



Rules and Regulations for the Operation of Cable Television Service

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Bhutan InfoComm and Media Authority
Royal Government of Bhutan

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Chapter: Preliminary

1.1 Legal Basis

These Rules and Regulations are issued as per Section 90 to 128 of the Information, Communications and Media Act of Bhutan 2018 (“the Act”) by the Bhutan InfoComm and Media Authority (“the Authority”) for ensuring fair and efficient regulation of the cable television industry.

1.2 Title and Commencement

These Rules and Regulations shall be called as Rules and Regulations for the Operation of Cable Television Service and shall come into force on the 1st day of July, 2019 corresponding to the 29th day of fourth month of the Bhutanese Earth Female Pig Year.

1.3 Scope of Application

These Rules and Regulations shall apply for operation of Cable Television services within the Kingdom of Bhutan and shall be read in conjunction with all other existing codes of practice and Rules established by the Authority.

1.4 Amendments

Amendment to these Rules and Regulations shall be made according to the needs and changes in national priorities, policies and industry trends. The amendment of these Rules and Regulations by way of addition, variation or repeal may be effected by the Authority as and when required.

1.5 Repeal

With the commencement of these Rules and Regulations, the Rule for the operation of cable television service 2017 are repealed

1.6 Interpretation

The power to interpret these Rules and Regulations shall vest with the Authority who may issue such instructions as may be necessary to give effect to and implement the provisions of these Rules and Regulations.

1.7 Rules of Construction

In these Rules and Regulations, unless the context indicates otherwise, the masculine gender shall include the feminine gender and the singular shall include the plural and vice versa.

1.8 Definition

In addition to the following terms, or unless the context requires otherwise, the words and terms used in these Rules and Regulations shall have the same meaning as assigned in the Act.

Alternative Dispute Resolution Centre means the Bhutan Alternative Dispute Resolution Centre established as per Alternative Dispute Resolution Act 2013.

Authority means the Bhutan InfoComm and Media Authority as established under the provision of the Act.

Area of Operation means the designated area as approved by the Authority.

Cable Television Service means the distribution of programmes produced by television broadcasters through cable/wireless system.

Cable Television System means facility consisting of a set of closed transmission paths and associated signal generation, control and distribution equipment designed to provide cable television service for reception by multiple subscribers within a community.

Channel means a set of frequencies used for transmission of a programme.

Control Room means an operations center which will serve as a central space where a physical facility or physically dispersed service can be monitored and controlled before being distributed to the customers.

Local Administration means Dzongkhag, Thromde, Drungkhag or Geog Administration.

Multi Service Operator (MSO) means a television Content Provider, who will acquire foreign television content, re-process and then distribute to the Local Cable Operators. It will be a whole seller and national distributor of television content.

Nearest Distribution Point means the existing equipment from where the cable television service can be extended and distributed to the subscribers;

Pay Channel means a TV channel/channels for which fees are charged by the broadcaster for its retransmission.

Subscriber means a person, firm, corporation, or any other entity who receives the cable television service from a licensed cable operator.

Trunk Cables means the bundled wires, cables, or fiber optic used to take television programs from one location to another only and not for distribution to any subscriber.

Chapter 2: Licensing Procedure

2.1 General Conditions

2.1.1 Any person who intends to establish, maintain or operate Cable television service shall acquire a valid license from the Authority.

2.1.2 An individual shall not be granted more than one Cable television service license.

2.1.3 All licenses granted under these Rules and Regulations are non-exclusive. However, the Authority shall determine the requirement of additional licenses in the same area of operation.

2.1.4 The license for operation of CATV service shall exclusively be for distribution of cable television programmes. The licensee shall not have the right to distribute its own content.

2.1.5 The licensee shall not lease the license to any other person.

2.1.6 Sharing of control rooms by licensees shall only be permitted within the same Dzongkhag.

2.1.7 In the event, if a licensee wishes to share the control room, then the proposal shall be submitted as per the Guidelines issued by the Authority.

2.2 Application Procedure

2.2.1 The application shall be submitted to the Authority in the form prescribed under Annexure A of this Rules and Regulations.

2.2.2 The Authority shall review the application and shall intimate the decision in writing to the applicant within seven (7) working days.

2.2.3 The fee for the operation of Cable Television system shall be applicable as prescribed in Schedule IV of this Rules and Regulations.

