



TEN/731
Europe's media action plan

OPINION

European Economic and Social Committee

**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**
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1. **Conclusions and recommendations**

- 1.1 The European Economic and Social Committee (EESC) welcomes the Commission's action plan and the efforts made through various instruments to create a free, varied and dynamic environment in the media market, and is pleased that this market is recognised as being crucial to strengthen open, democratic societies and stimulate Europe's cultural diversity.
- 1.2 The EESC welcomes the acknowledgement that culture and the creative ecosystem, to which the news media and audiovisual sectors belong, have been affected by the pandemic and so require immediate intervention. The industry's economic recovery and competitiveness are prerequisites for a healthy, independent and pluralist media, which in turn is fundamental for our democracy. The EESC endorses the emphasis on the fact that media companies are both an economic sector and a public good that is crucial for providing people with accurate information and enabling democracy to function properly.
- 1.3 The combination of the underlying trends and the COVID-19 crisis could, without a strong policy and financial support response, undermine the resilience of Europe's media sector and its democratic role. The EESC shares the Commission's concern that this could weaken Europe's cultural diversity and media pluralism and salutes the Commission's commitment to measures that are to be implemented in close cooperation with the Member States, the European Parliament, the media industry and all stakeholders. Nonetheless, the EESC would point out that it is paramount that the Member States do everything they can to take those measures from potential to reality, working together to strengthen the media and democracy.
- 1.4 The EESC takes a positive view of the fact that the communication has a threefold objective: accelerating both the recovery and transformation of the media industry and increasing its resilience. Steps must be taken to tackle the structural challenges facing the audiovisual and news media industries, as well as towards fostering an enabling environment where the media and civil society are able to participate in an open debate, free from malign interference and disinformation.
- 1.5 The EESC would like the plan to be more closely tied to the social realities and specific features of the industry. In particular, the interventions should take into account the realities of the discrepancies in the media and audiovisual industry landscape between the individual Member States, and of the discrepancies within the Member States between the capacity and needs of local and national media. The financial tools should be transparent, accessible and inclusive towards all the players that ensure the diversity of the European media and audiovisual industry, including by ensuring more support to local media and media start-ups.
- 1.6 The EESC requests that the social partners and civil society be involved in the implementation of the actions that seek to empower citizens, recognising their role in promoting the values of democracy, strengthening media freedom and countering disinformation through media literacy. If the plan is to succeed, it must manage to involve all relevant stakeholders in an effort to recognise the importance of the media for Europe's democratic values, as well as in equipping its citizens with the skills to recognise and consume information and audiovisual culture that is

advancing those very values. Regular reports like those on fighting disinformation campaigns can be used to assist media literacy efforts.

2. Summary of the Commission communication

- 2.1 The Commission communication focuses on the news media sector (including printed and online press, radio and audiovisual services) and the audiovisual cultural industry, particularly cinema, TV, radio and video streaming as well as video games and innovative formats, such as virtual reality experiences.
- 2.2 In this communication, the Commission presents a framework document/action plan setting out a series of initiatives designed to contribute to the recovery and transformation of Europe's news media and audiovisual sectors. These sectors, which have been badly affected by the COVID-19 crisis, are crucial for democracy, cultural diversity and Europe's digital autonomy.
- 2.3 At the same time, Europe's news media and audiovisual sectors have been critical as they have kept people informed and entertained during the COVID-19 pandemic. The demand for fact-checked information and news has increased substantially, while films, series and video games have been the main source of culture during the months of lockdown.
- 2.4 The communication is built around three themes:
 - a) Recover: what the Commission plans to do to help audiovisual and media companies to weather the current storm and provide liquidity and financial support;
 - b) Transform: address structural issues by helping industry face the twin transitions of climate change and digitisation, in the context of fierce global competition;
 - c) Enable and empower: setting the conditions allowing more innovation in the sector, whilst ensuring a true level playing field and empowering individuals to access content more easily and take informed decisions.
- 2.5 The action plan is part of the Commission's broader efforts to design a series of initiatives to help shape Europe's digital future and is one of the initiatives comprising the pillar of an open, democratic and sustainable society.
- 2.6 The communication also complements the European Democracy Action Plan and is based on the framework established by the recently revised Audiovisual Media Services Directive (AVMSD) and Copyright reform. It must also be read as part of the rules laid down by the joint Digital Services Act and Digital Markets Act.

3. General comments

- 3.1 The EESC welcomes the comprehensive approach taken to the measures needed both to ensure a better environment for journalists and to promote media literacy. It should therefore be stated more clearly just how the communication complements the European Democracy Action Plan, including with regard to the allocation of financial support.

- 3.2 The relevant documents should be interlinked carefully and thoroughly, including by flagging up more carefully the measures set out in the Commission proposals on the Digital Services Act and the Digital Markets Act, and the European Consumer Agenda, as the media roadmap emphasises the impact of the digital transformation including making European media more competitive¹.
- 3.3 The EESC welcomes the tangible structure and instruments, and considers that they can provide both an immediate response to the need for post-crisis recovery by facilitating and extending access to financing, and a longer term response due to the emphasis on transformation triggered by the stimulus of investment in the twin transitions of climate change and digitisation. However, we must provide an enabling environment so that media can try out new models of financing. Without funds allowing an approach based on trial and error, innovation in this field will struggle. There are currently no standard models which could be rolled out, only individual success stories of specific media companies which have managed to make themselves sustainable.
- 3.4 With regard to the news media sector, the EESC notes that the action plan covers measures to manage the challenges thrown up by a digital market where the lion's share of advertising revenue is channelled towards global digital platforms. The proposed financial mechanisms are more diverse than ever, and yet there is a risk of a one-size-fits-all approach which could lead to discrepancies between and, even more, within Member States (i.e. between the national and local levels). Account must be taken of the uneven capacity of local news media to access complex financial instruments.
- 3.5 The EESC points out that action must be taken to deal with the danger of fragmentation². The principal measures for the audiovisual sector are geared towards this challenge, which is due not just to pressure from online platforms but also to the fact that the sector focuses almost exclusively on the national audience. Bold measures are needed to enable European players to invest in content, talent, promotion, distribution, innovation and technology throughout the EU.
- 3.6 As an assembly representing civil society, the EESC has pointed out on many occasions³ that Europe's digital future is based on a people-centred approach, but also that critical thought and media literacy are essential⁴. The EESC emphasises once again that the media's digital transformation will not be possible unless the public is prepared for it, and so measures promoting media literacy and civic education are essential.
- 3.7 Furthermore, the EESC wishes to emphasise that inclusion and accessibility are vital factors to keep in mind in all aspects of the strategy: from provision for receiving funds, in the technical

1 <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52018AE3902&from=EN>

2 <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52016AE4519&from=EN>

3 <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52020AE1188&from=EN>

4 <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52018AE6302&from=EN>

solutions for applying and for Media Data Space to the platforms for availability of audiovisual content and education, empowerment as well as the functioning of the European media market.

4. **Specific comments**

- 4.1 The **actions supporting recovery** include financing programmes with a direct impact on the media, yet **only a few of these financing mechanisms are stable**, predictable and accessible throughout the duration of the action plan. The measures proposed need to be adapted to guarantee essential financing for priorities, above and beyond the funds **temporarily available or at the discretion of the Member States**. For instance the Creative Europe programme, which will be accessible for the entire duration of the Multiannual Financial Framework, will for the first time include measures focused on media freedom and pluralism, journalism and media literacy. The other sources of financing proposed however are temporary (such as SURE) or the Member States can choose not to use them (Structural Funds).
- 4.2 Action 1 proposes easier access to EU support by means of an interactive tool that will provide guidance on how to apply for the relevant EU support during the 2021-2027 Multiannual Financial Framework and through national recovery and resilience plans. This is an excellent idea which will make it easier to find information and will optimise media financing processes. However, it needs to be accompanied by a mechanism enabling the Member States to send information in real time so that the portal has the necessary information when it is relevant.
- 4.3 Action 2 deals with the MEDIA INVEST initiative aimed at boosting investment in the audiovisual industry. This is a dedicated equity investment platform intended to foster European audiovisual productions and distribution strategies. The EESC believes that investment will need to increase substantially, and that this investment must go hand in hand with greater attention to innovation if the aim is also to make European audiovisual companies more competitive in an ever more aggressive global market. In addition, and in the context of the COVID-19 crisis, the EESC recommends the creation of a European insurance fund for audiovisual production.
- 4.4 Action 3 deals with NEWS, an initiative which aims to bundle actions and support for the news media sector. The wide range of tools is also significant. However, it is important to take into account that these support mechanisms should be geared to the particular features of the industry, providing opportunities for both media start-ups (regardless of their legal structure) and freelance journalists.
- 4.5 More support must be given to local media and media start-ups that do not have the capacity to apply for this type of financing, through tools that are easy to access by the small independent media that are struggling the most with financial resources. Channeling the financing via professional associations could help small media to access the support needed. In some Member States, the media market, particularly the local market, is weak and vulnerable and so investors might not see it as an opportunity. Solutions must therefore be found allowing local media companies to diversify their income flows and to strengthen their market position, without their becoming dependent on external investors who might dismiss the potential profitability of investing in these low-value markets.

