



**European Committee
of the Regions**

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OPINION

Media in the Digital Decade: An Action Plan

THE EUROPEAN COMMITTEE OF THE REGIONS

- points out that one of the roles of local media is to produce high-quality, comprehensive and critical journalism on governments and public affairs in an objective and accurate manner, thus giving local people the necessary knowledge, and opportunity, to take a position on such matters;
- stresses that the credibility of the media stands and falls with their independence and freedom of expression. This contrasts with situations where a governmental or non-governmental body can decide on its own which content is trustworthy, how access to platforms is controlled and which content is deprioritised;
- shares the view that protecting the diversity and independence of the media must be a key policy objective, which must also be emphasised in the context of this action plan;
- in relation to Action 1 of the Action Plan, recommends taking a robust place-based approach and seeking a close partnership with local and regional authorities; suggests, in this connection, that examples of good practice be reported to the Commission with a view to linking such actions and including them in the EU Member States' recovery plans and action plans;
- recommends, in particular, to fully recognise the local and regional competences and facilitate the participation of local and regional authorities in a structured dialogue on the specific actions set out in the Action Plan, especially Actions 1 and 7.

Rapporteur

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Reference document

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Europe's Media in the Digital Decade: An Action Plan to Support Recovery and Transformation – COM(2020) 784 final

Opinion of the European Committee of the Regions – Europe's Media in the Digital Decade: An Action Plan

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

General comments

1. welcomes the European Commission's plan to streamline the support for the audiovisual and media sectors and to highlight the needs of local and regional media throughout the EU in the context of economic recovery, greening and digitalisation;
2. seeks dialogue with the Commission's DG CNECT on the implementation measures envisaged to follow up on the action plan on a practical level; in this regard highlights the need for synergies between funds and regulations at European, national, regional and local level;
3. will seek to increase its visibility as a political actor in this field vis-à-vis other EU institutions, sectoral and local/regional stakeholders and the general public, in order to increase the availability of information and expertise and channel the CoR's policy recommendations to the different levels of governance;
4. stresses that in many Member States the regions have responsibility for regulating and supporting the media and cultural sectors; in other Member States media policy is a matter for central government, while responsibility for cultural policy is shared between the local, regional and national levels;
5. considers it essential to work in close partnership with local and regional authorities when coordinating support for the media sector at all levels of government;
6. welcomes the launch of the "NEWS" initiative to support the news media sector, backed by the InvestEU Guarantee, which will pay particular attention to local and regional media;
7. is convinced that the Action Plan will have a strong local and regional impact due to the fact that the economic, technical and creative viability of media pluralism depends on the multitude of local and regional media, and on those institutions involved in the value chain, regulatory oversight and cross-sectoral cooperation in the production, media and audiovisual sectors;
8. recognises the particular value of regional and even local innovation strategies and smart specialisation in the audiovisual and media sectors: they result in innovative solutions and have spill-over effects to other key areas of public policy and economic activity (education, skills and health);
9. calls on the European Commission, when designing concrete instruments and measures under the Action Plan, to encourage the competent authorities of the EU Member States to clarify and coordinate, as far as possible, the financial assistance made available specifically for local and

regional media in the relevant EU programmes and, in particular, in the recovery instruments and takes it upon itself to help disseminate this information to relevant regional and local actors;

10. calls on the European Commission, in the context of future European news media forums and initiatives on prospects for the European media sector, to pay particular attention to ensuring the widest possible representation and involvement of local and regional media;
11. stresses, in particular, the crucial importance of promoting small and medium-sized enterprises in the audiovisual and media sectors; calls for them to be consulted and included in the further development of initiatives such as the MEDIA market gateway and creative innovation labs to support start-ups and scale-ups;
12. draws attention to the particular importance, at least for a transitional period, of non-electronic newspapers and advertising papers, which older people in particular do not want to see replaced by electronic publications, and to the fact that newspaper delivery, especially in rural areas, must continue to be made possible in economic terms for publishers;
13. calls for particular attention to be paid to community media as the "third sector" of broadcasting (generally self-organised, participatory, non-profit-making media targeted at local geographical communities and/or interest groups). All levels of government are called upon to give due recognition to community media;
14. finds it regrettable that the special situation of small countries (markets), caused by their specific circumstances, especially those relating to EU minority languages or to non-European languages specific to migrant groups, is not taken into account;
15. calls on the European Commission to pay special attention to and provide specific support for public and private media and the audiovisual sector that create content and productions, work and provide their services in the co-official and minority languages that exist in the European regions, contributing to the normalisation of these languages and to respect for the cultural diversity of regions, while safeguarding the linguistic rights of their inhabitants. Such support, which should take the form of specific funding for these media, is particularly necessary to enable them to implement their digital transformation and thus guarantee a permanent place for them in the digital environment;
16. welcomes the measures to support and highlight the important role played by the activities of public service broadcasters at regional and local level;
17. recommends that the European Commission devise specific measures to support local and regional media from EU funds for the coming period 2021-2027;