2.2.4 The Authority shall issue in-principle approval for establishment of CATV system before issuance of CATV operational license. The establishment of CATV system shall be completed on or before one hundred and eighty (180) days from the date of issuance of the in-principle approval.

2.2.5 In the event the applicant fails to establish the Cable television system within the stipulated time frame, the Authority shall have the right to deny the issuance of the CATV operational license.

2.2.6 The applicant shall be issued with a CATV operational license only after field verification by the Authority or an authorised representative.

2.2.7 The applicant shall commence the CATV service only after obtaining CATV operational license from the Authority.

2.3 Procedure for the issuance of recommendation by Local Administration

When the application is received for establishment of CATV system within its jurisdiction, the Local Administration shall ensure to carry out the following process and accordingly submits its recommendation to the Authority.

- (a) Determine the requirement of such establishment taking into consideration any existing cable operator, if any, and
- (b) Assessment of the impact of the proposal in their respective communities.

2.4 Renewal of License

2.4.1 The CATV operational licenses irrespective of the date of issuance shall be valid till 30th of June and shall be renewed annually within 1st to 31st of July.

2.4.2 The application for the renewal of the licence shall be submitted to the Authority as per the form prescribed in Annexure D of this Rules and Regulations.

2.4.3 A penalty of Ngultrum fifty (Nu.50) per day shall be levied for failing to renew the license within the stipulated time for a maximum of ninety (90) days after which the license shall be automatically cancelled.

2.5 Change of Ownership

Change in ownership of CATV operational license shall be permissible only on approval of the Authority. Such request shall be submitted to the Authority.

2.6 Area of operation

2.6.1 The CATV operational license is location specific and the licensee shall strictly comply with the area of operation as specified in the license.

2.6.2 If the licensee intends to extend his service beyond the designated area of operation then a prior approval shall be sought from the Authority.

2.6.3 Extension in the area of operation shall be considered only within the Dzongkhag subject to market feasibility and with recommendation of the Local Administration.

Chapter 3: Cable Television Services

3.1 Provision of Service

- 3.1.1 The licensee shall ensure that the National broadcasting service channels (BBS 1 and 2) are included in their channel bouquet.
- 3.1.2 The licensee shall only distribute the television channels approved by the Authority.
- 3.1.3 Any value added services through the cable television system shall be permissible only after obtaining prior approval of the Authority.
- 3.1.4 The licensee may levy the one-time installation charges to the subscribers as approved by the Authority. However, the licensee shall not levy the installation fee if a new customer occupies the same place without having to reconstruct the connection.

3.2 Monitoring of Services

Besides the Authority, the Local Administration shall monitor the content and quality of cable services provided by the licensee within their jurisdiction.

3.3 Subscription to foreign Television channels

- 3.3.1 The licensee shall subscribe its foreign channels from the licensed Multi Service Operator (MSO). However, in the absence of licensed MSO, the licensee may subscribe from any legitimate service providers approved by the Authority.
- 3.3.2 The list of channels and the copy of the agreements signed with such service provider(s) shall be submitted to the Authority.

3.4 Tariff

3.4.1 The Authority shall set the tariff ceiling for the cable television services based on the change in technology and market dynamics.

3.4.2 The tariff for value added services, if approved by the Authority, shall be unbundled from cable television services.

3.5 Discontinuation of the Service

3.5.1 In the event if the licensee decides to discontinue the Cable television service, the Licensee shall inform the Authority, three months in advance and shall continue to provide such service until a formal approval is accorded.

3.5.2 The application for discontinuation of service shall be submitted in writing along with tax clearance from the Department of Revenue and Customs.

3.6 Inspection of records

3.6.1 The licensee shall maintain a record of operation and such record shall be made available to the Authority as and when required. The record shall include, but be not limited to, subscriber details, number of channels, operation and maintenance record and network detail.

3.6.2 The Authority shall have the right to inspect at any time during normal business hours, all books & records.’

3.7 Service standards

3.7.1 The licensee shall ensure to render consistent quality of service with minimum interruption at all times.

3.7.2 The licensee shall make adequate provisions for customer care service and complaint handling. All complaints shall be

recorded and maintained at least for a period of six (6) months.

3.7.3 The licensee shall draw and maintain a detail Service Level Agreement (SLA) with its customer.

3.7.4 All trunk cables shall be installed underground or placed in common duct if provided by the Local Administration.

3.7.5 Distribution of CATV services shall be executed with minimum disruptions to the community as well as the aestheticity of the local environment.

