

COMPROMISES

Europe's Media in the Digital Decade: An Action Plan to Support Recovery and Transformation

VERSION September 23, 2021

COMP32 on citations

Covering 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27

- *having regard to the Protocol on the system of public broadcasting in the Member States annexed to the Treaty establishing the European Community (Amsterdam protocol) [1, 10, 18]*
- *having regard to the Proposal for a Regulation of the European Parliament and of the Council on a Single Market for Digital Services (Digital Services Act) and amending Directive 2000/31/EC (COM/2020/825 final) [4, 23]*
- *having regard to the Proposal for the Regulation of the European Parliament and of the Council on contestable and fair market in the digital sector (Digital Market Act) (COM/2020/842 final) [5, 18, 24]*
- *having regard to the European Council conclusions on Europe's Media in the Digital Decade: an Action Plan to support recovery and transformation of 18 May 2021 [9, 11, 27]*
- *having regard to the Council conclusions on strengthening resilience and countering hybrid threats, including disinformation in the context of the COVID-19 pandemic of 15 December 2020, [12]*
- *having regard to the European Council conclusions on improving the cross-border circulation of European audiovisual works, with an emphasis on co-productions of 7 June 2019, [14]*
- *having regard to the Commission communication of 26 May 2021 to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions entitled 'European Commission Guidance on Strengthening the Code of Practice on Disinformation' (COM(2021)262), [2]*
- *having regard the Directive of the European Parliament and of the Council on the accessibility requirements for products and services of 27 March 2019 [7]*
- *having regard to the European Council conclusions on the strengthening of European content in the digital economy of 19 December 2018, [15]*

- *having regard to its resolution of 17 September 2020 on the cultural recovery of Europe (2020/2708(RSP), [17]*
- *having regard to its resolution of 15 September 2020 on effective measures to ‘green’ Erasmus+, Creative Europe and the European Solidarity Corps (2019/2195(INI)), [20]*
- *having regard to the outcomes of the World Press Freedom Index, published by Reporters Without Borders, and to those of the Media Pluralism Monitor of the European University Institute's Centre for Media Pluralism and Media Freedom of July 2020, [22]*
- *having regard to Directive (EU) 2019/790 on copyright and related rights in the Digital Single Market amending Directives 96/9/EC and 2001/29/EC, [21]*
- *having regard to Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU programme, [25]*
- *having regard to Directive (EU) 2018/1808 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive), [3, 16, 19]*
- *having regard to the Council conclusions on safeguarding a free and pluralistic media system of 18 November 2020, [13, 26]*

COMP 33 on Recital A, covering 29-34 + definitions (new)

whereas for the purpose of this report the term ‘news media’ is to be understood to include all editorial media such as television, radio, publishing sectors including newspapers and magazines and digital media;

whereas for the purpose of this report the term ‘audiovisual sectors’ are to be understood to cover broadcasting, audio, video and multimedia sectors and industries in all their diversity, including cinema and other physical venues;

whereas for the purpose of this report the terms ‘media’ and ‘media sector’ covers both the news media and audiovisual sectors;

whereas the cultural and creative sectors, of which news media and audiovisual sectors, are an integral **and vital** part, have been among the hardest hit by the fallout from COVID-19, **especially micro, small and medium enterprises [SMEs]**; whereas these sectors are also expected to recover at a more moderate pace than the general economy; **whereas the fallout from the**

pandemic has had different kinds of impact on the various actors of the news media and audiovisual sectors and industries, who are therefore facing different challenges that need to be addressed with tailored measures to overcome this crisis; [30]

COMP34 on Recital A a (new), covering 35, 40, 41, 50

whereas audiovisual sectors have been severely impacted and suffered a massive loss of revenues – a drop of almost 70% in box office for cinemas and distributors in 2020 [41], resulting in a total decrease in revenues amounting to EUR 4 billion¹ as well as a drop of activity of 30% for the productions and a total halt of co-productions, which threatens their capacity to recover and challenges the financing and circulation of European films and culture;² whereas the sectors are facing distinct challenges including the increase in operating costs due to stricter health and safety measures

whereas cinemas and film festivals play a central role in the European audiovisual ecosystem, particularly in terms of distribution, but also as regards to the viewing experience they provide to Europeans [50]; whereas the ongoing sanitary measures prevent these physical venues from operating at full capacity, if at all [50]; whereas in places where cinemas have reopened, audiences are coming back in numbers similar to pre-Covid [40];