Overall assessment of the Action Plan

18. warns not to forget about the importance of investing in digital literacy, which is a prerequisite of consuming digital media;

19. finds it regrettable that policy measures to support local news media have to date not, as a whole, sufficiently enabled businesses to change, open up new avenues, or develop or establish sustainable business and revenue models for digital transformation;
20. notes that the substance of the 10 actions in the Action Plan matches a number of the sector's needs and can also be used to promote the development of local and regional media; notes however that the Action Plan does not explicitly recognise that regional authorities in several Member States have competences in the media and audiovisual fields;
21. recommends, in particular, to fully recognise the local and regional competences and facilitate the participation of local and regional authorities in a structured dialogue on the specific actions set out in the Action Plan, especially Actions 1 and 7;
22. believes that well-designed regulation and strategy, together with tailored support measures, can create an environment that enables local and regional media to successfully address the challenges of economic recovery, greening of entrepreneurship and digitalisation;
23. points out that the sector should not simply be put in a position to be able to finance the production and distribution of content, but EU policy should also recognise that the audiovisual and media sectors cannot be regulated in the same way as other sectors; highlights the need for an EU policy that enables the European media sector to continue producing competitive content in a fair digital environment;
24. calls for a sustained impact from the Action Plan and for a comprehensive EU media sector policy that combines regulatory, competition and taxation policies with EU funds and programmes in order to foster innovation, create a level playing field for the European media and at the same time safeguard Europe's founding values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. Fully upholding these values should be a precondition for access to EU funds by European media;
25. considers it important to ensure a strong pluralistic, economically viable, innovative, independent and reliable European media landscape that is able to reach all areas of society. This is very important for the European Union and its democracies, as well as for citizens, consumers and businesses. It is also a question of social cohesion;
26. stresses that local and regional media are often disadvantaged in comparison with international online platforms. The CoR is convinced that more detailed EU attention is needed to solve a number of issues (including asymmetry of information and access to data), as the vertical integration of online platforms, together with their gatekeeper function, seriously hampers effective access and choice of services and content. The Committee therefore believes that the next EU directives must establish mechanisms ensuring that platforms include in their programming local and regional media recognised by State or regional authorities. Platforms giving priority to their own services (self-preferencing) poses a serious threat to pluralism and fair competition;

27. underlines that media freedom, pluralism and independence, as well as the safety of journalists, are essential components of the right to freedom of expression and information and are essential for the democratic operation of the EU and its Member States, and commends independent watchdogs such as the European Centre for Press and Media Freedom in Leipzig on their work in this connection;

Economic aspects

28. reminds that independent local and regional media, regardless of their business model, are facing persistent financial problems on the market and that their situation is getting worse with the COVID-19 pandemic;
29. notes with concern that the fragmented EU audiovisual market will continue to make it difficult to make use of the market advantages offered by technology and size;
30. is pleased that some EU Member States have recently decided to invest significant amounts in support of local and regional journalism;
31. reiterates the strategic importance of the audiovisual sector and of the media for the European economy and its recovery from the crisis; welcomes the European Commission's intention to develop this area from an industrial policy perspective, building on an innovation dialogue with the industry and a dedicated equity investment platform;
32. notes that it is also useful to measure and assess the territorial impact (including rural development potential) of supporting the media and the audiovisual sector, in particular with regard to the impact of these measures on job creation in the media centres. This could have an impact also on rural development if accompanied by the offer of more targeted opportunities, to be created in the context of recovery plans;
33. stresses the particular importance of cinemas as a low-threshold service and often the only cultural activity on offer, especially in rural areas; draws attention to the drastic consequences for cinemas of months of closure as a result of the COVID-19 pandemic, and considers it necessary, in order to preserve the European cinema landscape, to have suitably long periods of exclusive screening of cinematographic works in cinemas before they are screened on international video-on-demand platforms;
34. calls for cooperation and networking activities to be promoted at European level between local and regional audiovisual and media players, as well as between public authorities, in order to carry out joint projects, develop synergies and exchange best practices;
35. welcomes recent EU policy initiatives aimed at bridging the gap between the resources allocated to technological innovation and the cultural and creative aspects of the audiovisual and media sectors;

36. welcomes, in particular, the European Commission's proposal to invest more to support the media landscape by allocating EUR 61 million from Creative Europe 2021-2027 to quality journalism, media freedom, media literacy and media pluralism;
37. also welcomes the Action Plan's new interactive tool guiding media companies through the various support instruments; recommends that local and regional authorities publicise the support instruments specifically made available to local and regional media;
38. draws attention to the importance of attracting skilled workers in the audiovisual media production sector and the skills shortages that already exist, particularly in the cinematographic professions; in this respect also calls for funding possibilities under the MEDIA strand of the Creative Europe programme;
39. as regards the reorganisation of support for festivals under the MEDIA strand of the 2021-2027 Creative Europe programme, calls for festivals to continue to be supported on a long-term basis, individually and not only in European networks, in order to preserve their individuality and quality;
40. in relation to Action 1 of the Action Plan, recommends taking a robust place-based approach and seeking a close partnership with local and regional authorities; suggests, in this connection, that examples of good practice be reported to the Commission with a view to linking such actions and including them in the EU Member States' recovery plans and action plans;

Local and regional media

41. stresses that local news media play an important role in public life and political debate as they promote political knowledge and participation. Independent local news media are the backbone of democracy in society;
42. shares the view that protecting the diversity and independence of the media must be a key policy objective, which must also be emphasised in the context of this action plan;
43. points out that one of the roles of local media is to produce high-quality, comprehensive and critical journalism on governments and public affairs in an objective and accurate manner, thus giving local people the necessary knowledge, and opportunity, to take a position on such matters. Local media represent their regions and help people understand that they are part of a community, that they are connected through their common local news channel and that it is more than just geographical proximity that connects them;
44. deplores the fact that sparsely populated areas, unlike densely populated urban areas with their traditional local media and digital platforms, often have neither traditional nor digital local media. As a result, some areas now have little or no journalistic coverage;
45. reiterates that news and cultural programmes at local and regional level are a key focus for regional public service media organisations across Europe. Regional public service media

contribute to media pluralism in the regions. They also participate in involving the public in the activities of local and regional authorities and cultural and social organisations;

46. strongly believes that regional public service media must be accessible to citizens through all communication channels – radio, television and internet, as well as through platforms offering radio and television services in these areas – so that they do not lose relevance and can continue to fulfil their primary role. Depending on specific national circumstances, it is also important to ensure the transmission of regional media through all possible distribution channels, including cable, digital terrestrial television, satellite and the internet;
47. suggests that a number of the actions in the Action Plan, in particular Action 1, could be strengthened at local and regional level, provided that investments in capacity building for local actors are provided for;

Innovation and technology

48. reiterates that digitalisation can help to attract new audiences, make use of unconventional content, provide new services for local and regional media and promote interregional cultural cooperation; takes the view that only digitalisation across sectors offers completely new potential for disruptive business models and innovative digital products and services; is however concerned that the cost of this transformation could be too high for local and regional authorities;
49. highlights the need to narrow the digital divide between the urban and rural worlds, which is a prerequisite for rural areas to be able to use digital media and for their inhabitants to have access to all available information;
50. notes that the media sector is at the heart of the action in today's cross-border revolution in data, artificial intelligence and blockchain; suggests that the media could play a key role in testing and implementing the ethics guidelines developed by the Commission's High-Level Expert Group on AI and adapting them to the media sector;
51. recognises that European culture and cinema are inextricably linked to European identity. A well-functioning and pluralistic media landscape across the EU is crucial for upholding and promoting European values and the European way of life. All media landscapes depend on the establishment of balanced priorities in the implementation of the EU recovery plans. For example, a closer link should be ensured between EU audiovisual and media policies on the one hand and research and innovation on the other;
52. emphasises the role that the audiovisual industry can play in promoting regional and local tourism, especially in rural areas, by showcasing and advertising their attractions in a creative way and by encouraging sustainable tourism and economic development;
53. welcomes the fact that, when it comes to data infrastructure, the main action in the Action Plan will ensure synergies with the Horizon Europe and Digital Europe programmes. This should foster innovation and creativity and make all types of media – public and commercial, large and

small channels – accessible on a non-discriminatory basis; stresses that these synergies should also be available for local and regional media, regardless of their ownership and administrative structures. Investment in technologies such as multilingual subtitling, sign-language dubbing or audio-description should therefore be systematically required in European information and audiovisual production;

54. considers one of the roles of the Horizon Europe programme to be supporting the media components of open-source infrastructure: it is a prerequisite for successful innovation, not only in terms of technology, but also in relation to new business models and their uptake in media of all kinds;
55. takes the view that, in all relevant EU funding programmes (Creative Europe, Erasmus+, Horizon 2020, etc.), appropriate value should be attached to development needs with regard to digital skills in the audiovisual and media sectors at local and regional level. Digital skills should go beyond basic ICT skills and also cover information and media literacy;
56. calls for targeted support to be provided at local and regional level in order to set up European Media Technology Centres along with European Technology Centres that would focus on training of media actors – including, among others, on accessing available funding, including recovery financing and the independence of media. This will allow the implementation of pilot initiatives and the dissemination of innovative European solutions;

Independence of the media, credibility and a stronger voice for citizens

57. believes that, in a health crisis such as the COVID-19 pandemic, access to reliable information is very important; points out that both public and private media, with their qualitatively and quantitatively wide range of services, inform, broadcast documentaries, entertain and offer educational and cultural services locally, regionally and nationwide in the context of the pandemic, thus making an important contribution to tackling the challenges of the crisis; and highlights the following basic areas of concern: access to information from public authorities, internet access, protecting and supporting independent media, disinformation in the field of public health and public health monitoring;
58. reiterates that, in response to the threat posed by disinformation, measures to support the work of fact-checkers and to promote media literacy among the public should be carried out at every administrative level;
59. refers to the Charter of Fundamental Rights of the European Union, which, among other things, explicitly calls for media freedom and pluralism and respect for fundamental rights; stresses that the financial pressures that undermine the right of professional journalism to exist on the internet pose a serious threat to media freedom; expects the European Commission to use the Digital Services Act and the Digital Markets Act to address market failures and improve the unbalanced relationship between technology giants and news companies, with due respect for Member States' regulatory competence for safeguarding media pluralism;

60. stresses that the credibility of the media stands and falls with their independence and freedom of expression. This contrasts with situations where a governmental or non-governmental body can decide on its own which content is trustworthy, how access to platforms is controlled and which content is deprioritised;
61. particularly stresses, with regard to the relevant actions of the Action Plan, the involvement of citizens and the benefits for citizens, which are the main criteria for supporting projects, as well as the improvement of media literacy among the public, especially young people;
62. believes that there is a need to promote media and information literacy to counter disinformation and help citizens navigate digital media environments, and to promote a media ecosystem with quality content and ethical self-regulation to combat disinformation and fake news;
63. welcomes the fact that citizens are at the heart of the Action Plan, in particular with regard to the right of access to a pluralistic, diverse and independent media environment, including at regional and local level;
64. stresses, in the interests of media independence, that any financial support to the media should preferably be a temporary solution and must be truly universal. Selective subsidies should be limited in order to preserve free, market-funded journalism. If exceptional measures are nonetheless taken, market distortions must be carefully avoided and the independence of the media must be safeguarded;
65. takes the view that the European Regulators Group for Audiovisual Media Services (ERGA) should promote the exchange of experience and best practices in the development of media awareness, in particular as regards support, research, awareness-raising, cooperation and evaluation activities by the independent national regulatory authorities, as well as forms of cooperation between national regulatory authorities, media service providers and educational institutions;

Regulatory context

66. calls for the European Commission's commitment to a well-functioning European media market to be fleshed out; believes that a successful solution to this problem may go beyond data legislation, as it also includes the active use of national and European competition policy instruments to avoid, for example, the limited availability of key infrastructure for new market entrants in Europe;
67. reiterates that EU audiovisual media policy should be based on a holistic vision of the remaining room for manoeuvre in all media-related areas such as competition, copyright, data, etc. EU policy-making needs to take a more horizontal approach to the audiovisual and media sectors; calls for a more detailed long-term vision for the audiovisual sector and the whole of Europe's media industry;

68. stresses the need for a specific regulatory approach to data policy for the European Digital Single Market in order to exploit the expanding business of powerful international online on-demand platforms for the benefit of all Europeans;
69. calls for a more detailed EU policy that creates a de facto level playing field for all audiovisual media service providers. This includes rules on data sharing, monitoring of competition and tax concessions. For smaller operators in this sector, exceptions must be possible, in order to increase the diversity of content and local production;
70. believes in the benefits of closer policy coordination at EU level between the Digital Services Act, the Democracy Action Plan and the Media Action Plan: they should all have the same objective, namely an ethical, technologically advanced, and financially sound European ecosystem that is internationally competitive;
71. agrees with the European Commission that improved access to and distribution of audiovisual content will benefit the increasing cross-border demand (including in border regions) and linguistic minorities and must therefore be supported by EU policy. Geo-blocking should be further restricted and reduced so that the sector can develop more freely across the EU;

Governance

72. considers, in particular with regard to Action 1 in the Action Plan, that a robust place-based approach and close partnership with local and regional authorities are an effective means of achieving their objectives;
73. is willing to follow up this Action Plan together with the European Commission in order to develop implementing measures to maximise opportunities for local and regional media across the EU.

Brussels, 7 May 2021

The President
of the European Committee of the Regions

Apostolos Tzitzikostas

The Secretary-General
of the European Committee of the Regions

Petr Blížkovský

II. PROCEDURE

Title	Media in the Digital Decade: An Action Plan
Reference(s)	COM(2020) 784 final
Legal basis	Article 307(1) TFEU
Procedural basis	
Date of Council/EP referral/Date of Commission letter	3 December 2020
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