

# EUROPEAN PARLIAMENT

2004



2009

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*Committee on Culture and Education*

**2007/2253(INI)**

7.3.2008

## **DRAFT REPORT**

on concentration and pluralism in the media in the European Union  
(2007/2253(INI))

Committee on Culture and Education

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on concentration and pluralism in the media in the European Union (2007/2253(INI))

*The European Parliament,*

- having regard to Article 11 of the Charter of Fundamental Rights of the European Union,
  - having regard to the Commission staff working document on Media pluralism in the Member States of the European Union (SEC(2007)0032),
  - having regard to Directive 2007/65/EC of the European Parliament and of the Council of 11 December 2007 amending Council Directive 89/552/EEC on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities<sup>1</sup>,
  - having regard to its resolution of 20 November 2002 on media concentration<sup>2</sup>,
  - having regard to Rule 45 of its Rules of Procedure,
  - having regard to the report of the Committee on Culture and Education and the opinions of the Committee on Civil Liberties, Justice and Home Affairs and the Committee on Industry, Research and Energy and Committee on Economic and Monetary Affairs (A6-0000/2008),
- A. whereas the European Union has confirmed its commitment to the defence and the promotion of media pluralism, as an essential pillar of the right to information and freedom of expression enshrined in Article 11 of the Charter of Fundamental Rights, which remain fundamental principles in preserving democracy,
- B. whereas any consideration of media pluralism must take into account both pluralism of ownership (external pluralism) and pluralism of content (internal pluralism),
- C. whereas the unrestricted concentration of ownership might jeopardise pluralism and cultural diversity and whereas in certain markets it is approaching a limit whereby pluralism will no longer be automatically guaranteed by free market competition,
- D. whereas European treaties guarantee the right to establish and own businesses,
- E. whereas new technologies, communications and information services should enhance media pluralism and cultural diversity,
- F. whereas the primary concern of media businesses may be financial profit, media remains an ideological and political tool of considerable influence, which should not be treated solely on economic terms,

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<sup>1</sup> O.J L 332, 18.12.2007, p. 27.

<sup>2</sup> O.J C 025, 29.1.2004, p. 205.

- G. whereas large media enterprises have built substantial and often dominant positions in the markets of the Member States which acceded to the EU in 2004 and 2007,
- H. whereas the contribution of multinational media enterprises to the technical equipment and working capital in the new Member States has been essential in revitalising the media landscape, the investment in human capital has stayed below the level necessary for improving the working conditions and the quality of work of the media professionals,
- I. whereas EU competence to act on media pluralism is confined to the area of competition law and whereas the financial scale of activities directed at vertical and horizontal concentration of media ownership in the most recent Member States of the EU has not reached the limits where EU competition law would apply,
- J. whereas media consumers should have access to a wide choice of content from high-quality journalism to light entertainment,
- K. whereas media creators strive to produce the highest quality content possible under given conditions, the conditions are not uniformly satisfactory in all member states,
- L. whereas an increasing proportion of journalists find themselves employed under precarious conditions, lacking social guarantees common on the normal job market and whereas these conditions are more likely to occur in the new Member States,
- M. whereas commercial publications are increasingly utilising user-generated content, especially audiovisual content for a nominal fee, raising questions of unfair competition among media professionals,
- N. whereas the increased use and reliance on user generated content may adversely affect the privacy of citizens and public figures by creating conditions of permanent surveillance,
- O. whereas weblogs are an increasingly common medium for self-expression by media professionals as well as private persons, the status of their authors and publishers, including their legal status, is neither determined nor made clear to the readers of the weblogs, causing uncertainties regarding impartiality, reliability, source protection, applicability of ethical codes and the assignment of liability in the event of lawsuits,
- P. whereas the Member States have wide scope for interpreting the remit of the public service media and its financing and whereas the commercial media has expressed concerns over unfair competition,
- Q. whereas the public service media has a noticeable market presence only in the audiovisual and non-linear areas and whereas often the public service media of the EU Member States suffers from both inadequate funding and political pressure,
- R. whereas in certain markets the public service media is a dominant player in terms of both quality and market share,
- S. whereas the public service media needs a certain stable market share to fulfil its mission, market share should not be considered an end in itself,