3.7.6 Any infrastructures that are not in use or do not have any future requirements shall be removed by the licensee.

3.8 Safety

3.8.1 The licensee shall install and maintain its cable television system for ensuring all types of safety including prevention of any damages, injury, or nuisance to the public or its subscriber or its employees.

3.8.2 All licensees shall follow Rules and Regulations on Infrastructure Sharing and the Rules and Regulations on Sharing of Electricity Poles by Commercial Cable Television Operators.

3.8.3 In the event of damages caused due to neglect of safety provisions, the licensee shall bear the cost of repair, replacement or compensation.

Chapter 4: Compliance, Penalties and Appeal

4.1 Compliance

4.1.1 In addition to these Rules and Regulations, the licensee shall comply with relevant laws, codes, standards, orders, directives, notifications and guidelines.

4.1.2 The licensee shall permit any official of the Authority or an authorized representative to enter into any premises that may be used by the licensee in connection with cable TV system for the purpose of verifying compliance with the standards, lawful orders, instructions or requirements of the Authority.

4.2 Penalties

4.2.1 The Authority shall, subject to the degree of violation, impose the following penalties:

- (i) Issue a written warning letter for the first violation.
- (ii) Impose a penalty equivalent to a maximum of six (6) months daily minimum wage depending on the gravity of the offence for the second violation;
- (iii) Suspend the operation of the establishment for a period of two months or impose a penalty equivalent to six (6) months daily minimum wage or both depending on the gravity of the offence for third violation;
- (iv) The license shall be cancelled automatically upon the fourth violation.

(v) Notwithstanding the above provisions, if the violation is proven to be severe, the Authority may impose a penalty up to one (1) year daily minimum wage or suspend or cancel the licence.

(vi) In the event, if the licence is cancelled, the defaulter shall not be eligible for the licence for a period of three (3) years.

4.3 Appeal

4.3.1 If aggrieved by the decision of the Authority, the licensee may appeal against such decision to the Alternative Dispute Resolution Centre within ten (10) days of the receipt of the information of such decisions as per section 67 of the Act.

4.3.2 While appealing against the decision of the Authority, the Licensee shall bear all the expenses incurred by Authority including registration fee payable to the Alternative Dispute Resolution Centre.

4.4 Indemnification

4.4.1 Licensee shall indemnify, defend and hold harmless the Authority and its officials, agents, attorneys and representatives against any and all costs, damages, expenses, claims, suits, actions, liabilities and judgments for damages, including but not limited to, expenses for legal fees, whether suit be brought or not, and disbursements and liabilities incurred or assumed by the Authority in connection with:

- (i) damage to persons or property, in any way arising out of or through the acts or omissions by the Licensee, its officials, agents, attorneys, representatives or employees;

- (ii) requests for relief arising out of any Licensee's action or inaction which results in a claim for invasion of the right of privacy; for defamation of any person, firm or corporation; for the violation or infringement of any copyright, trademark, trade name, service mark or patent; or of any other right of any person, firm or corporation; or
- (iii) any or all claims arising out of Licensee's failure to comply with the provisions of these Rules and Regulations or any other law, or Rules applicable to Licensee.

Annexure A: Application form for New Cable Television Service Licence

- (i) *Complete all the information as required and submit it along with the recommendation of the Local Administration and Cable Television Service Project proposal.*

 - (ii) *The Authority may reject the application in the event, if the information is not submitted as per the format, or if the information submitted is incomplete.*

 - (iii) *The applicant should be familiar with the relevant provisions of the Information, Communications and Media Act of Bhutan 2018 and Rules for Operation of Cable Television Service*
-

A: Details of the Applicant:

1	Name
2	Citizen ID no.
3	Village:
4	Geog:
5	Dzongkhag/ Drungkhag:
6	Business Address:
7	Present Address:
8	Contact no a) Fixed /Mobile number: b) Fax number:

	c) email address:
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B: Details of the Establishment