COMP35 on Recital B, covering 36, 37, 38, 39

whereas the pandemic has caused a sudden halt in advertising investments, which are an essential source of revenue for the news media sector; whereas, according to early estimates, news media saw its advertising revenues drop by 20% to 80%;³ whereas media organisations, especially SMEs often face liquidity issues;

¹ <https://www.unic-cinemas.org/en/news/news-blog/detail/european-cinema-industry-sees-eur62-billion-box-office-drop-in-2020/>

² European Audiovisual Observatory, https://www.obs.coe.int/en/web/observatoire/home/-/asset_publisher/wy5m8bRgOygg/content/theatrical-gross-box-office-in-the-eu-and-the-uk-collapsed-by-70-4-in-2020

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0784>

COMP36 Recital B a (new), covering 43,51, 63.

B a (new) whereas, in addition to the effects of the pandemic, the media sector is also facing relevant challenges linked to the digital shift and its impact on the overall business model of the sector [43]; whereas further efforts must be undertaken to establish a safe, fair and competitive online environment which also safeguards citizens' fundamental rights [51]; whereas the Commission must promote transformation of new business models of audio and audiovisual media in digital domain; [63]

COMP 37 on Recital B b (new), covering 42 and 65

B b (new) whereas the palette of organisations and companies in the news media sector range from freelancers such as journalists or technical staff to public broadcasters and large media conglomerates with a high degree of vertical integration, small local and regional news media outlets, and a diverse range of non-profit associations;(65) whereas most EU countries are characterised by a high degree of market concentration with monopolies or oligopolies in the broadcasting sectors, oligopolies in newspaper industries and significant competition in magazine and book publishing;⁴ [42]

COMP38 on Recital C, covering 44-48, 49, 66

whereas ***high*** quality, well-financed and independent news media and professional journalism are ***essential for media freedom and pluralism and therefore*** a pillar of democracy ***and the rule of law; whereas media freedom has been severely deteriorating over the past decade [49]; whereas the COVID-19 crisis has reinforced the importance of quality journalism that can inform citizens and foster their critical thinking; [66]; whereas it is necessary to rebalance the information ecosystem, from gatekeepers to media;*** whereas every effort must be ***undertaken to ensure robustness of the media sector, to secure the independence from economic and political pressures and to increase media freedom and pluralism,⁵ as well as to promote better standards within the sector, both offline and online [46] and to guarantee the safety of journalists and the source of information; whereas the transparency of media funding is an essential element in promoting trust among the citizens [44];***

⁴ [https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/690866/IPOL_BRI\(2021\)690866_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/690866/IPOL_BRI(2021)690866_EN.pdf)

⁵ No EU country registers a low level of risk in the market plurality area according to 'Monitoring Media Pluralism in the Digital Era', p.50

COMP39 on Recital D and Recital D a (new), covering 52, 53-59, 62, 64, 69

Recital D

whereas the ***news media and audiovisual sectors play*** a vital part in fostering the resilience ***and inclusiveness*** of our democratic societies, ***cultural diversity and media pluralism [54, 58]***; whereas the ***news media and audiovisual sectors value chain is made up of a variety of actors [55] and businesses [52] that produce, broadcast or display content that is often based on IP rights and these sectors are mostly comprised of SMEs [53, 56]***, helping to promote, strengthen ***and nurture*** Europe's cultural, linguistic, social and political diversity; ***whereas the structuring of the European audiovisual and media sector into a competitive industry should therefore go hand in hand with the promotion of cultural diversity and market access for smaller operators [53]***;

Recital D a (new)

whereas the sectoral strategy foreseen by the Media and Audiovisual Action Plan should be as holistic as possible, making full use of all potential leverage to encourage investments in the news and publishing sector as well as the audiovisual sector; [64]; ***whereas the objective of the Plan should foster cultural, artistic and industrial diversity across the value chains [62]***; ***whereas the foreseen actions under the Plan should further build on the revised AVMSD and the MEDIA strand of Creative Europe programme to support the legal access to and availability of cinema and audio-visual works across Europe for the purpose of providing audiences with culturally diverse quality content; [69]***

