

STRATEGIC PRIORITIES 2015



The voice of newspapers and news media in Europe
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Juncker Commission launches policy strategies that will shape the future of news media

The future of the European Commission is not just a continuation of the past. Under the leadership of President Jean-Claude Juncker, the new Commission has reassessed all of its work in progress and abandoned many initiatives. This new executive has now refocused resources on a smaller number of policy areas regarded as crucial for jobs, growth and competitiveness across the EU's 28 Member States.

The Digital Single Market has been identified as a key component of the new strategy, with the aim of ensuring sustainable growth for the European economy. Under this heading, the Commission will pursue policy initiatives in a number of areas that will have a profound impact on the newspaper and news media sector: copyright reform, data protection, taxation and net neutrality, as well as a review of audiovisual regulation.

What promises to be a long and heavy battle over the future of copyright in Europe, has already begun with an own-initiative report by Pirate Party MEP Julia Reda (Germany, Greens) in the European Parliament. A Commission proposal for copyright reform is expected to follow in the course of 2015.

ENPA will continue to convey to the EU institutions the need for an approach that promotes, rather than undermines, publishers' investments in the wide range of quality news media for European citizens.

On 15th April, ENPA welcomed the decision by the Commission to take action in the ongoing EU anti-trust investigation into Google's business conduct. Press publishers fully expect that the Commission will use the action in the context of

comparison shopping services as a precedent for the ongoing legal proceedings regarding the other sectors prejudiced by Google's abuse of dominant position.

Meanwhile, freedom of the press cannot be taken for granted even in the EU context. There is a push from some quarters for new EU legislation on transparency of media ownership. At the same time, the Commission is funding the roll out of a media pluralism monitoring tool across Europe. This has fuelled concern that media pluralism or transparency rules could be used as first steps towards EU media regulation.

In ENPA's view, newspapers and news media should be free to decide voluntarily about their future activities and business structures and be limited solely by national legal frameworks.

These issues and other policy priorities are outlined in this publication, which has been drafted and compiled by the ENPA staff. We hope that you find this a useful reference tool. Please do not hesitate to contact the ENPA team with any questions about the issues mapped out in these pages.

Yours sincerely,



Francine Cunningham
ENPA Executive Director

Freedom of expression and press freedom are core principles of European democracy

Freedom of expression and the right to receive and impart information, opinions and ideas are enshrined in Article 10 of the European Convention of Human Rights. European principles and commitments in the field of freedom of the press, include national constitutions and the Charter of Fundamental Rights which explicitly states that "the freedom and pluralism of the media shall be respected" (Article 11.2).

As such, press freedom is always top of ENPA's priorities as it works across all the policy issues.

On 7th January 2015, ENPA issued a press statement which condemned in the strongest possible terms the murderous assault on the French satirical magazine, Charlie Hebdo, which cost the lives of journalists, cartoonists and police officers. ENPA regards this atrocity as an attack on freedom of expression and press freedom, which are core principles and pillars of European democracy.

ENPA and all its members remain united in the face of any threat to journalists and press publishers carrying out their daily role of informing citizens and fostering public debate. In our view, the attack on Charlie Hebdo underlines the necessity for all European decision-makers to defend strongly the principle of freedom of the press in both in Europe and across the world.

The Charlie Hebdo attack led to an important public debate on press freedom and inspired citizens' solidarity all across Europe. At the same time, the press sector has to remain alert to any possibility of governments adopting further rules to fight terrorism which could also have an impact on fundamental rights, including freedom of expression.

ENPA and its members remain united in the face of any threat to journalists and press publishers carrying out their daily

Concerns regarding freedom of expression in EU countries

The situation in Bulgaria has raised concern as regards recurrent restrictions on press freedom and media pluralism.

On 19th March 2014, ENPA President Ivar Rusdal, Vice-President Valdo Lehari Jr and Executive Director Francine Cunningham visited Sofia to find out more about the evolution of the Bulgarian media market. This mission revealed the ongoing difficulties to ensure a free, independent and pluralistic press sector and the persistent political pressure on those newspapers which are critical to the government.

