

Agency for Culture and Palaces

The Danish Radio- and Television Board

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The Radio and Television Board's invitation to re-tender for licences for DAB block 3

The ministry of Culture Denmark has issued Executive Order no. 414 of 9 of May 2016 concerning the Radio and Television Board's invitation to tenders for licences for programme activities in the regionally divided DAB block 3 (hereafter referred to as "the Executive Order"). The Executive Order is to a great extent a reiteration of the former Executive Order no. 600 of 4 of May 2015, but revised with regard to the on-demand guarantee of DKK 250.000 which is no longer a requirement.

In accordance with Section 1 of the Executive Order, the Radio and Television Board invites to tender for programme activities in 13 areas in DAB block 3. It will be possible to tender in 12 specific areas. In accordance with the contract conditions, up to 16 licences will be issued in each area, of which some are already issued. If there are more qualified bidders than vacant licences in a region, the Radio and Television Board will carry out an assessment of the bidders based on their attractiveness.

The complete tender documentation is available for download on the Danish Agency of Culture and Palaces website <http://slks.dk/index.php?id=34067>

The Radio and Television Board hereby call for tenders for DAB block 3. The deadline for submitted bids is Monday 10 October 2016.

The Radio and Television Board expects to publish a list of all the bidders on Friday 14 October 2016. The licences are expected issued on 1 December 2016 and will be valid up to and included 30 June 2023.

The Radio and Television Board draws attention to the fact that the transmission networks in DAB block 3 is in some areas establish:

- Southern Jutland
- East- and north Zealand

- Funen
- Northern Jutland, Central
- Northern Jutland, North
- Northern Jutland, West
- Eastern Jutland, South
- Eastern Jutland, North
- Western Jutland, South
- West Zealand, North

The contact person of the transmission areas is available for download on the Danish Agency for Culture and Palaces

website: http://slks.dk/fileadmin/user_upload/0_SLKS/Dokumenter/Medier/Radio/2016/3_Nu_vaerende_tilladelser_DAB-blok_3.pdf

In the following areas the transmission network in DAB block 3 is not yet established and that it must be jointly established by the licence owners:

- West Zealand
- South Zealand
- Bornholm

The Radio and Television Board cannot be held responsible for any cancellation of the call for tenders. In addition, the Radio and Television Board cannot be held responsible for any amendments to the licence terms specified in the tender documentation which at the Minister of Culture's request may be announced before the expiry of the deadline for submission of bids.

Summary

1. Invitation to tender

The regionally divided DAB block 3 will be put up for tender by the bidder providing the minimum information required by the tender documentation. The deadline for submitted bids is Monday 10 October 2016.

Only in regions where the total number of bidders exceeds the number of vacant licences in an area, the allocation of programme licences will be made in accordance with an assessment of their attractiveness.

Section 5.2. of the tender documentation specifies how the Radio and Television Board will assess the submitted bids. The weighting of each individual evaluation criteria and its associated sub-criteria is clarified below.

This section also includes a short review of the contents of the following section about the background for the call for tenders, the bidding procedure, including what information each bids must contain, the Radio and Television Board's processing of the bids and licence terms.

2. Bidding procedure

Any queries about the tender documentation may be submitted during the

period up until 26 September 2016, 12:00. Queries and their answers will be published on the Danish Agency for Culture and Palaces website

<http://slks.dk/index.php?id=34332>

The queries will be published in an anonymous format, to ensure that the questioners is not explicitly identifiable.

Queries and their answers will be published on the Danish Agency for Culture and Palaces website on an on-going basis, however no later than Monday October 3 See further details in section 12 of the tender documentation.

Bids must have been received by the Radio and Television Board no later than Monday 10 October 2016.

In regions where the total number of bidders exceeds the number of vacant licences, bidders will, for the Radio and Television Board's assessment of their attractiveness, be asked to provide the following, no later than Friday 4 November 2016:

- An account of their financial status, measured by their liquidity ratio and solvency ratio in the last financial year.
- An account of their experience in operating a commercial radio broadcasting company or other media company.

Experience in operating local radio carries more weight than experience in operating national radio, which carries more weight than experience in operating a media company. In relation to this, more recent experience carries more weight than less recent experience.

The bidders may base their experience on the abilities of other entities.

The Radio and Television Board is entitled to correct errors and carry out minor amendments to the tender documentation before the deadline for the submission of bids. The Radio and Television Board may finally make amendments to the tender documentation, including the stated licence terms, if so requested by the Minister of Culture. If the Radio and Television Board makes changes to the tender documents before expiry of the deadline for bids, the Radio and Television Board must rule on a potential extension of the deadline.

All of the information issued by the Radio and Television Board will be published on the Danish Agency for Culture and Palaces website <http://slks.dk/index.php?id=34067>

After the deadline for the placing of bids has expired, any change of date for the Board's decision or similar, will be reported directly to the bidders' official contact.

The tendering process, including queries and answers, bids and other documents and communications will normally be in Danish. In consideration of any interested foreign parties, this summary of the tender documentation has been translated into English

3. The Radio and Television Board's receipt of the bids

Upon receipt of bids, the Radio and Television Board will review them to ascertain whether they contain the required information, as stated in the tender documentation. The Board will

then contact bidders as soon as possible for possible clarification of the information provided. In addition, it will not normally be possible to supplement the information provided but the Radio and Television Board, acting within the framework of the principle of equal treatment, may also request additional information to clarify matters already described in the bid. However, the Radio and Television Board may not in this context ask questions or request additional information relating to the basic elements of the bid.

Bids which do not contain the minimum information required by the tender documentation, will be rejected by the Radio and Television Board.

Bids that meet the minimum criteria and which are made in areas where there are fewer bidders than vacant licences will immediately be entitled to an allocation of a programme licence.

In areas where there is competition, i.e. in areas where there are more bidders than vacant licences, the Radio and Television Board will ask the bidders to account for and document their experience and financial status, as specified in section 4.2 of the tender documentation.

On the basis of an evaluation of the accounts and documentation given, the Radio and Television Board will determine which bidders in the areas where there is competition will be granted the licences. In the Radio and Television Board's evaluations, a weighting of 50 % will be given to the bidder's finances, assessed on liquidity ratio and solvency ratio in the last financial year. A weighting of 50 % will be given to the bidder's experience in operating a commercial radio broadcasting company or other media company. Experience in operating local radio carries more weight than experience in operating national radio, which carries more weight than experience in operating another media company. More recent experience carries more weight than less recent experience.

4. Licence terms

No specific requirements have been stipulated for the range of programmes, apart from those that follow from the Executive Order's rules regarding the protection of minors and the ban on discriminatory programme content and the promotion of terrorism.

Advertisements and sponsored programmes may be part of the programme activities in accordance with the regulations in the Radio and Television Broadcasting Act.

Licence owners must broadcast the programmes in DAB+ format, but must without compensation accept changes in technology, format, etc., if political decisions are taken about this. No requirements for the contribution ratio have been stipulated.

The licence owners are obligated – together with the other licence owners in the area – to form and be part of a broadcasting association, which among other things, must operate the DAB block 3. Through the broadcasting association, the licence owners will defray the costs of establishment, operation and distribution.

The licence owners shall not pay either fixed or turnover-dependent concession fees to the Radio and Television Board. However, an annual frequency fee for the frequency licence must be paid to the Danish Energy Agency. The frequency fee must be paid by the frequency

licence owner, i.e. the broadcasting association.

The licence owners must participate in official media industry listener analyses in Denmark or in some other way carry out analyses that are comparable with these. No later than six months after the programme licences have been issued, the licence owners must begin programme activities in accordance with the licence.

5. The Licence

The licence comes into effect on the date it is issued. The licence will apply up to and included 30 June 2023. The Danish Energy Agency will issue frequency licences on request from the relevant broadcasting association.

A programme licence provides the licence owner with 1/16 (54 capacity units) of the capacity in DAB block 3 in the area which the licence covers.

The Radio and Television Board oversees compliance with the terms of the licence and the rules of the Radio and Television Broadcasting Act and with regulations issued pursuant to the Radio and Television Broadcasting Act. The Danish Energy Agency oversees compliance with the terms of the frequency licence and the regulation in the frequency legislation.

6. Schedule and invitation to tender

The invitation to tender process is expected to follow the following time line:

Deadline for questions about the tender documentation	Monday 26 September 2016 12:00
Deadline for responses to queries and any changes to the tender documentation	Monday 3 October 2016
Deadline for the submission of bid, stage 1	Monday 10 October 2016
Publication of all of the bidders	Friday 14 October 2016
Hearing of bids in competition, stage 2	Friday 21 October 2016
The Radio and Television Board's expected processing of bidders in areas without competition, stage 1	Monday 24 October 2016
Expected publication of licence owners in areas without competition, stage 1	Friday 28 October 2016
Deadline for the submission of bid material, stage 2	Friday 4 November 2016
The Radio and Television Board's expected processing of bidders in areas with competition, stage 2	Monday 24 November 2016
Expected publication of licence owners in areas with competition, stage 2	Friday 28 November 2016
Expected issuing of programme licences	Thursday 1 December 2016

7. Language

All communication and correspondence during the entire tendering process will be in Danish. This means that for example bids, other documents and any queries must be written in Danish.

However, in addition to the compulsory information that must be given in Danish, bidders may submit supplementary information about technical details in another Scandinavian language (Norwegian, Swedish) and/or in English. Responses to queries and all communication from the Radio and Television Board will be in Danish. This English translation of the summary of the tender documentation has been made in consideration of any interested foreign parties.