COMP1 on PARA 1, covering 71-76

1. Stresses the fallout of the economic downturn, and strongly reiterates its call on the Commission and the Member States to increase support available for the news media and audiovisual sectors, and the cultural and creative sectors more broadly, ***with a special attention to the SMEs [74]***; considers that allocations for the ***news media and audiovisual sectors [71, 75, 76]*** should be increased across various multiannual financial framework (MFF) programmes; ***notes the need for the EU and Member States to support these sectors and calls on the Commission to strongly encourage Member States to increase support for them from the funds made available via their approved national recovery plans so that they can fully recover from the pandemic [71], become***

more sustainable and continue their green and digital transition [71]; considers special attention in all of the initiatives should be paid to local and regional media as well as news media operating in small markets [72]; underlines the need for transparent and open support mechanism in order to maintain the independence of the media [73];

COMP 2 on PARA 2, 2a, covering 78, 80-82, 83, 84

2. Welcomes the launch of the 'NEWS' initiative for the news media, including the *proposal for establishing a European News Media Forum which should be as inclusive as possible and lead to thorough discussions with the sectors on their ongoing transformations [83]; invites the Commission to further develop [87] this initiative and turn it into a permanent one, should stakeholders' feedback so request; salutes that such initiative will be supported by different MFF programmes; however, in order to ensure proper use of EU funds, underlines the need to develop full oversight over the initiative; [82]* reiterates emphatically its repeated calls for the creation of a permanent European news media fund *so as to empower independent news coverage, safeguard the independence of European journalists and journalism, and guarantee the freedom of the press [80]; highlights that capacity building services that will complement the 'NEWS' initiative should also have a focus on local and regional media; [83]*

2a Welcomes the creation of a tailor-made interactive tool helping media organisations to access the funding opportunities at both national and the EU levels [78]; considers that smaller media organisations in particular could benefit largely from customised training and support [78, 84]; stresses that such instrument needs to be user-friendly and also offer proper technical support throughout the application process;

COMP3 on PARA 3, 3a, 3b covering 85-88, 89, 91, 92, 127

3. *Welcomes the adoption and [86] highlights the relevance of the new Creative Europe programme and welcomes the introduction of new actions, under the revamped cross-sectoral strand, focused on enhancing media freedom, quality journalism and media literacy [88]; believes that access to such support and the swift delivery of it is crucial [92]; considers, however, that the support is insufficient given the financial needs of the sector; calls on the Commission to make full use of the available financing to*

the news media sector under the cross-sectoral strand already within this programming period; [85]

3a (new) Notes that the audiovisual sectors urgently need strong and sustainable support via the various EU funding programmes such as Horizon Europe, the Creative Europe's MEDIA strand and the Cohesion Funds; recalls that the administrative barriers should be lowered and more flexibility should be provided to applicants accessing funds, in particular to SMEs that represent the vast majority of the stakeholders of the sector; [89]

3b (new) Recalls that Creative Europe MEDIA should endeavor to balance funding between the Member States, between its different strands and genres; recalls that it is essential to the sector that Member States nurture an ecosystem of independent players as a key driver to diversity of creation; [91, 127]

COMP4 on PARA 4, covering 93-99

4. Regrets [99] that some parts of the *media* ecosystem are not covered by current support measures; invites the Commission to continue exploring tailored support schemes *for news media and to envisage setting up such insurance guarantees for audiovisual co-production [98]*; urges particular attention be paid in all support actions to Member States with low audiovisual production capacity; *underlines the benefits of Member States' best practice sharing amongst them to support the audiovisual ecosystem; [95]*

COMP5 on PARA 5, covering 105-108

5. Invites the Commission to conduct a study *on news media funding support in the EU*, develop guidelines and *facilitate the sharing of information and best practices [108]* among Member States *on* public financing mechanisms; *reiterates that the study should be carried out by independent bodies [105]*; *recalls the Member States' responsibility in regards to culture, education, youth and media policy and more particularly funding mechanisms in these fields that need to be clear and transparent [106, 107]*;

COMP6 on PARA 6, 6a, covering 113-119, 120 OK

6. Believes that tax policies *are a vital instrument that could facilitate [113]* recovery and resilience of *media and cultural and creative* sectors [118] *and help drive investments in these sectors*; encourages Member States with adequate fiscal scope to help boost media *production, distribution and*

*consumption [113, 116] of news media and audiovisual works, including [117] cinema admissions [114, 119] through **fiscal and financial incentives [113, 116]**, that accommodate this, **while also taking into account the differences between physical venues and online domain especially with regards to the respective maintenance costs [114]**; **welcomes the European Commission's announcement of an additional financial support for the European network of cinemas; [120] calls also on the Commission to facilitate exchange of good practices among Member States in order to support the competitiveness of the media and audiovisual sectors; [113]; underlines, however, that special tax policies should ensure an equal playing field for all media developers and not harm SMEs and freelancers [115]**;*

