt contractual procedures subject to requirements of public notice, fair competition and non-discrimination as well as economic efficiency and quality.

4 — ERC's expenses and revenues shall be included in its annual budget whose allocation is recorded in a specific chapter of the general expenses of the State.

5 — ERC's expenses and revenues shall be included in its annual budget, wherein the revenue from the state budget shall be that set out in the budget for the Assembly of the Republic, under a separate heading itemised in the overall expenses and revenue charts of autonomous funds and services, by organic classification.

#### Article 49 Assets

1 — On the date of its creation, ERC's assets consisted of all the assets, rights and guarantees belonging to the High Authority for the Media (Alta Autoridade para a Comunicação Social).

2 — ERC's assets are also made up of all the assets, rights and guarantees assigned to it by law, as well as those acquired after its creation to pursue its duties.

## Article 50 **Revenue**

ERC's revenues are constituted by the following:

- a) Any amounts from the state budget;
- b) Any levies and other revenues owed by entities that carry out media-related activities, referred to in article 6;
- c) Any levies and other revenues received in the context of the awarding of licenses to radio and TV broadcasters;
- d) Income from any administrative fines it applies and the income from procedural costs received in administrative fine procedures;
- e) Income from the mandatory monetary sanctions it applies due to breach of individualised decisions;
- f) Income from any fines foreseen in contracts signed with public or private entities;
- g) Any other revenue, income or amounts deriving from its activity or which subsequently belong to it or are assigned to it by law or contract, as well as any subsidies or other forms of financial support;
- h) Income from the sale of its assets and the formation of rights thereupon;
- i) Any interest earned from financial applications;
- j) The management balance from the preceding year.

## Article 51

#### Levies

1 - The criteria governing the incidence, exemption requirements and amounts of levies owed in return for the acts carried out by ERC are defined by decree-law, to be published within 60 days after this law enters into force.

2 - The levies referred to in the previous number must be established in an objective, transparent and proportionate manner.

3 - Pursuant to the criteria defined in this article, the regulations on incidence and the value of the levies owed in return for the acts carried out by ERC are defined by a

joint administrative rule issued by the Minister of Finance and the government member responsible for the media.

4 — The levies owed in return for the acts carried out by ERC shall be borne by entities pursuing media activities, irrespective of the means of dissemination used, in proportion to the costs required to regulate its activities.

5 — The levies due in return for the acts carried out by ERC shall be paid on a halfyearly basis, in January and July, with the exception of those which are lower than the national minimum wage, which shall be paid every January.

## Article 52

#### Costs

ERC's costs are those which, incurred whilst exercising the duties and competences assigned to it, pertain to the expenses deriving from its activity and the acquisition of fixed assets.

## CHAPTER V Regulatory and supervisory procedures

## SECTION I General provisions

## Article 53 Supervision

1 - ERC may carry out investigations and examinations at any entity or place in the context of the pursuit of the duties assigned to it, and it is incumbent upon the media operators subject to its supervision to provide access to all the resources required to this end.

2 — For the purposes of the previous number, ERC may accredit specially qualified and skilled persons or entities, who are on a list to be published annually.

3 — The procedures foreseen in the previous number pertain to the principle of proportionality, professional confidentiality and commercial confidentiality.

4 - If there is any suspicion of the absence of any grounds for invoking commercial confidentiality, ERC must ask the competent court to authorise

pursuit of the intended proceedings.

5 — Any entities pursuing media activities shall provide ERC with all the cooperation required for performance of its duties, and shall supply all requested information and documents within a maximum of 30 days, without prejudice to the need to safeguard professional confidentiality and commercial confidentiality.

6 — The duty of cooperation may include the appearance of directors, managers and any responsible parties before the Regulatory Board or before any of ERC's services.

7 - ERC may publish any information obtained, provided that this is relevant for regulation of the sector and provided that this is proportionate with regard to any rights which may be held by the operators.

8 - ERC may disclose the identity of the operators subject to investigation processes, as well as the subject matter to be investigated.

## Article 54 Confidentiality

1 — The members of ERC's governing bodies, respective proxies, duly accredited persons or entities, as well as their employees and other persons working for them, irrespective of the nature of the respective work relationship, are required to uphold the confidentiality of any facts which they have learned solely as a result of discharging their duties, without prejudice to the provisions of article 53, numbers 7 and 8.