1	Proposed name of the Cable Television Service :						
2	Details of the personnel a) Manager <ul style="list-style-type: none"> • Name: • CID no: • Qualification b) Technicians <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">• Name:</td> <td>Name:</td> </tr> <tr> <td>• CID no:</td> <td>CID no:</td> </tr> <tr> <td>• Qualification</td> <td>Qualification:</td> </tr> </table> <i>Use separate sheet, if required.</i>	• Name:	Name:	• CID no:	CID no:	• Qualification	Qualification:
• Name:	Name:						
• CID no:	CID no:						
• Qualification	Qualification:						
3.	Intended Area of Operation:						
4	Expected number of Customers:						

C: Technical Details

1	Location of the Control room/ Head-end system:
2	Details of the Cable television system
2.1	Source of Cable feed:
2.2	Type of transmission:

D: Details of the documents to be submitted

- 1. Copy of Citizenship Identity Card
- 2. Copy of the Security clearance
- 3. One passport size photograph.
- 4. Cable Television Project Proposal
- 5. Documentary proof of channels to be distributed

F: Declaration

I/We hereby declare that:

- (i) The details provided above are correct and factual. In the event if the any of the information provided above are found to be incorrect, the Authority shall have the right to reject the proposal; and
- (ii) Do not own or operate any other cable television system.

Signature of Applicant

Date _____

Affix legal stamp

Annexure: Recommendation of Local Administration

A. Recommendation of the Geog Administration

1. Name of the Geog:
2. Dzongkhag:
3. Name of the person who intends to establish the CATV system:
4. Proposed area of operation:
5. Estimate number of customers/households:
6. Reason for establishment, tick either one

a) New

b) Expansion of service

The.....Geog Administration under.....Dzongkhag validates the above information and the proposal to establish the above mentioned cable television system is:

a) Recommended

b) Not-recommended

Kindly state the reasons for the above

(Signature)

Name of the Gup:

Contact number:.....

Seal of the Office

B. Endorsement of Dzongkhag /Dungkhag Administration

The..... Dzongkhag/ Dungkhag Administration endorses the recommendation of Geog issued to.....for the establishment commercial Cable Television System.

(Signature)
Name of the recommending officer
Dzongkhag/ Dungkhag

Seal of the Office

Annexure C: Guidelines for preparation of project proposal for Cable Television Service

1. Details on the Ownership
2. Location of the Control room (*Give details on the location for setting the control room/headend system along with the site map*).
3. Financial details:
 - a) Estimated project cost including equipment, human resource, operational and maintenance and other associated costs.
 - b) Estimated Revenue including rental, installation and any other associated revenue.
4. Network infrastructures
 - a) Reception:
 - b) Transmission:
 - c) Infrastructure Sharing:

Annexure D: Application form for renewal of cable television license

A: Details of the Licensee

1	Name of the CATV service :
2	Licence number:
2.1	Date of issue:
2.2	Date of renewal:
3	Name of the Owner:
4	CID No:
5	Security Clearance <input type="checkbox"/>
6	Tax Clearance Certificate <input type="checkbox"/>
7	Area of Operation:
8	Number of subscribers:
9	No. of channels: <i>(attach the list of channels in separate sheet)</i>
10	Recommendation of the Local Administration <input type="checkbox"/>
11	Contact Details
11.1	Fixed/mobile no:
11.2	Email address:

B: Declarations

I/We hereby declare that:

The details provided above are correct and factual. In the event if the any of the information provided above are found to be incorrect, the Authority shall have the right to reject the renewal.

Signature of the licensee

Date _____

Affix legal
stamp

Annexure E: Recommendation for renewal of cable television license

A: Details of the Licensee

1	Name of the Cable Television Service:
2	Name of the Owner:
3	Citizen Identity Card No:
4	Area of operation:
5	Number of Subscribers:

B: Recommendation of the Local Administration

The undersigned local administrator validates the above information and issues the following for the renewal of the CATV licence:

1) Recommend for renewal

2) Not recommended for renewal

Kindly state the reasons for the above.

Seal of the
Office

(Signature)
Name of the Administrator:

Annexure F: Fees

Sl	Particulars	Fees
1	New CATV Licence	Nu. 25,000.00
2	Renewal of CATV Licence	Nu. 5,000 + (0.01x 231x 12x no. of customers) Where 231 is the monthly rental charges excluding the 30% entertainment tax.
3	Late renewal of CATV licence	A fine of Nu.50 per day shall be levied for late renewal for a period of 90 days.
4	Transfer fee (Ownership change).	Nu. 5,000.00
5	Duplicate Licence	Nu. 500.00