ENPA published a press statement in January 2015 in support of its member, the Union of Publishers in Bulgaria, concerning potential abuse of power by the Bulgarian Financial Supervision Commission (FSC) by imposing heavy fines on certain newspapers and news sites for alleged infringements of Market Manipulation legislation. This could be seen as an attempt to suppress media voices that are critical of the operation of the Regulator and to prevent journalists from investigating suspected abuses in the non-banking sector in Bulgaria.

Hungary continues to be a source of international concern regarding freedom of expression. In March 2015, EU Competition Commissioner Margrethe Vestager has opened an investigation into whether Hungary's advertisement tax introduced in June 2014 complies with EU state aid rules. This was amid concerns that the new tax rates were selectively targeting in particular foreign-owned media companies.

Transparency of Media Ownership

There is an increasingly strong push from some quarters for new rules at EU level concerning transparency of media ownership. On 3rd October 2014, the European Commission organised a seminar entitled "Exchange of Best Practices on Transparency of Media Ownership," where several academic and civil society speakers called for new European legislation. In a speech presented to the seminar, the former EC Vice-President Neelie Kroes called on her successors to take this matter up at EU level.

From ENPA's perspective, we believe that publishing houses should comply with all the formalities necessary for any other company in the EU Member States. Additional administrative burdens and reporting obligations should not be placed on publishing houses. In our view, there is a strong risk that any new legislation regarding transparency of media ownership could be used as a first step by those who are seeking EU media regulation, an area where the EU has no legal competence.

Council of Europe developments

The Council of Europe is currently working on various recommendations related to the respect of fundamental rights and freedom in the digital environment. It has focused its debates, work and recommendations in particular on data protection, net neutrality, internet governance and internet freedom.

The Council of Europe has also increased its attention on the issue of media freedom and journalists' safety. It has notably launched an Internet platform aimed at protecting journalism and promoting the safety of journalists.

ENPA is represented as an observer at the Council of Europe by Holger Rosendal of Danish Media, who is particularly active in the Committee of Media and Information Society (CDMSI).

Key Messages:

- Press freedom is part of Europe's core democratic values and an indispensable pillar of European democracies. Any threat to press freedom or freedom of expression, whether by governments or by other means of pressure, including terrorism, should be strongly rejected.
- Self-regulation and press councils are aimed at preserving media freedom and pluralism and at the same time promoting the truthfulness of information.
- When considering any addition security and anti-terrorism measures, EU and national decision makers should avoid any direct or indirect effect on freedom of expression, protection of journalistic sources and editorial content.

A media pluralism monitoring tool cannot measure the reality and diversity of today's media market

In 2013, the European Commission awarded a grant to the Centre for Media Pluralism and Media Freedom at the European University Institute in Florence to begin implementation of a "Media Pluralism Monitor" (MPM). The Monitor was first developed in 2009 at the request of the European Commission, by the University of Leuven, among others, and defines a wide set of indicators and a monitoring tool to "measure" the threats to pluralism in the Member States.

The Florence Centre has been required by the Commission to streamline the indicators used in the MPM, with a special attention to the importance the Internet plays today, and to undertake a pilot-implementation of the tool in nine EU countries: Belgium, Bulgaria, Denmark, Estonia, France, Greece, Hungary, Italy and UK.

The revised version of the Media Pluralism Monitor 2014 now includes 34 indicators (instead of 166 in its 2009 version). Its scope of application is also reduced to news and current affairs. In addition it is supposed to cover the digital dimension of the media market by the inclusion of digital indicators. The MPM is measurement tool aimed at assessing the risks to media pluralism in the country monitored.

The Florence Centre has tested the implementation of the revised indicators in these nine countries and some ENPA members have been actively involved in the discussion about the implementing test. The outcome and conclusions of this testing phase have been made available in a final report published in January 2015.