2 - In addition to the inherent disciplinary and civil responsibility, any breach of the duty of professional confidentiality foreseen in the previous number shall be liable to punishment under the Criminal Code.

#### SECTION II

## Complaint proceedings

## Article 55 Term for submission

Any interested party may lodge a complaint about behaviour that may constitute a breach of the rights, freedoms and guarantees or of any legal or regulatory standards applicable to media activities provided that it does so within no more than 30 days after learning of the facts and provided that it learns of these facts within a maximum of 120 days after occurrence of the alleged breach.

## Article 56 Right to defence

1 - The denounced party shall be notified within a maximum of five days concerning the content of the complaint.

2 — The denounced party shall be entitled to present formal opposition within 10 days after notification of the complaint.

## Article 57 Conciliation hearing

1 - Whenever the denounced party presents a formal opposition, the ERC must hold a conciliation hearing between the complainant and the denounced party within no more than 10 days after the opposition has been submitted.

2 — Should the complainant, denounced party or any of the respective proxies endowed with special powers fail to appear, this does not entail repetition of the conciliation hearing.

3 - The conciliation hearing shall be chaired by a member of the Regulatory Board or by any person with a BA Hons. degree in law, specifically designated for this purpose by the Regulatory Board.

4 - If the conciliation is successful, the terms of the agreement shall be set down in writing and signed by the complainant and by the denounced party who may be replaced by the respective proxies endowed with special powers for the act.

5 — The conciliation hearing is only mandatory in those procedures foreseen in this section and does not apply, in particular, to the right of reply, the right to broadcasting time and the right of political response.

## Article 58 Duty to make a decision

1 - The Regulatory Board shall make a duly well-founded decision even if it merely reproduces the draft decision submitted by the competent services, within no more than 30 days after submission of the formal opposition or, failing that, on the last day of the respective deadline.

2 — Failure to submit formal opposition implies admission of the facts alleged by the complainant, with the respective issuance of a summary decision by the regulatory authority, without the need for prior holding of a conciliation hearing.

3 - The decision by the Regulatory Board may be issued by referral to the agreement obtained in the conciliation hearing, subject to full compliance with the terms agreed upon.

## SECTION III

## Right of reply, right to broadcasting time and right of political response

## Article 59 Right to reply and correction

1 - In the event of the denial of, or deficient compliance with, the right to reply or correction by any entity pursuing media activities, the interested party may appeal to the Regulatory Board within 30 days after the date of refusal of the expiry of the legal deadline to satisfy this right.

2 — The Regulatory Board may request from the interested parties all those elements required to hear the appeal, which must be sent to it within three days after the date of receipt of the request.

3 — Any entities pursuing media activities which refuse the right of reply or the right of political response are obliged to keep the records of those materials which underpinned the respective request until the end of the deadline foreseen in no.1 of the present article or, if a complaint is lodged, until issuance of the decision by the regulatory authority.

## Article 60 Guarantee of compliance

1 - The decision ordering the publication or transmission of the reply or rectification, broadcasting time or political response must be complied with within the deadline specified in the decision itself or, in its absence, within forty eight hours after its notification, unless the decision pertains to a non-daily publication whose compliance shall occur in the first issue published after the respective notification.

2 — The members of the management bodies of the entities that pursue media activities as well as the directors of publications and directors of programming and information of radio and TV broadcasters are personally liable for compliance with the decision made.

#### SECTION IV

#### Appointment and dismissal of directors

#### Article 61 Procedure

1 — The opinions referred to in paragraph *I*), no.3 of article 24 must be issued within 10 days after the date of receipt of the respective request.

2 — Opinions are assumed to be favourable when they are not issued within the deadline stipulated in the previous number, unless the investigatory procedures required by them impose an extension to this deadline.

3 — The Regulatory Board must disclose its opinion within a maximum of 20 days.

## SECTION V

## Other procedures

#### Article 62 Regulations

1 - ERC's regulations must observe the principles of legality, necessity, clarity, participation and public disclosure.

2 - ERC must, through publication in its website, disclose any draft regulations, prior to their approval or alteration, and the interested parties have a 30-day deadline to issue a non-binding opinion thereof.

