Advertisement (Regulation) Rules, 2077

Published in the Nepal Gazette on 2077/07/03

Amendment

1. Advertisement (Regulation) (Amendment) Rules, 2080 2080/04/32

The Government of Nepal, in exercise of the power conferred by section 36 of the Advertisement (Regulation) Act, 2076, has made the following rules.

Chapter-1 Preliminary

- 1. Short title and commencement: (1) These rules may be called the "Advertisement (Regulation) Rules, 2077".
- (2) These rules shall come into force immediately.
- 2. Definition: In these rules, unless the subject or context otherwise requires,-
- (a) "Advertisement and Regulations Committee" shall mean the Advertisement and Regulations Committee established under sub-section
- (2) of section 23 of the Act.
- (b) "Act" shall mean the Advertisement (Regulation) Act, 2076.
- (B1) "Electronic (digital) media" means any media established or established in accordance with the prevailing law, and used to disseminate, publish, broadcast or distribute ideas, information and news, audio-visuals, using signs, symbols, images, sounds, graphics, pictures, songs, music, videos, animations, etc. through the Internet, in accordance with the principles of journalism and editorialism.

www.lawcommission.gov.np

2

It should be understood as a medium for the production, publication, broadcasting or distribution of ideas, information and news, audio-visuals.

(b2) "four means" means government, public or private sector; Broadcast news, information, entertainment programs and messages Intended to cause or transmit electronic signals After understanding media and changing it to internet based media It also refers to the medium.

(B3) "Government body" means the Office of the President, the Office of the Vice President, the Supreme Court, the Federal Parliament, the Ministries of the Government of Nepal, the Secretariat, the Constitutional Bodies, the Commission, the Office of the Chief Minister, the

Court, the Office of the Chief Justice, the Nepal Army, the Nepal Police, the Armed Forces, Nepal and all other federal government offices.

- (B4) "Social media" means electronic media that is interconnected through the Internet and is used for the purpose of communication or interaction.
- (c) "Recommendation Committee" shall mean the Recommendation Committee as per sub-section (4) of Section 14 of the Act.

Chapter-2 Provisions relating to Elections

- 3. Selection of candidates through open competition: (1) The Recommendation Committee shall, within fifteen days from the date of submission of applications, publish a notice in a national daily newspaper inviting the candidates who have fulfilled the qualifications as per Section 17 of the Act to submit applications.
- (2) The Recommendation Committee shall prepare a shortlist of qualified candidates from among the applicants received in accordance with the notification under sub-rule (1) and shall invite such candidates for an interview, professional work and presentation thereof.

www.lawcommission.gov.np

- 3 The candidates shall be invited for an interview, professional work and presentation thereof.
- (3) The Recommendation Committee shall recommend to the Government of Nepal the names of not more than three candidates who have secured the highest marks in the professional work and presentation thereof, from among the candidates selected under sub-rule (2).
- 4. Functions, duties and powers of the Board: In addition to the functions, duties and powers specified in the Act, the other functions, duties and powers of the Board shall be as follows:-
- (a) To list and determine the standards of the media for the purpose of distributing advertisements,
- (b) To classify advertisements or information to be published or broadcast,
- (c) To prepare and monitor standards and codes of conduct relating to advertisements,
- (d) To monitor and regulate advertisements in cinema halls and sports venues and other programs,
- (e) To coordinate with the Provincial Monitoring and Regulation Committee and the local bodies.
- (f) To monitor and regulate advertising agencies To regulate and regulate,
- (g) To process the amount of money paid for advertisements,
- (h) To keep up-to-date records of the movable and immovable property of the Board and to take care of, properly maintain and preserve such property.
- 5. Screening of Advertising Materials: (1) The Board shall prepare criteria for screening the content of advertisements broadcast through four media:-
- (a) Nature and subject matter of the advertising material to be broadcast,

- (b) Time and duration of broadcasting of the advertising material,
- (c) Audio, visual or audiovisual, segments, phrases,

numbers, symbols, shapes or signs contained in the advertising material,

(d) Other grounds deemed appropriate by the Board.