Media pluralism is an area of national competence and depends on each Member State's specificities

The report describes the approach and method used to design indicators and their integration into a risk-based framework. It contains no policy recommendation as such. It also includes a country-by-country assessment

The results of the pilot test implementation therefore show a provisional assessment of the risk to media pluralism through different risks domains in the selected countries. The examined risks domains are: Basic domain, Cultural pluralism in the media, Geographical pluralism in the media, Pluralism of media ownership and control, Political pluralism in the media and Pluralism of media types and genres.

The final report indicates that the MPM 2014 demonstrates that there are various risks for media pluralism across the selected countries and every country has a specific weakness that creates high score and therefore high risk for media pluralism.

On 31st March 2015, ENPA organised a seminar in Brussels with academics from the Florence Centre. We had a frank exchange of views on what we regard as the serious shortcomings of media monitoring tool. The European Commission has instructed the Florence Centre to now roll out the tool in all 28 Member States. Before doing so, the academics intend to reduce the number of indicators to 20 and at the same time strengthen the digital dimension of the tool.

ENPA main concerns:

Since the start of the discussion on the original instrument established in 2009, ENPA has been very critical of this tool since there is no EU competence in this area. Moreover, the MPM's many indicators are extremely burdensome and bear little connection to the reality of today's media sector. In addition, certain indicators go into editorial content and editorial decision-making.

ENPA has reiterated these concerns in the revised version MPM 2014. In particular, ENPA has stressed the impossibility to assess media pluralism by a measurement system based on the simple application of indicators which do not necessarily take into account the specificity of each country not only as regards the media market, but also concerning other criteria including the historical, cultural and socio-political and dimension of each Member States.

More specific comments were made on the indicators related to freedom of expression and political control, ownership and concentration, editorial content related indicators. Other areas were not covered or not sufficiently reflected in the MPM, such as the digital dimension of the media market and the impact of the new global technological players (social network, search engines, telecom operators, ISPs, etc).

ENPA has commented extensively before and during the pilot test implementation of the MPM 2014 in the nine selected countries. ENPA member associations have also actively participated to this process during the implementation phase. We shall continue to follow the progress of this tool closely as it is now rolled out in the 28 Member States.

Key Messages:

- Member States have sole competence for preserving media pluralism in accordance with the national, regional and local traditions and characteristics of their respective media market and in respect of cultural diversity.
- A measurement tool based on indicators cannot reflect adequately the reality and the specificity of the media market in each Member State, especially as regards their respective and non-comparable historical, cultural and political dimension.
- Pluralism crucially depends on upholding freedom of the press. State interference and misguided legislative proposals can be more damaging to freedom of the press and editorial independence.
- Many newspapers have benefitted from being part of a larger media group that has allowed them to be more resistant to the economic crisis and the downturn in advertising revenues.
- The dominant position held by a small number of multinational technology companies and search engines should not be allowed to restrict media freedom and pluralism.

European Commission aims to make the EU single market freedoms 'go digital'

The Juncker Commission has made one of its top priorities the creation of a Digital Single Market: making the EU's single market freedoms "go digital", and boosting growth and jobs on our continent. Under the leadership of Andrus Ansip, Vice-President for the Digital Single Market and Günther Oettinger, Commissioner for the Digital Economy and Society, the first orientation debate in the College established three priority areas for action in the comprehensive Digital Single Market Strategy to be unveiled in May:

1. Better access for consumers and businesses to digital goods and services

- Facilitating cross-border e-commerce, especially for SMEs, with harmonised consumer and contract rules and with more efficient and affordable parcel delivery. Today only 15% of consumers shop online from another EU country.
- Tackling geo-blocking: the Commission states that too many Europeans cannot use online services that are available in other EU countries; or they are re-routed to a local store with different prices. In their view, discrimination cannot exist in a Single Market.
- Modernising copyright law to ensure the right balance between the interests of creators and those of users or consumers. The aim is improve people's access to culture – and therefore support cultural diversity – while opening new opportunities for artists and content creators and ensuring a better enforcement of rights.
- Simplifying VAT arrangements is important to boost the cross-border activities of businesses, especially SMEs.

Digital Single Market ensuring a competitive, free and innovative press sector in Europe

2. Shaping the environment for digital networks and services to flourish

- All digital services, applications and content depend on high-speed internet and secure networks: considered to be the lifeblood of new, innovative digital services. To encourage investment in infrastructure, the Commission will therefore review the current telecoms and media rules to make them fit for new challenges, in particular relating to consumer uses and new players in the field.
- Spectrum: improving coordination among Member States is considered to be essential. Europe has witnessed significant delays in the roll-out of the latest 4G technology. A European approach to its management is needed to promote a genuine single market with pan-European services.
- The Commission will look into the growing importance of online platforms (search engines, social media, app stores, etc.) for a thriving internet-enabled economy.

- Today, 72% of internet users in Europe are concerned about using online services because they worry that they have to reveal too much personal data online. The swift adoption of the Data Protection Regulation is key to boosting trust.

3. Creating a European Digital Economy and Society with long-term growth potential

- Industry is a key pillar of the European economy – the EU manufacturing sector accounts for 2 million companies and 33 million jobs. The Commission wants to help all industrial sectors integrate new technologies and manage the transition to a smart industrial system ("Industry 4.0").
- Standards: ensuring interoperability for new technologies are essential for Europe's competitiveness, they must be developed faster.
- The Commission also wants industry and society to make the most of out of the data economy. Big data also raises important challenges, from ownership to data protection to standards. These need to be addressed to unlock its potential.
- Cloud computing use is rapidly growing: the proportion of digital data stored in the cloud is projected to rise from 20% in 2013 to 40% in 2020. While shared networks and resources can boost the economy, they also need the right framework to flourish and be used by more people, companies, organisations and public services across Europe.
- The Commission believes that Europeans should also be able to fully benefit from interoperable e-services, from e-government to e-health, and develop their digital skills to seize the opportunities of the internet and boost their chances of getting a job.

ENPA actively contributed to the debate on the future Digital Single Market (DSM) Strateg. In a joint letter together with EMMA, we highlighted the main strategic priorities and challenges of the press publishing sector in Europe, and proposed ways in which these priorities could be addressed in the future DSM Strategy.

Key Messages:

- Digitisation has not reduced but increased the need for copyright protection
- It is vital for Member States to be able to apply lower VAT rates for digital press
- Fair competition and transparency in the digital world is essential
- Data protection rules should not hamper a free and independent press
- It is vital to maintain the exception for the press in the AVMS Directive

A stable EU copyright framework is essential to publishers' investments in professional news content

Press publishers are currently facing a crucial moment in the debate on the future of copyright in Europe. There have been increasing calls for changes to the existing EU legislative framework in order to bring in more exceptions to copyright. ENPA has resisted calls for a weakening of the current level of copyright protection available to publishers and creators

It is of vital importance that any future proposals regarding the EU copyright framework are based on full knowledge of the potential impact on jobs and growth in the European publishing sector as well as the effect on the provision of a diverse range of professional press offerings for EU citizens.

Without effective copyright protection and enforcement, publishers would not be able to invest in a wide range of quality newspaper content or in developing new digital business models. They would also not be able to monetise newspaper archives on the Internet, which are growing in significance as a revenue stream.

The current copyright framework has allowed for innovations in the European press publishing sector, which have enabled consumers to enjoy press content on all platforms: when, where and how they want.

*A modernised EU copyright framework
should include a distinct right for publishers
to protect their print and digital press
products*

Potential targeted fast-tracked proposal on Copyright reform:

The President of the European Commission (EC), Jean-Claude Juncker has repeatedly emphasised his commitment to introduce a reform of EU copyright rules during the year 2015, and his digital commissioners Andrus Ansip (Vice-President of the EC for the Digital Single Market) and Günther Oettinger (Commissioner for Digital Economy and Society) have confirmed their intention to prepare a reform proposal before the end of this year. One of the 10 priorities of the Juncker Commission is a "Connected Digital Single Market," within which two initiatives are foreseen: an "ambitious reform of the telecoms market" and a "proposal on copyright reform".

The three issues most likely tackled in the current reform, will be exceptions for education, text and data mining, and territoriality and portability.

Copyright in the European Parliament:

The European Parliament (EP) intends to play its full role in the review process. Since Intellectual Property is one of its main competences, the Legal Affairs Committee have launched a report on copyright and the creation of a dedicated working group on Intellectual Property Rights and Copyright Reform.

On 12th February 2015, ENPA Executive Director Francine Cunningham was invited to give a presentation to the EP Legal Affairs Committee on publishing and copyright issues in the digital environment. Ms Cunningham made a presentation on the way that copyright underpins the newspaper sector and is more important than ever in the digital environment, as well

as underlining the need to effectively protect news media content against free riding and piracy. Francine Cunningham also spoke of the threat to the newspaper market posed by several ideas currently under discussion in the context of copyright reform, such as a new broad "open norm" exception to copyright; a new exception to accommodate text and data mining; as well as broader exceptions for libraries and educational purposes.

On 16th January, Ms. Julia Reda (Germany, Greens/EFA, Pirate Party) published her draft Report on the implementation of Directive 2001/29/EC (the Information Society Directive) in the Legal Affairs Committee. MEPs aim to be actively involved in the process of modernisation of EU copyright rules undertaken by the European Commission.

If it is adopted, the Reda report will not be legally binding for Member States. The intention is to make it the first contribution of the European Parliament to the copyright review and to have it adopted by June 2015. In parallel, the Vice President of the European Commission, Andrus Ansip, has announced that he will present his strategy on a Digital Single Market including copyright issues in May 2015.

In September 2015, an ex-post Impact Assessment of the implementation of the Information Society Directive, prepared by the European Parliamentary Research Service (EPRS), will be released. Also in Autumn 2015, Commissioner Oettinger has indicated that he will propose a first draft initiative to modernise copyright rules.

Key Messages:

- Strong copyright protection is more important than ever in the digital age: digitisation has not reduced, but increased the need for effective copyright protection and its enforcement.
- The current EU legislative framework provides an appropriate balance between rights holders and users in terms of rights and exceptions to copyright.
- Effective copyright protection is key to securing the independent journalism, news and analysis essential for any democracy. The current review of copyright should not result in any weakening of the level of protection for creative content.
- The on-going EU copyright review has not yet provided clear evidence of the need to introduce any new exceptions and limitations to copyright, to harmonise existing exceptions, or to even make any further exceptions mandatory.
- An exception for text and data mining could be misused by news aggregators and media monitoring companies, to avoid seeking any permission from publishers, or providing any remuneration.
- Licensing can and does provide more efficient and business-friendly solutions to tackling any obstacles in the digital market place.
- Any reform needs to take account of "free riding" and its consequences. In this regard, a modernised EU copyright framework should include a distinct right for publishers to protect their printed and digital press products.

Respect for the freedom to contract and to negotiate should be the fundamental basis of any approach to contract law

In the context of discussions on the on-going review of the European copyright framework, the EU Institutions are increasingly taking an interest in the issue of copyright contract law. Questions on contracts were included in the Commission's public consultation on the EU copyright framework at the end of 2013.

The Commission's DG Connect commissioned a study in 2014 on the remuneration of authors of books and scientific journals, translators, journalists and visual artists for the use of their works (2014/S 134-239684). The stated objective of the study is to determine whether, and to what extent, the differences that exist among the Member States affect levels of remuneration and the functioning of the Internal Market, but will, among other subjects, go into the employment relationship between publishers and journalists.

The study will incorporate elements of moral rights, obligation to publish, exploitation on new digital platforms and remuneration linked to multiple exploitation, transfer of rights and the termination of contractual transfer; financial fairness and unfair contractual clauses; collective bargaining and possible alterations to competition law. Concerning European news media publishers, any EU action in the field of copyright, addressing the relationship between publishers and journalists should definitely preserve the freedom to contract, and respect the principle of subsidiarity.

Social dialogue and negotiations in the newspaper sector should remain at national level

EU principle of subsidiarity:

In the light of the principles of subsidiarity and proportionality, any EU legislation in the field of copyright should not deal with issues that have little or no impact on the internal market and are intrinsically linked to the cultural, educational, and social policies of the Member States. From the publishers' perspective, it has to be noted that national media markets are very diverse and have been shaped by historical, cultural and societal developments.

There are also different situations regarding labour law and employment practises in the various Member States. Newspapers are national, regional and local products and cross boarder sales even in digital publishing remain marginal due to language, political and cultural differences. The functioning of the internal market is therefore not affected by national differences as regards remuneration of journalists.

Freedom to contract:

Respect for the freedom to contract and to negotiate should be the fundamental basis to any approach to this area. A cross-sectorial and pan-European approach to employment practice in the press sector would represent a real threat to the freedom to contract.

Any proposal for a common framework would not be an appropriate way to address contract law, which has been built on the basis of sector specificities and which has evolved in this context in the various Member States.

EU initiatives in this field should therefore avoid a "one size fits all" solution that would fail to take into account the distinction between publishing, audio-visual content and music, since the contractual relationships and rights management are organised differently in each sector. Moreover, different concepts and legal situations exist in the EU Member States when it comes to copyright and employment practices, ownership and transfer of rights, as well as presumption of rights. Various concepts and approaches are used because each corresponds to a different underlying legal system.

Social dialogue should remain at national level:

In some EU countries, publishers enter into collective negotiations at national or company level with the union of professional journalists to achieve collective agreements regarding press content and the remuneration of journalistic work. In this context, collective negotiation for the acquisition of rights by publishers from their employees is closely linked to labour law and employment contract law. It is, therefore, crucial that social dialogue in the newspaper sector remains at national level and is not introduced at EU level.

According to the Treaty on the Functioning of the European Union (Art. 4 Paragraph 2 b), the EU has shared competence in the field of social policy, but only for the aspects defined in this Treaty. In this way, and in accordance with the principle of subsidiarity, the role of the EU in this area is limited to supporting and complementing the activities of Member States.

Key Messages:

- The possibility to invest and innovate relies on the freedom to contract and to negotiate, and this freedom is of fundamental importance to the European news media industry.
- Publishers of newspapers and news media do not see any competence for any EU action in the field of copyright contract law.
- Questions regarding the economic rights of the employer in the press sector, collective negotiations and remuneration should remain firmly at national level.
- Any approach at EU level would contravene the principle of subsidiarity and would not respect national legislation already in place and would not respect the freedom to contract.

Copyright underpins the value of content in the digital era

Europe Media Monitor service

In June 2014, ENPA wrote to the Directorate-General Joint Research Centre of the European Commission to request information about the functioning of the Europe Media Monitor (EMM). The European Commission's Joint Research Centre (JRC) had developed a number of news aggregation and analysis systems to offer to the EU institutions and Member State organisations.

In our letter, ENPA addressed some important questions, namely how is the EMM organised and what licensing agreements have currently been concluded, as well as what mechanisms are in place for the prior authorisation and remuneration for the use of news media content.

In the context of its ongoing copyright review, the European Commission had commissioned a comprehensive study prepared by the Belgian law firm De Wolf & Partners, assessing "the extent to which the implementation of Directive 2001/29/EC is appropriate to the economic and technological realities of digital markets". Regarding press clippings, the study concluded that enlarging the press review exception to any other beneficiary than "the press" would make the existing situation more difficult from a financial point of view for the existing press (print or Web-based), and that "copyright should not be ignored, as it would significantly damage the revenue streams of the press."

In our final response, ENPA underlined to EMM that just because news content is on an open website, does not mean that the European Commission has impunity to engage in the massive exploitation of newspaper articles, without any authorisation or prior licensing arrangements, and create derivative services based on such content. ENPA suggested to the Commission's Joint Research Centre to seek the assistance of members of the PDLN to identify the appropriate licencing bodies for a web content licence within organisation's membership and look for their advice regarding a possible way forward.