3 - The preliminary report on the regulations forms the basis for the decisions taken, and must make reference to any criticisms or suggestions that have been made to the draft proposal.

4 — The consultation process described in the previous numbers above does not apply to those regulations intended to exclusively regulate the organisation and internal operation of ERC's services.

## Article 63 Directives and recommendations

1 - The Regulatory Board may, on its own initiative or at the request of an interested party, adopt general directives aimed at encouraging standards of good practice in the media sector.

2 — The Regulatory Board may, on its own initiative or at the request of an interested party, issue specific recommendations to an individualised media activity.

3 - The directives and recommendations are not legally binding.

## Article 64 Decisions

1 - The Regulatory Board may, on its own initiative or at the request of an interested party adopt decisions with regard to an individual entity which carries out media activities.

2 - The decisions are binding and shall be notified to the respective addressees, and shall enter into force within the deadline determined by them or, failing that, within five days after their notification.

3 — The members of the management bodies of the entities which carry out media activities as well as the directors of publications and directors of programming and information of radio and TV broadcasters shall be personally liable for compliance with the decision taken.

## Article 65 Public disclosure

1 — ERC's regulations which contain norms to be enforced externally shall be published in the 2nd series of *Diário da República*, without prejudice to their publication by any other means deemed more appropriate to the situation.

2 — ERC's recommendations and decisions must be published free-of-charge in the media they relate to, specifically identifying their origin and they may not exceed:

- a) 500 words for written information;
- b) 300 words for sound and TV information.

3 - ERC's recommendations and decisions shall be published:

- a) In the printed press, including their electronic formats, on one of the first five pages of the newspapers they relate to, if the recommendation does not state otherwise, in a form which is easy to read and habitually used for information texts;
- b) On radio and TV, in the broadcaster's news bulletin with the largest audience, and on TV the respective text shall be simultaneously shown and read;
- c) In the editorial services provided via electronic communications' networks, in a place that ensures the necessary visibility.

4 - In the daily press, on the radio, on TV and in the services referred to in paragraph c) of the previous number, ERC's recommendations and decisions shall be published within forty-eight hours after their receipt.

5 - In the non-daily press, ERC's recommendations and decisions shall be published in the first issue published after the notification.

6 - All of ERC's regulations, directives, recommendations and decisions must be published on its website.

## CHAPTER VI Liability

## SECTION I Crimes

## Article 66 Qualified disobedience

1 - A crime of qualified disobedience means any refusal to accept or deficient compliance - with a view to preventing the intended effects - with:

- a) A decision ordering the publication or transmission of a reply, correction, the right to broadcasting time or political response, within the deadline set by the decision or, in the absence of the latter, within forty-eight hours after notification, unless the decision pertains to a non-daily publication whose compliance shall occur in the first issue published after the respective notification;
- b) A decision requiring compliance with the obligations inherent to the licensing and authorisation of access to media activities, whether they derive from the law, regulations or an administrative contract;
- c) A decision requiring correction of an opinion poll or survey, under the terms of article 14 of Law no.10/2000 of 21 June.

2 -Qualified disobedience is punished pursuant to article 348 number 2 of the Criminal Code.

## SECTION II

## Infringements of administrative law

## Article 67

## Sanctionary procedures

1 —ERC shall process and punish the practice of those administrative offences foreseen in the present Statutes, as well as those assigned to it under any other law with regard to the media.

2 — Sanctionary procedures are subject to the provisions of the regime on infringements of administrative law or the provisions of the Code of Criminal Procedure.

3 — ERC shall also notify the competent authorities about any criminal infringements it discovers during the course of its duties.

## Article 68 Refusal to collaborate

Failure to comply with the provisions of article 53, numbers 5 and 6 of these Statutes is an administrative offence subject to an administrative fine of  $\leq$ 5,000 to  $\leq$ 25,000 when committed by an individual, or  $\leq$ 50,000 to  $\leq$ 250,000 when committed by a corporate body.

## Article 69 Refusal of access for investigations and examinations

Refusal of access to an entity or place for carrying out investigations and examinations under the terms provided in article 53, number 1 of these Statutes constitutes an administrative offence, subject to an administrative fine of  $\xi$ 5,000 to  $\xi$ 25,000 when committed by an individual, or  $\xi$ 50,000 to  $\xi$ 250,000 when committed by a corporate body.