Amended by the amendment.

www.lawcommission.gov.np

4

- (2) The Chairman of the Board or an authorized person designated by him shall examine the advertising material on the basis of the criteria prepared in accordance with sub-rule (1).
- (3) The tenderer may, in accordance with sub-rule (2), engage the services of an expert as required.
- (4) The examination to be carried out in accordance with sub-rule (2) shall be as per the prescribed criteria.
- 5a. Classification of Advertisements and Information: (1) Advertisements and information to be published and broadcast for a limited period of time or for a limited period of time shall be classified on the basis of:-
- (a) Advertisements and information relating to public interest,
- (b) Promotional advertisements and information,
- (c) Other advertisements and information.
- (2) Advertisements and information classified under sub-rule (1) shall be published and broadcast in the media prescribed in accordance with the standard laid down in rule 5b.
- (3) Advertisements and information may be published or broadcast in the media as may be practicable by the Union, Province or Local Government. In such publication and broadcasting, the national language prevalent at the local level may also be used.
- 5B. Determination of standards: (1) The Board shall determine the standards of the media for the purpose of publishing and broadcasting government advertisements or information on the basis of:-
- (a) The standards of the media regulated under the prevailing law Classification,
- (b) Size, number of pages, number of publications, geographical distribution and distribution of newspapers,
- (c) Distribution and distribution of newspapers and magazines,

By amendment.

www.lawcommission.gov.np

- (d) Number of digital media.
- (2) The media, whose standards have been determined under sub-rule (1), shall annually charge a fee in accordance with the prevailing law for the purpose of publishing and broadcasting government advertisements or information.
- (3) If it is found that the rate provided by any media outlet under sub-rule (2) is abnormally low or high, the bidder may fix the rate after discussing or holding a meeting with such media outlet.
- (4) The rate of the advertisement or notice established under sub-rule (2) or (3) shall be included in the bid.
- (5) No government body or bid advertisement shall be provided to a media outlet that does not provide the rate to the bidder under sub-rule (3) or that does not intend to transact business at the rate established under sub-rule (3).
- 5c. Advertisement or information to be published and broadcast through the board: (1) A government body shall publish and broadcast advertisement or information through the board in accordance with Section 32 of the Act.
- (2) The advertiser who is to publish and broadcast advertisement or information in accordance with Sub-rule (1) shall select four media and enter them in the board's information management system.
- (3) Notwithstanding anything contained in sub-rule (1), if the content of the advertisement or notice requires the services of an advertising agency for the production, publication and broadcasting of such advertisement or notice, the government body may engage the services of an advertising agency subject to the prevailing law relating to procurement.
- (4) The advertising agency under sub-rule (3) shall be entered into the information management system of the advertisement or notice publishing and broadcasting body as selected by the government body.
- (5) The advertisement or information received under sub-rules (2) and (4) shall not be subject to any arrangement for its immediate publication or transmission in the public domain.

By way of amendment.

www.lawcommission.gov.np

- 6. Publication, transmission and distribution of advertisements relating to public welfare or public funds: (1) Notwithstanding anything contained in rule 5C., if a government body is required to publish, broadcast or distribute advertisements relating to public welfare or public funds, it shall prepare such advertisements and display them in the public domain.
- (2) The advertisement received under sub-rule (1) shall be distributed to the media on a regular basis on the basis of:-
- (a) Classification of media as per prevailing law,

- (b) Number of publications of media and geographical distribution,
- (c) Citizens' interest in the concerned media,
- (d) Media from women, oppressed or other backward communities or in backward geographical areas,
- (e) Other criteria specified by the Ministry from time to time for publication or broadcasting of advertisements relating to public welfare or social welfare.
- (3) The Board may request the relevant media outlet to provide proof or evidence in support of the basis of sub-rule (2).
- 6A. Bills: (1) The government body shall keep the amount of money paid for publication or broadcasting of advertisement or information in the bill under this rule.
- (2) If the government body makes a bill under sub-rule (1) and the bill is issued by such media outlet, the bill shall be in accordance with rule 5C. The bill issued by a media outlet for the purpose of publishing and broadcasting through an advertising agency shall be charged at the rate specified in rule 5B.

