

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

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The European Parliament adopted by 577 votes to 47, with 76 abstentions, a resolution on Europe's Media in the Digital Decade: an Action Plan to Support Recovery and Transformation.

The audiovisual sectors have been hit hard by the impact of the COVID-19 pandemic. They have suffered a drop of almost 70 % in box office revenue for cinemas and distributors in 2020, resulting in a total decrease in revenues amounting to EUR 4 billion, and a **30 % drop in activity for productions** and a total halt of co-productions. This situation threatens their ability to recover and challenges the financing and circulation of European films and culture.

Members stressed that high-quality, well-funded and independent news media and professional journalism are essential for media freedom and pluralism, and are therefore a pillar of democracy and the rule of law

The resolution called on the Commission to elaborate comprehensive industrial strategies for both the news media sector and the audiovisual sector.

Recovery and support

Parliament called for **increased support** for the news media and audiovisual sectors, and for the cultural and creative sectors more generally, with a particular focus on SMEs. It called for an increase in funding for the news media and audiovisual sectors under the various programmes of the Multiannual Financial Framework (MFF) and invited the Commission to encourage Member States to increase support for these sectors by making use of the funds made available through their national recovery plans.

The Commission is invited to develop the **NEWS** initiative with a view to creating a European News Media Forum to engage in discussions with the sectors on their ongoing transformations.

The resolution specifically called for the creation of a **permanent EU news media fund** to enhance independent news coverage, safeguard the **independence of European journalists** and their profession, and ensure the freedom of the press. It called for the introduction of tailor-made support schemes for the news media and to consider the introduction of insurance guarantees for audiovisual co-productions.

Members believe that particular attention should be paid to all measures supporting Member States with a low audiovisual production capacity. Creative Europe MEDIA should endeavour to balance funding between the Member States and between the different clusters and genres it supports.

The resolution stressed that **tax policies** are a vital instrument that can contribute to the recovery efforts. Parliament called on the Commission to support Member States by carrying out a study, coordinating the exchange of best practices on programmes and public funding mechanisms, and developing guidelines.

The report encouraged Member States with adequate fiscal scope to help boost media production, distribution and consumption of news media and audiovisual works, including cinema admissions, through **fiscal and financial incentives** that meet these needs, while taking into account the differences between physical venues and the online domain.

Ensuring a level playing field

The resolution draws attention to the fact that the current crisis risks speeding up news **media consolidation**, especially within Member States, which may undermine media pluralism and the quality and impartiality of information, especially in smaller markets. It therefore called on competition authorities to remain vigilant and to **examine the long-term impact of mergers and acquisitions** not only on market shares, but also on linguistic and cultural diversity.

Existing legislation does not fully provide a fair framework on key issues in the online ecosystem, such as data access, data transparency, platforms and algorithmic accountability, and advertising rules, especially regarding online political advertising.

Given the disruptive effect of global online platforms on the media sector, Parliament considered the **timely adoption of legislation**, through relevant provisions, to help address these shortcomings to be a matter of urgency, notably the future Digital Services Act and Digital Markets Act, and a significantly reinforced code of practice on disinformation.

Members also stressed the need to ensure better conditions of competition that respect **copyright** and to put in place ambitious and legally binding measures to combat intellectual property infringements, including online piracy.

In view of the additional challenges facing news media operating in **smaller markets**, Members considered that the EU should foster cross-border cooperation and enhance diversity in markets, thus addressing challenges of fragmentation and national focus. Members called on Member States to provide a stable and **adequate financial envelope** for public service media on a multi-annual basis to preserve their independence from governmental, political and market pressures, and thus preserve the diversity of the European media landscape.

Towards the transformation and promotion of the European media and audiovisual sectors

Parliament stressed the need to transform the news media sector, including through increased **support for journalism training**, building individual and collective skills for innovation and cooperation and thus also through the promotion of diversity in media management positions, the digitisation of newsrooms, the adoption of artificial intelligence (AI).

The resolution stressed, *inter alia*, the importance of:

- developing a general strategy for media and information literacy;
- ensuring that strengthened media independence and media and information literacy form an integral part of the **Union's foreign policy**;
- promoting the creation and growth of digital media **start-ups** by facilitating access to finance and providing a supportive framework;
- **significantly expanding the European audience** by making content legally available across EU borders while safeguarding the principle of contractual freedom and using existing opportunities available across the EU, such as the portability regulation;
- **reducing the audiovisual sector's carbon footprint**, especially at the production stage, which accounts for most CO₂ emissions.