## Article 70 Failure to maintain records

1 — Failure to comply with the provisions of article 59, number 3 of these Statutes constitutes an administrative offence subject to an administrative fine of €5,000 to €50,000.

2 — Negligence is liable to punishment.

## Article 71

## Refusal to accept and deficient compliance with a decision

Refusal to accept or deficient compliance with a decision is an administrative offence subject to an administrative fine of  $\xi$ 5,000 to  $\xi$ 25,000 when committed by an individual or  $\xi$ 50,000 to  $\xi$ 250,000 when committed by a corporate body, to prevent the intended effects with regard to:

- a) A decision ordering the publication or transmission of a reply, correction, the right to broadcasting time or right of political response, within the deadline set by the decision or, in the absence of the latter, within forty-eight hours after notification, unless the decision pertains to a non-daily publication whose compliance shall occur in the first issue published after the respective notification;
- b) A decision requiring compliance with the obligations inherent to the licensing and authorisation of access to media activities, whether they derive from the law, regulations or an administrative contract;
- c) A decision requiring the correction of an opinion poll or survey under the terms of article 14 of Law no.10/2000 of 21 June.

## SECTION III

#### Mandatory monetary sanction

#### Article 72 Mandatory monetary sanction

1 — The addressees of an individual decision approved by ERC shall be subject to payment of a monetary sanction for each day of delay in compliance, from the date when the decision enters into force.

2 — The daily amount of the sanction foreseen in the previous number is set at €100 when the infringement is committed by an individual, or at €500 when committed by a corporate body.

## CHAPTER VII Parliamentary monitoring and judicial control

#### Article 73

#### Report to The Assembly of the Republic and parliamentary hearings

1 - ERC must keep the Assembly of the Republic informed about its decisions and activities, by sending it a monthly compilation thereof.

2 — ERC shall send the Assembly of the Republic an annual report on its regulatory activities as well as the respective management report and accounts, by March 31 of each year, for discussion - preceded by a hearing of the members of the Regulatory Board in the Committee on Constitutional Affairs, Rights, Freedoms and Guarantees.

3 — The Committee shall issue its corresponding decision within 30 days after receiving the management report and accounts.

4 — The members of the Regulatory Board shall appear before the competent parliamentary committee to provide information or clarifications about its activities whenever so requested.

## Article 74 Legal liability

The members of ERC's governing bodies and ERC's employees and agents are subject to civil, criminal, disciplinary and financial liability for any acts and omissions they are guilty of during the course of their duties, under the terms of the Constitution and other applicable legislation.

## Article 75 Judicial control

1 - The activity of ERC's governing bodies and agents are subject to administrative jurisdiction under the terms and limits specifically foreseen by the Statute of the Administrative and Tax Courts.

2 — Sanctions for committing administrative infringements may be challenged in the competent courts.

3 - As regards any decisions taken in the context of the settlement of litigation, appeals may be lodged with the judicial courts or arbitration tribunals under the terms foreseen by law.

4 — Any administrative action to challenge an ERC decision or the lodging of an appeal to the judicial courts or arbitration tribunals does not suspend the effects of the contested or appealed decision, unless the respective injunction is decreed.

#### Article 76

## Supervision by the Portuguese Court of Auditors (Tribunal de Contas)

1 — ERC is subject to the jurisdiction of the Portuguese Court of Auditors (Tribunal de Contas).

2 — The acts and contracts practised and entered into by ERC are not subject to approval by the Portuguese Court of Auditors (Tribunal de Contas), but submission to the court of annual accounts is compulsory for the purposes of judgment.

## Article 77

#### Website

1 — ERC must provide a website, with all the relevant data, in particular the law that created it, its Statutes, regulations, decisions and guidelines, as well as the composition of its governing bodies, plans, budgets, annual management reports and accounts for the last two years of its activity and any decisions which do not pertain to its day-to-day management.

2 - The website serves as the support for disclosing the standard documents and forms for electronic submission of requests, to satisfy the respective requests and to acquire information online under the terms permitted by law.

3 - The content of the sentences or judgements notified to ERC under the terms of article 10, number 2 of these Statutes must be published on ERC's website.