### Introduction to the proposal for a European Media Freedom Act (EMFA)

APE Breakfast discussion 24 November 2022

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### The speech

#### The State of the Union's address

The consultations

### The speech

The EU should "prepare a **European Media Freedom Act** to complement our legislative arsenal in order to ensure that **media freedom and pluralism** are the pillars of our democracies."

### The speech

... "very vigilant" about respecting EU rules on the independence of media regulators, and expressed the need for a **complementary tool** in the area of media freedom, as the current toolbox is limited.

### The speech

The EU would need a mechanism to increase **transparency**, **independence and accountability** around actions affecting control and freedom of the press.

### The speech

... reflect on how best to **strengthen the governance of public media**, around a common framework to better prevent the **risks of politicisation** and to better **ensure diversity and pluralism**.

### The speech

... reflect on the **funding** supporting pluralism and media freedom, and on the **structures** that carry this funding.

#### The speech

### The State of the Union's address

The consultations

### The State of the Union's address

- a **Recommendation** to give journalists better protection;
- a Media Freedom Act to stop those who threaten media freedom and safeguard the independence of media companies.

President of the Commission Ursula von der Leyen 15 September 2021

The speech

#### The State of the Union's address

### The consultations

### The consultations

The call for evidence

The public consultation

December 2021 – March 2022

### **Call for evidence – accompanying doc**

#### Problems

- **different national rules** on media pluralism;
- **insufficient** structures for **cooperation between NRAs**;
- public and private interference in the ownership, management or operation of media outlets;
- lack of **media pluralism safeguards**, including online.

### **Call for evidence – accompanying doc**

#### **Objectives**

- **consistent** regulatory standards;
- wide and varied media offer both offline and online;
- editorial independence and independent management of the media;
- transparent and fair allocation of state resources.

### **Call for evidence – accompanying doc**

#### **Three options**

- **Baseline scenario**: no changes + monitoring
  - Recommendation to Member States: implement a number of actions + monitoring mechanism
    - Legislative instrument + reinforced ERGA

### **Public consultation**

- views, evidence and data gathered from citizens, in particular journalists, media, academics, civil society, public authorities, businesses and all interested parties
- 917 replies

### Legal basis

#### Treaty on the Functioning of the European Union (TFEU) Article 114(1)

1. Save where otherwise provided in the Treaties, the following provisions shall apply for the achievement of the **objectives set out in Article 26**. [...]

### Legal basis

#### Treaty on the Functioning of the European Union (TFEU) Article 26

1. The Union shall adopt measures with the aim of establishing or ensuring the functioning of the internal market, in accordance with the relevant provisions of the Treaties.

[...]

### Legal basis

#### Treaty on the Functioning of the European Union (TFEU) Article 114(1)

1. [...] The European Parliament and the Council shall, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee, adopt the measures for the approximation of the provisions laid down by law, regulation or administrative action in Member States which have as their object the establishment and functioning of the internal market.

#### **Internal Market issues**

- national restrictions related to sources and communications of journalists as service providers, affecting the production and provision of media services;
- interference in the operation of MSPs, including their editorial decisions, and diverging approaches to protection of editorial independence;
- the risk of state interference in public service media, to the detriment of a level playing field in the single market and quality of public service media;

### **Internal Market issues**

- the market operations of rogue operators (including MSPs that are statecontrolled, be it financially or editorially, by certain third countries) that create tensions in the application of the free movement rules within the Union;
- given the increasing digitalisation of media service distribution, the risks to free provision of media services on VLOPs, to the detriment of a level playing field in the internal market;

### **Internal Market issues**

- national media market measures affecting the operation of MSPs restricting the free movement in the Union;
- national rules and procedures for the assessment of the impact of media market concentrations on media pluralism and editorial independence;
- opacity and possible biases in audience measurement systems and methodologies;
- unfair and un-transparent allocation of state advertising expenditure to MSPs.

### Legal basis

# Protocol on the system of public broadcasting in MS (Amsterdam Protocol)

[...] competence of MS to provide for the **funding of public** service broadcasting [...] such funding is granted to broadcasting organisations for the fulfilment of the public service remit [...] insofar as such funding does not affect trading conditions and competition in the Community [...]