Amended by the Bill.

Amended by the Bill.

www.lawcommission.gov.np

- (3) While paying the amount to the media outlet or advertising agency under sub-rule (2), the amount specified in clause (b) of sub-section (2) of section 21 of the Act shall be deducted.
- (4) The amount deducted under sub-rule (3) shall be deposited in the treasury of the Board and the Board shall be informed thereof.
- 7. Membership privileges: (1) Members shall be entitled to a membership fee as determined by the Ministry of Finance in the Committee for the purpose of attending the Board meeting.
- (2) Experts invited to the Board meeting shall be entitled to a membership fee for attending the Board meeting.
- 8. Remuneration of employees and expert services under service contracts: (1) If the Ministry is unable to provide the required managerial and expert employees to the Board in accordance with sub-section (2) of section 20 of the Act, the bidder may select managerial or expert employees through open competition and appoint them under service contracts for a period not exceeding one year at a time.
- (2) Notwithstanding anything contained in sub-rule (1), the bidder shall appoint assistants, tour operators, and drivers under service contracts.

(3) The remuneration of an employee appointed under a service contract in accordance with sub-rules (1) and (2) shall be determined in a manner that is higher than the remuneration of an employee of the Government of Nepal of the same rank.

Chapter - 3

Inquiry into and consideration of complaints

9. Complaints and decision: (1) An employee may file a complaint in writing or electronically to the Board, the Administrative and Regulatory Committee or the local body in accordance with Section 27 of the Act.

www.lawcommission.gov.np

8

(2) Complaints received under sub-rule (1) or action by other bodies Complaints received in writing shall be dealt with separately by the administrative authority or the administrative authority.

Datath will be added to the data.

- (3) Board, decision or regulation on appeals made under sub-rule (2) Sanmanat or Shraniya will be checked.
- (4). If the complaint received is prima facie unfounded or is made with the sole purpose of causing harm or annoyance, such complaint may be decided to be kept in custody.
- (5) In the case of any other complaint other than that which has been decided to be kept in custody under sub-rule (4), the Board, the Inquiry and Rules Committee or the local body may, as necessary, inquire into the person concerned, produce documentary evidence, conduct or cause to be conducted an inspection.
- (6) The Board, the Inquiry and Rules Committee or the local body shall inform the complainant of the decision to keep the complaint in compliance with sub-rule (4) or the action taken under the Act and these Rules within seven days.
- (7) Other procedures related to the investigation of the complaint shall be determined by the Board, the Inquiry and Rules Committee or the local body under the Act and these Rules.

Chapter 3-A.

Hearing Board

9A. Approval on the basis of criteria determined by the Board:

- (1) The local authority shall grant approval for advertising on billboards, street media and other media in accordance with the rules, size, type and criteria determined by the Board, without prejudice to local laws.
- (2) While granting approval under sub-rule (1), the local authority shall also consider whether there is a suitable place for such advertising.

By way of amendment.

www.lawcommission.gov.np

- (3) If an advertisement is made by placing a photograph of a person on a notice board, a newspaper or other medium, the photograph of the person shall be that of a local artist or artist.
- 9b. Advertisement in Newspaper: (1) When an advertiser advertises in a newspaper, he shall not have to obtain permission from the local authority where the head office of the newspaper is located or the local authority where the newspaper owner resides.
- (2) While granting permission under sub-rule (1), the concerned local body shall take into consideration the following matters:
- (a) Whether the advertisement is contrary to the norms prescribed by the prevailing laws relating to road and transport,
- (b) Whether the advertisement covers the entire surface of the road vehicle,
- (c) Whether the advertisement is intended to change the appearance of the road vehicle,
- (d) Whether the norms prescribed by the Board and other matters are not met.
- 9c. To inform the Board: If the local government grants permission to anyone to place advertisements on billboards, billboards and other media in accordance with this rule, the information shall be made available to the board through the information management system introduced by the board.
- 9d. Notice of welfare or public funds to be kept: (1) If the advertisement mentioned in the billboard is vacant during the period of the permission received to place the billboard, the advertising agency that has received permission to place the billboard shall keep advertisements or notices related to public welfare or public funds issued by the Government of Nepal, the Provincial Government or the local government.

