European Media Freedom Act

2022/0277(COD) - 16/09/2022 - Legislative proposal

PURPOSE: to establish a common framework for media services in the internal market (European Media Freedom Act) to safeguard the pluralism and independence of the media in the EU internal market.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: independent media services play a unique role in the internal market. Given their unique role, the protection of media freedom and pluralism is an essential feature of a well-functioning internal market for media services. This market has substantially changed since the beginning of the new century, becoming increasingly digital and international. It offers many economic opportunities but also faces a number of challenges.

Against this background, the proposal seeks to **tackle a series of problems** affecting the functioning of the internal market for media services and the operation of media service providers. In particular, media companies face obstacles hindering their operation and impacting investment conditions in the internal market such as different national rules and procedures related to media freedom and pluralism. These rules include in particular scrutiny of market concentrations for media pluralism purposes and protectionist measures affecting the operation of media companies. Such rules have created fragmentation in the internal market, impacting legal certainty for media market players and resulting in additional costs when operating across borders.

The proposal is in line with the EU's efforts in promoting democratic participation, fighting disinformation and supporting media freedom and pluralism as set out in the <u>European Democracy Action Plan</u>.

CONTENT: the proposal lays down **common rules for the proper functioning of the internal market for media services**, including the establishment of the European Board for Media Services, while preserving the quality of media services.

It is articulated around four specific objectives:

- (1) Fostering cross-border activity and investment in media services by harmonising certain elements of the diverging national media pluralism frameworks, in particular to facilitate cross-border service provision. Through coordination at EU level, the proposal aims to ensure that when assessing media market concentrations independent national authorities approach media pluralism and media independence in a consistent manner.
- (2) *Increasing regulatory cooperation and convergence* through cross-border coordination tools and EU-level opinions and guidelines. This will promote consistent approaches to media pluralism and media independence and provide effective protection for users of media services from illegal and harmful content, including online and with regard to service providers (including from third countries) not following EU media standards.
- (3) Facilitating provision of quality media services by mitigating the risk of undue public and private interference in editorial freedom. The proposal aims to guarantee that journalists and editors can work without interference, including when it comes to protecting their sources and communications. By

fostering editorial independence, it also guarantees better protection for the interests of recipients of media services.

(4) *Ensuring transparent and fair allocation of economic resources* in the internal media market by enhancing transparency and fairness in audience measurement and allocation of state advertising. The proposal aims to ensure transparency, non-discrimination, proportionality, objectivity and inclusiveness of audience measurement methodologies, in particular online. It will also ensure transparency, non-discrimination, proportionality and objectivity in allocation of state advertising to media outlets, in order to minimise the risks of the misuse of public funding for partisan interests, to the detriment of other market players. It will thus promote fair competition in the internal media market.

More specifically, the proposal lays down the following provisions:

European Board for Media Services

The proposal establishes the European Board for Media Services, the collective body of independent media regulators, replacing and succeeding the European Regulators Group for Audiovisual Media Services (ERGA). It sets out the requirements for the independence of the Board and specifies its structure. The Board will receive administrative and organisational support, required for carrying out its tasks, from a secretariat provided by the Commission. The Chapter lists the tasks of the Board under the Regulation.

Large online platforms

Regarding specific issues concerning the provision of media services in a digital environment, the proposal offers additional protection against the unjustified removal by very large online platforms of media content produced according to professional standards. Such platforms will need to take all possible measures to communicate the reasons for suspending content to media service providers before the suspension takes effect. The procedure includes a series of safeguards to ensure that this early warning procedure is in line with other priorities of the Commission, such as the fight against disinformation. Any complaints lodged by media service providers must be processed with priority by those platforms. The proposal provides for a meaningful and effective dialogue between the parties to avoid unjustified content removals and for obligatory annual reporting by very large online platforms.

Audience measurement

Requirements for audience measurement systems and methodologies should be deployed by relevant market players. The rules are accompanied by an encouragement to draw up codes of conduct and to foster exchanges of best practices. The proposal also provides for common requirements on the allocation of state advertising expenditure to media service providers, without affecting the public procurement rules and the State aid rules.

Cooperation and monitoring

The proposal establishes rules and procedures for regulatory cooperation and convergence in the internal media market, comprising a mechanism for structured cooperation, requests for enforcement measures, guidance on media regulation matters and coordination of measures concerning third-country media services. The provisions are intended to ensure a closer cooperation among national regulatory authorities and bodies in different areas of media regulation.

An evaluation of the instrument and a report to the European Parliament, the Council and the European Economic and Social Committee are envisaged within 4 years from its entry into force and every 4 years thereafter.