COMP7 on PARA 8, 8a, covering 128-133, 134, 135

8. Draws attention to the fact that the current crisis risks speeding up news media consolidation ***notably within Member States [128] which can be [132] to the detriment of media pluralism as well as quality and impartiality of information [128, 135], especially***-in smaller markets where the choice is already limited; ***acknowledges, however, that conditions of competition are changing rapidly in the media and audiovisual sectors and that [134] whilst mergers may be a last resort to prevent the smaller players from bankruptcies, warns at the same time that such consolidations must not be accepted as a norm [129]***; asks, therefore, for the competition authorities to remain vigilant and consider the long-term impact of mergers and acquisitions not only on market share, but also on linguistic and cultural diversity ***and at the same time invites the Commission to better take into account developments in the digital competitive environment to enable EU media players to continue to compete and play a significant role in the long term [134]; underlines that new media can play a constructive and active role in smaller markets and in countries and regions with a low rate of media freedom in allowing access to independent coverage of information; [130]***

COMP8 on PARA 9 covering 136-139, 141-144, 149, 150

9. Notes with concern that global online platforms have a vast disruptive impact on the media sector, as they dominate the data and advertising market, and have radically changed audience consumption patterns; underlines ***the need for a level playing field; in this respect stresses [143] that current legislation does not entirely provide for a fair environment on [138] pivotal issues in the online ecosystem such as access to and transparency of [144] data, platform and algorithmic accountability, and advertising rules,***

especially for online political advertising [136], all of which are crucial for the European media and audiovisual stakeholders to be able to fairly compete with these platforms [141]; is concerned about the platforms' business practices to remove or interfere with lawful content provided under a media service provider's editorial responsibility and that is subject to specific standards and oversight [137, 139]; considers that adoption of the applicable legislation to help address these shortcomings is a matter of urgency through relevant provisions, notably the future Digital Services Act and Digital Markets Act [136, 138, 141, 143, 149] and a significantly reinforced Code of Practice on disinformation [136, 138]; notes that citizens increasingly access news and diverse content via third party platforms such as social networks and news aggregators; underlines, at the same time, that informed use of online platforms, also allow people to get access to information, especially in countries and regions with a low rate of media freedom; [142]

COMP9 on 9a (new) covering 104, 146, 147, 148, 151, 154, 163, 188, 204, 247, 257

9a (new) Recognises the need for ambitious, clear and legally binding measures to fight Intellectual Property infringement including online piracy [146] as well as to efficiently tackle all forms of circumvention [154]; considers that the negative impact of piracy on Europe's cultural and media landscape needs to be addressed with practical tools, such as, where relevant, the use of dynamic injunctions, prompt take-downs upon notification, and clarifications of the legal regime applicable to services posting hyperlinks to websites on which copyright-protected works have been made available without the consent of the right holders [163]; calls on the Member States to urgently transpose Article 18 of Directive 2019/790 and establish remuneration mechanisms that will generate appropriate and proportionate remuneration to authors and performers for the exploitation of their works and performances on all, in particular online media [104]

Notes the fact that ensuring a better playing field that respects copyright and intellectual property rights will help boost the economic component of the media sector, save thousands of jobs and safeguard and promote Europe's rich cultural and linguistic diversity [257]; considers the importance of swift [204] implementation and effective [163] enforcement of the AVMSD⁶ and Copyright directive⁷ in all their provisions to ensure a level playing field and

⁶ (EU)2018/1808

⁷ Directive (EU)2019/790 on copyright and related rights in the Digital Single Market amending Directives 96/9/EC and 2001/29/EC

equal level of protection for creators and legal certainty for consumers and rights holders [138, 147, 148, 151, 163, 188]; stresses within this context the importance of further strengthening the protection of users of video-sharing platforms, particularly minors, against harmful content by promoting coordinated preventive measures and effectively implementing the existing legislation, including the AVMSD [247]; calls on the Commission to closely monitor developments in this regard [204] and encourages the Commission to explore how to assist the media sector in respect to the new neighbouring right to ensure a possibility for fair negotiations with the platforms; notes that the role and capacity of ERGA should be strengthened [148];

COMP 10 on 10, 10a (new), 10b (new) covering 79, 101-103, 121, 145, 156-162, 164, 165

10 Recognises the additional challenges for news media operating in smaller markets, including local, regional and niche media, which have limited revenues, and are not viable using current commercial business models, and which cannot embrace new ones that media operating in larger markets can; ***stresses the emergence of the ‘news deserts’ that can have a significant adverse effect on cultural and linguistic diversity [158];*** believes, therefore, that that public funding mechanisms ***that fully respect editorial independence and are [158]*** based on the arm’s length principle are necessary, ***coupled with unobstructed access to the advertising market; [159]; underlines that the EU should support cross-border cooperation and strengthen diversity in markets, thus addressing challenges of fragmentation and national focus; believes it is crucial that any recovery funds earmarked for the media and channelled through Member States be conditional on a process that guarantees fair and objective distribution in support of independent quality journalism [103] and that the Commission should in particular highlight support to media organisations in Member States where independent media face particular financial and political pressure, including where ongoing rule of law concerns cast doubt on the ability of the state to provide impartial support to journalism; [102]***

10a (new) Highlights the importance of the dual system of public and commercial media in Europe [79, 165]; calls on Member States to ensure stable, open [160], transparent, sustainable and adequate funding for public service media on a multi-annual basis in order to guarantee their independence from from governmental, political and market pressures [156,

164, 165] and thus ensure the diverse European media landscape; [79];

10 b (new) Highlights the importance of availability of information and access to news media for every European citizen in their respective language [145]; considers that more coverage should be devoted to European news in order to inform citizens about the activities of the Union; reiterates its support for the news media which have made the editorial choice to cover European affairs; [121]; calls on the Commission and the Member States to continue their efforts to promote the emergence of a genuine European media ecosystem; considers, in addition, the benefits of alternative community-led funding mechanisms such as "for the media and by the media", with independent juries under a "cascade" system;⁸ [164]

COMP 11 on 11, 11a covering 166-170, 171

11 Stresses that it is essential to *guarantee financial sustainability of public service media as well as to [168, 169]* ensure and maintain the independence of private and public service media from *any internal and external [167, 169]* political *and economic [170]* interference, *whether from governments, powerful interest groups, third countries or other [167]* external actors; acknowledges the specific situation *faced by* Member States which are exposed to geopolitical risks arising from third country interference in their information space, including through media financing; believes that the best viable antidote is a more robust media landscape with steady *and reliable [169]* revenue streams; considers increased transparency *and fact-checking obligations* to be *vital [169]*, and therefore welcomes the Media Ownership Monitor *and Media Pluralism Monitor [171]* initiatives; *calls on the Commission to ensure a more comprehensive monitoring of the political economy of the news media sector in the European Union and in the European Neighbourhood and Enlargement region [166];*

⁸ https://eic.ec.europa.eu/eic-funding-opportunities/european-innovation-ecosystems/calls-proposals/ufo-open-call-cascade_en

COMP12 on 11a (new), covering 207, 211

11a (new) Warns against precariousness, including false self-employment, in journalism profession and encourages to take adequate measures to help ensure fair income and strong social security of journalists [207;211]

COMP13 on 11b (new) covering 172, 173, 174, 206, 210, , 212, 213, 215

11b (new) Is deeply concerned about state capture of the media in some Member States, driven by media market distortions and ownership concentration and the misuse of regulatory tools to build a government-dependent media sector at the expense of critical, public interest journalism [174]

Believes that the EU can contribute to ensuring that international media freedom standards are further strengthened both within and beyond the EU [172]; urges the Commission to develop an ambitious, robust and complete mechanism that covers all media [215], founded on the current legislation, notably the Audiovisual Media Services Directive, to strengthen the EU's capacity to monitor and sanction actions that would limit or harm media freedom [206]; underlines that the development of a robust and independent media landscape can be pursued through the complementarity with the actions foreseen under the European Democracy Action Plan [174] and is of the view that the Commission's forthcoming proposal on media freedom ("European Media Freedom Act") could further aid such efforts [172], whilst treating media as a cornerstone of the European democracy as well as an economic player;

Welcomes the Recommendation by the Commission on 'Ensuring the protection, safety and empowerment of journalists and other media professionals in the European Union'⁹ and calls on the Commission and the Member States effectively protect journalists with legislative and non-legislative tools, NGOs and civil society against the increasing use of vexatious lawsuits (SLAPPS) in order to intimidate and silence them [213]; emphasises the importance of investigative journalism that is threatened by the associated high costs and welcomes the Investigative Journalism for

⁹ <https://digital-strategy.ec.europa.eu/en/library/recommendation-protection-safety-and-empowerment-journalists>, 16 September 2021

Europe (IJ4EU) fund in support for such journalism [210];

COMP14 on PARA 12, covering 152/153 (identical),179, 180, 187

12 Warns that some media are increasingly disrupted by global platforms and interfaces, some of which are vertically integrated competitors [152, 153] expresses concern about these disruptive trends to news media, as they can undermine competition in the long term, and reduce opportunities for other actors; is of the opinion that many online platforms do not invest themselves in creative content nor in journalism and yet extract a large share of advertising revenues from content they host [187]; urges a fair discussion between the media that produce editorial contents and the platforms that used them by references in their searching, communicating and clouding services for individual, institutional and business users [180]; asks the Commission to monitor the situation closely and, if appropriate, take necessary action to make conditions for competition more equitable so as to ensure that European citizens are well served regardless of the distribution means they choose to access content and information [187];

COMP15 on PARA 12a (new), 12b (new) covering 100, 140, 175, 176, 177, 178, 181

12a (new) Expresses concern about disproportionate economic power of the global online players and their marketing ability to reach large audiences as well as instances of predatory behaviour via unfair contractual conditions [175]; notes that such actions can create unfair competition conditions and weaken the European audiovisual sector [177], often with an impact on independent production and distribution of audiovisual works [176]; asks therefore the Commission to remain vigilant to these developments, monitor the situation closely and, where appropriate, take all necessary actions to make conditions for competition equitable [175];

12b (new) considers that transparency of algorithms and recommender systems is needed to ensure fairer presence of European works on online platforms and to provide real consumer choice [140]; invites the Commission to assess the role of streaming services, in particular in view of the converging online media environment, and, if necessary, to incentives for cultural diversity and discoverability of European works on such services that may be promoted also via algorithms; [100]

COMP16 on PARA 13, covering 182-186

13 Welcomes the **noticeable** progress made **throughout 2021** in working out a global solution to effectively taxing the digital economy, **in particular the July 2021 agreement level, based on the two-pillar approach carried out by the G20/OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS)¹⁰ [182]**; **stresses the need for a swift implementation of the agreement and support from all countries concerned; underlines that such agreement needs to be based on the assumption that the interaction with users and consumers significantly contributes to value creation in digital business models and should therefore be taken into account when allocating taxing rights amongst different countries [182] considers, furthermore,** that these new sources of revenue should **also be appropriately scoped to avoid double taxation and [185]** channelled by Member States to support their audiovisual and news media sectors, **including smaller actors that operate locally;**

COMP17 on PARA 14, covering 189-194, 196

14 Notes that despite some similarities the news media and audiovisual sectors face different challenges [191, 192]; calls, therefore, on the Commission to elaborate comprehensive European news media and audiovisual sector-specific strategies [196], engaging stakeholders [196] for high added value activities where the EU is a competitive player or has the potential to be one, such as video games and virtual reality, [193] that will provide tailored support measures for the news media and audiovisual sectors [194]; underlines that such strategies should be holistic and explore all options available, including tax incentives, trade policy as well as enhanced accountability and rules for online platforms [189, 190] to establish a regulatory level playing field allowing media to continue to invest in news and cultural content while protecting European consumers equally online and offline;

¹⁰

<https://www.oecd.org/tax/beps/about/#:~:text=The%20Inclusive%20Framework%20on%20BEPS%20allows%20interested%20countries%20and%20jurisdictions,implementation%20of%20the%20BEPS%20Package.>

COMP18 on PARA 15, covering 197-203

15 Stresses the need for transformation in the news media sector, including through ***further support for journalism training, building individual and collective skills for innovation and cooperation [197, 198], thus also facilitating greater diversity in media leadership roles as well as*** the digitalisation of newsrooms, the ***application*** of artificial intelligence (AI) ***including machine translation and human adaptation [197]***, changes and improvements to content creation and presentation, as well as better distribution and subscription models, including micro-payments; notes that the above require additional investment and skills that news media sector players often lack, ***including [197]*** those with small market share; calls on the Commission and the Member States to provide tailored support for the digital transformation of these sectors, ***notably earmarking of funding in Horizon Europe [199]***;

COMP19 on PARA 16, 16a (new) covering 208-209

16 Acknowledges the importance of independent journalism and its potential growth due to ***technologically-facilitated lower barriers of entry***, notably ***the rise of*** innovative publishing and payment solutions, that provide for easier ways to reach an audience ***online and monetise on content that should help improve the economic situation and working conditions of these independent professionals***;

COMP20 on PARA 17, covering 122- 125, 205, 214, 216-218,219, 220

17 Calls on the Commission to elaborate overarching media and information literacy strategy [217]; underlines the added value of including the media sector ***stakeholders [218]*** in media and information literacy (***MIL***) initiatives ***(including monitoring and actions [219])***; ***believes that civil society organisations play a key role in fostering MIL and asks therefore the Commission and Member States to include them as stakeholders in initiatives dedicated to promote journalism and MIL [214]***; ***emphasises the need for media education to be promoted in formal, informal and non-formal settings through a life-long learning approach in order promote digital and media skills throughout life and from an early age; calls in particular on the Commission to encourage support for media literacy education programs and***

initiatives in universities; [216, 220]; welcomes the implementation, in close cooperation with European Regulators Group for Audiovisual Media Services (ERGA), of a media literacy toolbox with practical application of the new media literacy obligations foreseen by the AVMSD [205];

Considers that support for strengthening independent media and media and information literacy should also be an integral part of the EU's foreign policy; ***stresses that in order to contribute to the Union's public diplomacy, promote the use of soft power and increase geopolitical visibility [124], stronger political, technical and financial [122] support is needed, in particular, in the European Neighbourhood and Enlargement region [123];***

COMP21 on PARA 18, covering 221-223

18 Considers that in order to help spur competition, the EU also needs to promote the creation and growth of digital media start-ups through easier access to finance and a supportive framework ***for innovation [222]*** that enables scalability;

COMP22 on PARA 19, 19a (new), covering 155, 225-233

19 Highlights the importance of territorial exclusivity and licensing rights for the survival and efficient functioning of the audiovisual sector, [155, 228, 230, 232], not least for cultural diversity; believes that maintaining the principle of territoriality, which is one of the cornerstones of the European audiovisual industry, is essential; underlines, therefore, the need to tackle the issue of concentration of dominant players on the market, which would be detrimental to alternative and independent offers; notes that ownership of intellectual property rights is often held [228, 230, 231] by authors, performers and independent and integrated [231] producers in Europe [231]; encourages actions aimed to support content creators and to create opportunities and a fair playing field for them so they can justly benefit from the revenue of their efforts, especially in the digital environment [226, 227];

19 a (new) Calls at the same time to noticeably enhance European audiences by making content legally available across EU-borders whilst safeguarding the principle of contractual freedom and using existing opportunities available across the EU such as the portability regulation; highlights the need to enhance a proactive offer of alternatives to access content legally in order to push back piracy in the whole of the EU that also remunerates creators and takes note of the fact that progressive digitisation is increasingly

dissolving national borders [233]; is concerned about the high price of some broadcasting rights that make it very difficult for smaller actors to exploit audiovisual works and the impact this has on content, cultural diversity and competition; welcomes the stakeholder dialogue towards a broader availability of audiovisual content across the EU launched by the Commission and calls on the Commission to take into due account the outcome of such dialogue as well as to use it to explore alternative funding models while fully respecting copyright rules, territorial exclusivity and the fair remuneration of the rights holders;

COMP 23 on PARA 20, covering 234-238, 255, 270

*20 Considers that more visibility should be given to EU programmes and initiatives aimed at promoting production and circulation of high quality European works with international potential [238; 255] across the European Union and beyond [255]; reiterates the need for tailored support in this regard [255]; is of the view that targeted measures to support [234] co-production, translation, **subtitling and dubbing [234, 236]**, **pre-sale of future distribution rights [237]** and co-distribution could contribute to increasing the availability of diverse European audiovisual content; **welcomes the investments made to promote European production [235]** and notes with interest several innovative projects carried out by European public service media organisations in that regard [236]; expresses its continuous support for the Lux Audience Award, and its recent expansion to the people's vote as an instrument to increase the knowledge of the European public about the variety of the European cinema [270] and reiterates the fact that independent cinemas and independent film festivals are of key importance for the resilience of the sector;*

COMP24 on PARA 20a (new), covering 195, 239, 246, 262

20 a (new) Urges the Commission and Member States to create tools and support actions that pay attention to low audiovisual production capacity of some Member States [246]; recalls the adoption of the revision of the Audiovisual Media Services Directive and calls in particular on Member States to properly implement Article 13.1. of the AVMSD that will ensure that media service providers of on-demand audiovisual media services under their jurisdiction secure at least 30 percent share of European works in their catalogues [195, 239, 262]; asks the Commission and the European Regulators Group for Audiovisual Media Services (ERGA) to closely monitor

the effective implementation of this measure, and to evaluate the success of its objective; [195, 239, 262]

COMP25 on PARA 21, covering 240-245

21. Underlines that video on demand (VOD) ***services [243]*** and other innovations are ***now fully part of the*** the audiovisual media landscape, and by extension creating challenges and also opportunities for incumbent players; notes that in many respects, an irreversible transformation is under way, ***wither, inter alia, the creation of new markets [241]***; encourages the sector's ***established [244]*** players ***to continue [245]*** to enter new markets and embrace innovative business models ***so as to offer the best service to their audiences; is of the view that the deployment of multi-territorial VOD services should not hamper the cultural and linguistic diversity of the EU [242]***;

COMP26 on PARA 21a (new), covering 248, 249, 251, 252

21a (new) Stresses the opportunities offered by the major VOD services to European audiovisual creators and producers; is concerned, however, about the system of work-for-hire and buy-out contracts often used by these services, which tend to buy the intellectual property rights to a work in return for a one-off payment and thus profit from the revenue generated by the exploitation of these works [248, 249]; acknowledges that fair market competition between broadcasters and VOD services is paramount for the future existence of the sectors, as confirmed with the Audiovisual Media Services Directive; urges the Commission to conduct a study on the impact of VOD services on the European film and audiovisual market [251], in particular on the relationships between the different actors in the value chain and take concrete steps to prevent potentially coercive practices that can hamper creators from enjoying adequate and proportionate remuneration; [252]

COMP27 on PARA 21b (new), covering 250, 253

21b (new) Emphasizes the central role played by media to shape society's perceptions, ideas, attitudes, and behaviour; points to the lack of diversity in the sector and insufficient share of women in creative and leadership

positions within the industry [253]; stresses the importance of fostering European media talents including through the development of new mentoring programmes and campaigns on diversity in front and behind the camera to improve representation of women and disadvantaged groups in society and encourage them to consider media careers; [250]

COMP28 on PARA 22, covering 254, 258-263, 264

22 Stresses the importance of reducing the audiovisual sector's carbon footprint, especially at the production stage, which accounts for most CO₂ emissions; notes that digital solutions such as virtual **audiovisual** production techniques can facilitate this reduction; believes that the current MFF provides a unique opportunity for funding greening projects and reaching net zero emissions *for the sector* within this decade; **calls on the Commission to conduct a study on the CO₂ emissions across the value chain and propose targeted measures; invites the Commission to accelerate this development [263] and support exchange of the best practices, common tools [254] and voluntary standards encompassing the whole value chain [254] in reducing carbon footprint for the audiovisual sector [258, 261] in order to meet EU's target to become climate neutral by 2050 [259]; welcomes therefore the European Commission's intention to produce a best practice guide for green production and provision of services [264]; underlines that environmental sustainability can be a key factor and asset in making the industry more competitive and more attractive to investment; [254]**

COMP29 on PARA 23, covering 265-268

23 Highlights that film literacy is particularly important for making younger audiences aware of European cultural diversity **and history [266] and has a huge potential to create and increase the feeling of belonging and a common European identity [268]; notes that European creators, producers, distributors and cinema have a key role to play [265, 267];** considers it necessary to develop a film literacy toolkit; **recalls the specificities of the European cinematographic production and the cultural exception in this domain to preserve the quality production of the European continent [266]; asks, therefore, Member States to consider introducing film literacy in school curricula and at all levels of education-[265]**

COMP30 on PARA 24, covering 269, 271, 272

24 Considers that *increased* financing for digitisation and promoting the availability of Europe's audiovisual and film heritage is necessary in order to *preserve it and [269, 272] make it more accessible for a broader audience [269, 272]; calls on the Commission to explore support options for audiovisual and film heritage under the Creative Europe programme [271], including promotion and facilitation of exchanges and capacity building among professionals in the field of film restoration and preservation [269] with due regard for independent SMEs, which, through their specific business model, play a pivotal role in safeguarding Europe's rich and diverse audiovisual heritage;*

COMP31 on PARA 24a (new), covering 126, 256, 273, 274

24a (new) Calls on the Commission and Member States to further support the recovery and transformation of the entire news media and audiovisual sectors and to strengthen their resilience and market competitiveness in order to tackle existing challenges and future crises as effectively as possible; emphasises the necessity to promote synergies between different EU funding schemes with specific amounts dedicated to the entire news media and audiovisual sectors, such as Creative Europe, Horizon Europe, InvestEU and Digital Europe; [256]