www.lawcommission.gov.np

10

- (2) The local authority may grant a licence to an advertising agency displaying advertisements or notices relating to public welfare or public funds for a specified period in accordance with local law.
- (3) In the event of advertising in a public office, the advertisement or notice shall be related to public funds.

Chapter-4
Miscellaneous

10. Advertisement Boards to be kept in homes or offices: (1) As per sub-section (2) of section 4 of the Act, the size and type of advertisement boards, notice boards or notice boards to be kept in the premises of homes or offices where a person carries on his profession or business shall be as prescribed by the Board. (2) If an advertisement is also kept in the advertisement boards, notice boards or notice boards to be kept in the premises of homes or offices as per sub-rule (1), then a permit shall be required from the local authority subject to the criteria prescribed by the Board. 10a. Regulation of Advertisements through Electronic (Digital) Media or Social Media: (1) The following shall be regulated:

Advertisements and information through electronic (digital) media or social media.

- (2) The regulation of the bid under sub-rule (1) shall be made on the basis of the following:-
- (a) Whether the advertisement has been made through an authorized channel or not,
- (b) Whether the advertisement has been made in accordance with the Act and these Rules or not,

Amended by the requisite amendment.

Per requisite amendment.

www.lawcommission.gov.np

- (c) Advertisements have been made or received through any media outlet or advertising agency listed on the website.
- 11. Advertisement Agency Registration: (1) An agency seeking to be registered as an advertisement agency shall submit an application for registration in the prescribed format along with the following documents:-
- (a) Certificate issued under the prevailing law for the purpose of carrying out advertisement-related work and its renewal,
- (b) Tax clearance certificate for the previous and subsequent years,
- (c) Details of the annual turnover and capital structure of such agency,
- (d) Other documents and details required by the bidder.
- (2) If the application is not received and the details are not given in accordance with sub-rule (1), the bidder shall be required to remove the name of such agency from the list and make it public.
- (3) The advertising agency listed under sub-rule (2) shall be required to renew it by paying a renewal fee of one thousand rupees every year.

- (4) The listing of an advertising agency not renewed within the period specified in sub-rule
- (3) shall be automatically cancelled and the bidder shall remove the name of such agency from its list of registered agents.
- (5) An advertising agency removed from the list under sub-rule (4) shall: In case of listing, the process as per sub-rule (1) shall be followed.
- 11A. Transaction through advertising agency: (1) A government body may make arrangements for transaction through advertising agency for the purpose of publishing and broadcasting advertisements or information other than public welfare advertisements or information.

By way of amendment.

www.lawcommission.gov.np

- (2) While conducting business through an advertising agency under sub-rule (1), the advertising agency shall be selected from among the advertising agencies listed in the Board on the basis of open and transparent process.
- (3) The Board shall regularly update the list of advertising agencies listed in accordance with these rules.
- 11b. To suspend business:
- (1) If any advertiser, media outlet or advertising agency fails to comply with the code of conduct relating to the production, distribution, publication and broadcasting of advertisements as per the Act, these Rules or other prevailing laws, the Board may, by giving notice to such media outlet or advertising agency for a specified period, prohibit such non-compliant advertisement or information or suspend the publication and broadcasting of advertisements or information.
- (2) The Board shall make public the details of the advertiser, media outlet or advertising agency suspended under sub-rule (1).
- (3) No advertiser shall transact or cause to transact with any advertiser, media outlet or advertising agency whose business has been prohibited under sub-rule (1).
- 11c. Failure to obtain consent to broadcast advertisements in foreign programs
- : If a television organization registered in Nepal obtains the right to broadcast from any foreign association, organization or television organization and broadcasts any program of international importance or sports-related material, it shall not have to obtain consent from the person or organization designated to broadcast Nepali advertisements in such program.
- 12. To maintain records: (1) The advertising agency registered under rule 11 shall maintain a record of the advertisements made through its agency. (2) The records maintained under sub-rule (1) may be inspected as required.

