Brussels, 25 April 1997
Sec-D(97)

CONFIDENTIAL

NOTE TO COMMISSIONER MONTI

Subject: Media Ownership Directive

I attach the note prepared by E/5 which you asked me to provide as a basis for a discussion. This is a rather technical document and I therefore thought it might be helpful if I made a few comments of my own, drawing, of course, heavily from the attached note. I have not copied this other than to [redacted]. I do suggest we have a full discussion of this issue but in a much more restricted format than is offered by the normal policy group. Instead I would suggest perhaps [redacted] and myself discuss it with you and your cabinet.

To me the key issue is whether you can succeed in convincing the President, whose opposition is profound and extensive, of the wisdom of proceeding. This will not be easy, although, as you will see from the attached, a particular problem relating to CLT has been settled. There remains the general issue of the President’s opposition to any action despite potential parliamentary difficulties if the Commission announces a policy either of a recommendation rather than a directive or inaction. Here the origin is somewhat difficult to define but no doubt stems from the serious misgivings of the German press against any introduction of cross-media ownership control. It also stems from the major German media groups (notably Bertelmann) which can criticise the directive almost unopposed.

If the President can be convinced then we should need to move to the somewhat second order issues concerning other Commissioners. Unless these can be settled, any hint of opposition from the President would quickly find ready reinforcements among them. I have to say that I suspect even Mr Bangemann must be feeling a little of the chill of German dislike. The attached paper refers to the concerns relating to the flexibility clause and the conciliation procedures.
Finally a word about the extensive lobbying. If one were to believe it represented the totality of opinion in Europe, we would probably choose to withdraw the proposal right now. However, informal contacts suggest that we are hearing only the negative side. If we cannot rely upon their vocal support then we must at least try to encourage some informal contacts with various Commissioners to seek to reassure them that the picture is not all totally hostile.