- 4.6 Financial support mechanisms must be accompanied by measures set out in the European Democracy Action Plan to ensure that they are consistent in promoting the values of democracy, strengthen media freedom and counter disinformation. To the same ends, while welcoming the diversity and innovation of financial instruments, the EESC underlines the need to ensure the transparency of public and private investments, funds, foundations and any other media ownership structures, and to ensure that they do not contribute to a phenomenon of hyper-concentration and do not come with any specific political or ideological demands attached.
- 4.7 Action 4 introduces **actions focusing on transforming the industry**, unleashing innovation through a European media data space and encouraging new business models. As in other opinions⁵, the EESC agrees that we need to build a genuine European single market for data, a European data space based on European standards and values, including in the media industry. The measures must allow for the need to boost the industry's capacity to switch to a media model based increasingly on data, as there are major disparities in this respect across the industry. However, the EESC expresses its concern about the need to ensure that the rights of users who provide data for this European market are guaranteed, while at the same time pointing out, in line with what has been stated by different European consumer organisations, the need for users to obtain fair compensation for the use of their data.
- 4.8 The other measures set out in this framework are consistent with the efforts to bring about the digital and economic transformation and should be seen in the broader context of actions in those areas. Action 5 seeks to foster a European Virtual and Augmented Reality industrial coalition, while Action 6 promotes the shift to a climate-neutral audiovisual sector through the structured exchange of best practice. The EESC draws attention to the need to invest in professional training⁶ and strengthen the industry in order to ensure the adaptation of skills to these fundamental issues.
- 4.9 The measures to enable and empower emphasise the need to put Europeans at the centre of the Digital Decade. Action 7 seeks to achieve broader availability of audiovisual content across the EU by launching a dialogue with the audiovisual industry and civil society in order to agree on steps to improve access to and availability of audiovisual content across borders in the EU and eliminate the geographical restrictions in access to digital content through geoblocking. The EESC welcomes the opening of this dialogue, which will have to take into account the necessary protection of copyright and the financing constraints of the audiovisual industry.
- 4.10 The EESC welcomes Action 8 which aims to foster European media talents through training, mentoring and support for innovation. However, we would flag up the variety of structures of industry stakeholders (self-employed workers, non-profit) and the need to ensure that all of them can access the mechanisms.

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52020AE1188&from=EN>

⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52017AE1813&from=EN>

- 4.11 Action 9 focuses on empowering individuals. Given the importance of media literacy for both individuals and democracy, this issue should be prioritised. In particular, instruments must be developed to combat the proliferation and dissemination of disinformation and misinformation, which have grown worryingly. It is also pivotal to ensure that the measures set out in the pertinent documents and plans⁷ are consistent, particularly because these sectors are new and entail a vast amount of information, and the Member States need clear guidance and consistent procedures.
- 4.12 Action 10 opens up the discussion on ensuring the functioning of the European media market by strengthening the cooperation framework among European media regulators within the European Regulators Group for Audiovisual Media Services (ERGA). The EESC appreciates the importance accorded to involving decision-makers at Member State level, especially in the context of enforcing the AVMSD, and encourage a similar approach for all the actions listed in the plan so that they become a genuine roadmap for the industry.

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⁷ Including the European Democracy Action Plan, the Action Plan against Disinformation and the Digital Education Action Plan.