Effective copyright protection is key to providing a wide range of quality news content on all platforms

Europeana Newspapers' Project

On 29th - 30th September 2014, the Europeana Newspapers Project organised its final workshop on policy and copyright, entitled "Newspapers and the Digital Agenda for Europe." In a nutshell, the Europeana Newspapers project is funded under the European Commission's Competitiveness and Innovation Framework Programme (CIP) 2007 – 2013. This three-year project which ran until January 2015, aimed at aggregating 18 million historic newspaper pages for Europeana and The European Library and converting 10 million newspaper pages to full text.

This policy workshop dealt with policy issues to help Europeana to improve access. The workshop discussed the value of newspapers and the barriers to improving access, but also gave publishers a chance to echo their concerns and the need to respect copyright and value of content. Among

participants were international librarians, researchers, policy makers, newspaper publishers and copyright experts to speak from their perspective. Ms Satu Kangas from Finn Media kindly accepted to represent ENPA at the conference.

During a meeting Europeana chief executive Jill Cousins and the European Commission (DG Connect) in February 2014, ENPA had expressed appreciation for the way the project underlines the important role of newspapers in society. However, the use and accessibility of newspaper content through Europeana is an issue which should be addressed on a case by case basis. A broad approach based on the idea of mass digitisation would certainly have a detrimental impact on the viability of newspapers, because it would permit libraries to provide the same content that publishers often offer on a commercial basis.

EU Observatory on IPR Infringements:

Since October 2012, ENPA has been the sole representative of the press sector in European Observatory on Infringements of Intellectual Property Rights, organised by the Office for Harmonisation in the Internal market (OHIM). We participate in two Observatory working groups, regarding statistics and intellectual property.

In 2015, OHIM will continue to focus on the specified areas, including support for enforcement through effective tools, systems and knowledge; and raising awareness on the important role played by IP and the negative consequences of its infringements.

Other forthcoming projects planned for 2015 are: a Report on identifying and reporting on best practices in enforcement; case-law collection and analysis; work on how to help consumers to better differentiate legitimate from infringing websites; analysis of new business models in copyright-based creative industries; research on business models most commonly used to infringe IP online; and a study of open licensing and the public domain.

Key Messages:

- Newspaper publishers were among the first media to bring their content online and the sector continues to invest heavily in digital content for European citizens. Copyright underlines and drives this investment.
- Mass digitisation of newspaper content by public libraries or by private companies represents a risk to publishers' ability to develop paid-for digital business models and to monetise content.
- It is of fundamental importance that any agreement reached regarding the digitisation and/or making available of a work should be on a voluntary basis, with the possibility to withdraw. It is a right holder's prerogative to choose how to manage their content.
- Disregarding copyright would seriously undermine legitimate revenues for the press sector and jeopardise future investments in quality news media content.

Effective enforcement is essential for the sustainability of print and digital press

Publishers of newspapers and news media are investing in new business models, to take full advantage of the opportunities provided by new technology to serve their readers with professional content in both print and digital formats. The news media sector is providing digital offers and services that both anticipate and satisfy customers' demands and changing reading habits. These developments will shape the future of the press, both print and digital, in the years to come.

Infringements of intellectual property rights cause widespread economic harm to the newspaper publishing sector and pose a real threat to its continued development. It is therefore important that the measures in the EU Enforcement Directive can be used by publishers, on a practical level, to enforce their rights in copyright infringement cases.

Developments at EU and national level:

Publishers in a number of countries have complained that news aggregators are infringing copyright by using newspaper content without permission and/or remuneration. The *Copiepresse v. Google* case in Belgium confirmed that Google had reproduced illegally and without prior authorisation a significant part of copyrighted material from French and German language press in Belgium. In December 2012, the francophone publishers reached an agreement which puts an end to the judicial proceeding in the long-running *Copiepresse vs. Google* copyright infringement case, although each party retain different legal positions.