By way of amendment.

www.lawcommission.gov.np

13

- (3) If any correction is required to be made in the records inspected under sub-rule (2), the commission may issue a notice to such agency to make such correction. It shall be the duty of the agency concerned to comply with such notice.
- 13. Management of the Board's Fund and Account: (1) In addition to the amount mentioned in sub-section (2) of section 21 of the Act, the following shall also be deposited in the Board's fund:-
- (a) The amount received for registration or renewal of the advertising agency,
- (b) The amount received from the government body as three percent of the amount of the expenditure on advertisement as per section 32 of the Act,
- (c) The amount received by the Board from other sources.
- (2) The accounts of the Board shall be managed by the Chairman or the senior officer of the Board designated by him and the Head of the Financial Administration Department of the Board.
- (3) The Ministry may, if it deems necessary, at any time, depute any employee to inspect or examine the accounts, financial statements or records of the Board.
- (4) A report on the inspection or examination conducted by the employee under sub-rule (3) shall be submitted to the Ministry.
- (5) If any irregularity is revealed in the accounts, financial statements or records of the Board from the report under sub-rule (4), the Ministry may issue a direction to the Board to rectify the same and it shall be the duty of the Board to comply with such direction.
- 14. To enter into a performance agreement: (1) The Chairperson shall enter into a performance agreement with the Secretary of the Ministry.
- (2) The performance agreement entered into pursuant to sub-rule (1) shall be such as to enable the annual programme of the Board and the functions, duties and powers of the Chairperson referred to in sub-section (6) of section 18 of the Act to be measured.

Amended by the Bill.

www.lawcommission.gov.np

14

15. No other employment:

The Chairperson shall not engage in any other employment, consultancy, expert or any other service for financial gain or any other benefit.

16. Duty to make a declaration

: Any member of the Board shall make a declaration to the Board if he or his family member or close relative has any personal interest or any involvement, directly or indirectly, in any work or activity of the Board.

17. Absence from participation:

If any member has a personal interest in any matter included in the agenda of any meeting, the concerned member shall not participate in such discussion or meeting.

18. Ability to designate to perform duties:

If the Chairperson is not appointed or the Chairperson is unable to perform the duties of the office for any reason, the Ministry may designate a member to perform the duties of the Chairperson in accordance with clause (d) of sub-section (1) of Section 14 of the Act.

- 19. Annual Report to be submitted: The Board shall submit an annual report of the work done by it to the Ministry within three months of the end of each successive year.
- 20. Amendment or change in the Schedule: The Ministry may, on the recommendation of the Board, make necessary amendments or changes in the Schedule by publishing a notification in the Nepal Gazette.

www.lawcommission.gov.np

15

Schedule

(Related to sub-rule (1) of rule 11)

Form of application for registration as an advertising agency

Mr. Chairman,

Advertising Board, Nepal.

I have submitted this application for registration as an advertising agency, intending to carry on the business of an advertising agency under the Advertisement (Regulation) Act, 2076 and the Advertisement (Regulation) Rules, 2077. Details:

- (1) Name of Advertising Agency:
- (2) Division of the Office of Culture:
- (3) Details of business plan:
- (4) Details of worship:
- (a) Unauthorized Worship:
- (b) Continued investment:

- (c) Chaktu Puji:
- (5) Occupation of the Clerk:
- (a) Number of full-time employees:
- (b) Ashikam Sama Kam Ganeshyak:
- (c) Number of levels:
- (6) Details of available or proposed electronic means:
- (7) Other business of directors

Details of the transaction, if any, related to adult business:

(8) Other relevant matters:

www.lawcommission.gov.np

16

Seal of the institution:

Signature of the applicant:

Name of the director:

Name of the institution:

Minimum address: