

Act on Yleisradio Oy
(Finnish Broadcasting Company)

(1380/1993; amendments up to 635/2005 included)

Chapter 1

General provisions

Section 1 (492/2002)
Status of the company

Yleisradio Oy shall be a limited company operating in the administrative sector of the Ministry of Transport and Communications and engaged in public service in accordance with section 7. The company may also engage in other activities in accordance with its articles of association.

The right of the company to operate television and radio broadcasting shall be governed by separate provisions. The technical equipment required for its activities shall be governed by the provisions of the Radio Act (1015/2001) and the Communications Market Act (396/1997).

The provisions of the Companies Act (734/1978) shall be applied to the company with exceptions provided for in this Act.

Section 2
Ownership of the company

The State shall own and control the share capital of the company to an extent which corresponds to at least 70 per cent of all the shares in the company 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 shall take into account the operating requirements of public service referred to in section 7.

Chapter 2

Administration

Section 4
Administrative organs

The administrative organs of the company shall consist of an Administrative Council, a Board of Directors, and a Director General acting as Managing Director.

Section 5 (37/2000)
Administrative Council

The company shall have an Administrative Council which shall have 21 members.

The members of the Administrative Council shall be elected by Parliament in its first session of the parliamentary term. Their term of office shall begin as soon as the election has been completed, and it shall continue until the election of the new members of the Administrative Council. The members of the Administrative Council shall include representatives from the fields of science, art, education, business and economics, as well as representatives of different social and language groups.

The members of the Administrative Council shall elect a chairman and a vice chairman from among themselves.

(Subsection 4 has been repealed by Act 746/1998.)

Section 6 (635/2005)
Duties of the Administrative Council

The duties of the Administrative Council shall be:

- 1) to elect and dismiss the company's Board of Directors and its Chairman and to determine the compensation for Board Members;
- 2) to decide on issues concerning considerable restriction or expansion of the activities or significant changes in the organization of the company;
- 3) to oversee and supervise that tasks involving public service programme activities are carried out;
- 4) to submit every second year to Parliament a report on the implementation of the public service in the past two years after having heard the Sami Parliament;
- 5) to decide on the economical and operational guidelines;
- 6) to review and approve the annual report of the Board of Directors;
- 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.

The Administrative Council shall also discuss other matters referred to it by the Board of Directors.

The Chairman shall summon the Administrative Council, if a written request by at least one third of its members to deal with a referred issue has been submitted. A notice of meeting shall be issued within one month of the request.

Section 6 a (635/2005)
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 Board of Directors shall represent sufficient expertise and both language groups.

The duties of the Board of Directors shall be:

- 1) to elect and dismiss the company's Director General and to confirm his or her salary and other terms concerning the office; 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 their salaries and other terms concerning their office;
- 3) to decide the budget for the following year;
- 4) to summon the Ordinary General Meeting and prepare the items of the agenda;
- 5) to submit an annual report of the company's operations to the Finnish Communications Regulatory Authority.

Chapter 3

The duties of the company

Section 7 (635/2005)
Public service

The company shall be responsible for the provision of 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 all telecommunications networks.

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 and develop Finnish culture, art and inspiring entertainment;
- 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 offer devotional programmes;
- 4) treat in its broadcasting Finnish-speaking and Swedish-speaking citizens on equal grounds and produce services in the Sami, Romany, and sign languages as well as, where applicable, in the languages of other language groups in the country;
- 5); support tolerance and multiculturalism and provide programming for minority and special groups;
- 6) promote cultural interaction and provide programming directed abroad; and
- 7) broadcast official announcements, for which further provisions shall be issued by decree, and make provision for television and radio broadcasting in exceptional circumstances

Section 7 a (396/2003)
Differentiation of 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 between the public service television and radio broadcasting and 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 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.

Compliance with subsections 1 – 3 shall be monitored by the Finnish Communications Regulatory Authority. On request of the Communications Regulatory Authority the company shall deliver its financial statements and the profit and loss statements and balance sheets of the differentiated operations.

Section 8 (396/2003)
Other duties

The annual general meeting may decide to amend the articles of association in such a manner that the company can 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 service

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 between the operations related to network service provision and other operations.

Compliance with this section shall be monitored by the Finnish Communications Regulatory Authority. On request of the Communications Regulatory Authority the company shall deliver financial statements and the profit and loss statements and balance sheets of the differentiated operations.

Chapter 4

(Chapter 4 has been 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 (396/2003)
Report to the Finnish Communications Regulatory Authority

By the end of April every year Yleisradio Oy shall submit a report to the Finnish Communications Regulatory Authority on the public 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 Government about the report by the end of September.

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 shall repeal the following:

- 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), given on 18 May 1934, as amended, and
- 2) subsection 1 of section 6 of the Telecommunications Act given on 20 February 1987.

Section 15
Transitional provision

The operating licence for broadcasting issued by the Government to Yleisradio Oy shall expire on the entry into force of this Act. The Administrative Council elected for Yleisradio Oy 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 close of its present term of office. Decisions concerning the transition period shall be made by the Administrative Council as regards the management appointed for the five-year term beginning on 1 January 1990. The transition period shall close by the end of the year 1994.

Application and entry into force of amending provisions:

340/1995:

This Act enters into force on 20 March 1995.

746/1998:

This Act enters into force on 1 January 1999

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

37/2000:

This Act enters into force on 1 March 2000.

492/2002:

This Act enters into force on 1 July 2002.

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

396/2003:

This Act enters into force on 25 July 2003.

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

635/2005:

This Act enters into force on 1 January 2006.

Section 6(1)(4) of this Act shall be applied for the first time to the report covering 2005 and 2006.

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