- T. whereas new media channels have emerged over the last decade and whereas a rising share of advertising revenues going to internet outlets is a source of concern for print media outlets,
- U. whereas the new media landscape is dominated by established public service and private providers,
- V. whereas cases where freedom of expression conflicts with respect for religious and other beliefs have recently acquired more prominence,
- W. whereas the level of media literacy among the citizens of the European Union is below desirable levels and awareness of the need for media literacy is low,
1. Urges the Commission and the Member States to safeguard media pluralism, to ensure that all EU citizens can access free and diversified media in all Member States and to recommend improvements when needed;
  2. Suggests in this respect the creation of independent media ombudsmen in the Member States;
  3. Welcomes the efforts to create a charter for media freedom and strive for its Europe-wide acceptance;
  4. Stresses the need to institute monitoring and implementation systems for media pluralism based on reliable and impartial indicators;
  5. Agrees that the level at which media pluralism is measured should be by an individual Member State;
  6. Stresses the need for the EU and Member State authorities to ensure journalistic and editorial independence by appropriate and specific legal and social guarantees as well as for the media owners to follow the best practice in each market where they operate;
  7. Proposes the introduction of fees commensurate with the commercial value of the user-generated content as well as ethical codes and terms of usage for user-generated content in commercial publications;
  8. Welcomes the dynamics and diversity brought into the media landscape by the new media and encourages responsible use of new channels such as mobile TV;
  9. Suggests clarifying the status, legal or otherwise, of weblogs and encourages their voluntary labelling according to the professional and financial responsibilities and interests of their authors and publishers;
  10. Recommends the inclusion of media literacy among the 9 basic competences and supports the development of the European core curriculum for media literacy;
  11. Encourages the disclosure of ownership of the media outlets to help to understand the

aims and background of the publisher;

12. Encourages the Member States to ensure that the application of EU competition law to the media as well as to the internet and communication technology sector facilitates and promotes media pluralism, and to take adequate remedies where the concentration of ownership has a negative impact on media pluralism;
13. Recommends that the regulations governing state aid are implemented in a way allowing the public service media to fulfil its function in a dynamic environment, while avoiding unfair competition leading to impoverishment of the media landscape;
14. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

## EXPLANATORY STATEMENT

EU membership has almost doubled since the beginning of 2004. Ensuring the convergence of standards for the protection of democracy and basic freedoms towards the highest existing levels is one of the main post-enlargement challenges.

In this context, the report welcomes all initiatives aimed at safeguarding democracy and points out that the media remains an influential political tool, which should not be treated solely on economic terms.

The report recognises the decision of the European Commission to entrust determining the reliable and impartial indicators of media pluralism to a consortium of 3 European universities. In addition, this report stresses the need to institute the monitoring and implementation systems based on the indicators thus determined. Media ombudsmen are seen as a part of the necessary systems.

The report also recognises the ongoing efforts of publishers' and journalists' representatives to create a charter of media freedom. In addition, the report underscores the need for social and legal guarantees for journalists and editors.

The report advocates the adoption by the multinational enterprises of the best practice for editorial and journalistic freedom in each country where they operate. It expresses concern over lower standards being applied in the member states acceded to the EU in 2004 and 2007.

The development and acceptance of new technologies have led to the emergence of new media channels and new kinds of content. The emergence of new media has brought more dynamic and diversity into the media landscape; the report encourages responsible use of new channels.

In this context the report points out that the undetermined and unindicated status of authors and publishers of weblogs causes uncertainties regarding impartiality, reliability, source protection, applicability of ethical codes and the assignment of liability in the event of lawsuits.

It recommends clarification of the legal status of different categories of weblog authors and publishers as well as disclosure of interests and voluntary labelling of weblogs.

The report acknowledges the spreading use for a nominal fee of user-generated content by the commercial publications and the privacy and competition issues this generates. It recommends compensating non-professionals commensurately to the commercial value they generate and using ethical codes to protect the privacy of citizens and public figures.

The report acknowledges the challenges posed to the print outlets by the migration of the advertising revenues to the internet but points out that new commercial media landscape is dominated by the established public and private media content providers. It also takes the standpoint that the concentration of media ownership is approaching levels where the media pluralism is not guaranteed by the forces of the free market, especially in the new member states.

The report recognises that the public service media needs a sizable and stable market share to fulfil its mission but urges it to avoid unfair competition and pursuit of the market share for its own sake. It points out that whereas in certain markets the public service media is a leading

market participant, it mostly suffers from inadequate funding and political pressure.

Finally the report recognises the need to increase media literacy in the EU, recommends the inclusion of media literacy among the 9 basic competences and supports the development of the European core curriculum for media literacy.