### Legal basis

Article 4(2) Treaty on European Union

The Union shall respect [...the MS] **national identities**, inherent in their **fundamental structures**, political and constitutional, inclusive of regional and local selfgovernment. It shall respect their **essential State functions** [...]

### Proportionality

The **EMFA**:

- builds on **existing legal frameworks**
- Is limited to issues on which **Member States cannot** achieve satisfactory solutions on their own.

### Legal form

**EU Regulation** more suitable to:

- ensure a consistent level of protection throughout the EU (quick application, avoiding lengthy transposition, preventing divergences)
- ensure effective and efficient cooperation among NRAs.

#### Measures

- Editorial independence of media service providers
- Safeguards regarding spyware against media and journalists
- Protection against interference in public service media
- Media pluralism test in oversight on media mergers
- Transparency obligations on State advertising and audience measurements
- Protection of professional media content distributed by global platforms
- User right to customise media offer

### **Editorial independence**

Member States will have to:

- respect the effective editorial freedom of media service providers (MSPs);
- improve the protection of journalistic sources.

### **Editorial independence**

Media Service Providers will have to:

- ensure transparency of ownership by publicly disclosing such information;
- take measures with a view to guaranteeing the independence of individual editorial decisions.

### Spyware against media

The **EMFA** includes **safeguards** against the use of **spyware against media, journalists and their families.** 

### **Public service media**

- Funding of public media should be adequate and stable, in order to ensure editorial independence.
- Head and governing boards will have to be appointed in a transparent, open and non-discriminatory manner.
- Public service media providers shall provide a plurality of information and opinions, in an impartial manner, in accordance with their public service mission.

### Media pluralism

Member States will have to:

- assess the impact of media market concentrations on media pluralism and editorial independence (media pluralism test)
- Legislative, regulatory or administrative measures that could affect the media will have to be duly justified and proportionate.

### State advertising and audience measurements

The EMFA will:

- Introduce new requirements for the allocation of state advertising to media, so that it is transparent and nondiscriminatory (threshold of 1 mill inhabitants)
- enhance the transparency and objectivity of audience measurement systems, which have an impact on media advertising revenues, in particular online.

### **Protection of media content online**

The EMFA will build on the Digital Services Act (DSA):

- include safeguards against the unjustified removal of content produced according to professional standards.
- In cases not involving systemic risks, very large online platforms (VLOPs) will have to inform the MSPs before take down takes effect.
- Complaints will be processed with priority.

#### User right to customise media offer

The EMFA will introduce a **right of customisation of the media offer** on devices and interfaces enabling users to **change the default settings to reflect their own preferences.** 

### **European Board for Media Services**

Composition:

- national media authorities (NRAs)
- European Commission (without voting rights)
- experts and observers (in joint agreement NRAs + CION)
- Secretariat ensured by the European Commission

### **European Board for Media Services**

Missions:

- Promoting the effective and consistent application of the EU media law framework, in particular by assisting the Commission in preparing guidelines.
- Issuing opinions on national measures and decisions affecting media markets and media market concentrations.

### **European Board for Media Services**

Missions:

- Coordinating measures regarding non-EU media that present a risk to public security to ensure that those media do not circumvent rules in the EU.
- Organising a structured dialogue between VLOPs and the media sector to promote access to diverse media offers and to monitor platforms' compliance with selfregulatory initiatives.

### Next steps

- EMFA will now follow the ordinary legislative procedure
- It will be directly applicable across the European Union.
- The Commission will encourage discussions, notably as part of the European News Media Forum, on voluntary practices by media companies linked to the accompanying Recommendation.

# Issues raised in the ongoing debate

- The inclusion of the press in the scope of the regulation, and the non-inclusion of tech companies
- The limited threshold (1 mill inhabitants) for transparency obligations regarding state advertising,
- The focus only on news media with regard to media transparency obligations on ownership and financing,
- The lack of media-specific general transparency rules (limited to algorithmic transparency)

# Issues raised in the ongoing debate

- The practical functioning of the so-called "media privilege",
- The powers of the European **Board** for Media Services
- The effective outcome of cooperation between national competition authorities (NCAs) and NRAs in assessing mergers,
- The link between national mergers and Community mergers as to the pluralism test.

## Thank you!

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# A presentation of The European Audiovisual Observatory



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