Fair competition and respect for copyright by all market players are crucial factors for vibrant European press sector

At European level, a Danish copyright case relating to the automated production of summaries of news reports and articles (*Infopaq International A/S v Danske Dagblades Forening*) was referred to the European Court of Justice. In March 2013, the Danish Supreme Court upheld the 2007 judgment from the Eastern High Court after hearing the ECJ. The Supreme Court's decision states that 11 words will from time to time be protected by copyright and that it is not certain that those extracts are deleted automatically after a short period of time (transient).

Following an action of the Newspaper Licencing Agency (NLA) in the *Meltwater* case in the UK, the Court of Appeal confirmed that online newspapers are copyright protected and that most businesses subscribing to a media monitoring service that contains content from online newspapers require a licence from such newspapers.

The judgment on hyperlinking and making available in the case *Nils Svensson and Others v Retriever Sverige AB*, which was published in February 2014, says that the owner of a website may, without the authorisation of the copyright holders, redirect internet users, via hyperlinks, to protected works available on a freely accessible basis on another site.

This is so even if the internet users who click on the link have the impression that the work is appearing on the site that contains the link.

The European Commission has been looking into whether to revise the IPR Enforcement Directive. ENPA submitted its position in 2011 to the Commission's Consultation on the Review of Directive 2004/48/EC on the enforcement of intellectual property rights. In ENPA's view, the Commission's reflection on copyright should ensure that there is no weakening of the level of protection for content and ensure that publishers can easily rely on EU copyright legislation in order to sustain the newspaper publishing industry in Europe.

Publishers strongly maintain that enforcement measures, procedures and remedies should not be unnecessarily complicated or costly. Such measures also should not entail unreasonable time limits or unwarranted delays.

All too often, infringers may retain some of their profits and damages awards do not currently appear to be sufficiently deterrent. Rights holders should be able to recover at least their total losses sustained as a result of an infringement. Damages awards do not currently appear to be effectively deterring potential infringers from engaging in illegal activities.

The European Parliament is currently discussing a Legal Affairs Committee report drafted by MEP Pavel Svoboda called "Towards a consensus on the enforcement of Intellectual Property Rights: An EU Action Plan" This is an own-initiative report and will therefore not be binding for Member States but will only express the opinion of the JURI members and of the European Parliament if it is adopted in the Plenary.

As regards the commercial scale piracy, which has had a strong detrimental impact on press publishers, along with the other creative industries, the 'Follow The Money' types of initiatives are to be welcomed as a way of addressing piracy via e.g., limiting payment services and advertising to pirate websites.

Key messages:

- Fair competition and respect for copyright by all market players in the knowledge-based economy, including search engines and news aggregators, is a necessary precondition to ensure a sustainable press sector in Europe.
- Effective IPR enforcement mechanisms and procedures are essential to combat both piracy and parasitism, as well as to ensure that rights holders and society at large can fully enjoy the benefits of the IP system.
- Enforcement measures, procedures and remedies should not be unnecessarily complicated, costly or time-consuming.

Google's abuse of dominant position must end to ensure a thriving free and independent press on digital platforms

In November 2010, the European Commission launched an antitrust inquiry into Google after complaints by competing companies Ciao, Foundem and ejustice.fr. The German newspaper and magazine publishers' associations (BDVZ and VDZ) filed a complaint in Germany based on fair search (fair ranking of the search results) and fair share of revenue that Google earns from using of content, which was combined with the EU investigation end of 2010. The Spanish newspaper publishers' association (AEDE) subsequently joined the EU competition case as a complainant.

In May 2012, then EC Vice President Joaquín Almunia issued a statement expressing four main concerns regarding Google's business practices which may violate EU antitrust rules:

1. The favourable treatment, of Google's own content and services within Google's web search results
2. The use of third party content by Google without prior consent
3. Exclusivity agreements obliging third party web sites ("publishers") to obtain all or most of their online search advertisements from Google
4. Contractual restrictions on the transferability of online search advertising campaigns to rival search advertising

After more than nine months of discussions with Google, in April 2013, the Commission opened a market test/consultation on the first set of commitments presented by Google. These commitments have been heavily criticised by all complainants, including AEDE, BDVZ and VDZ.

The outcome of the Google anti-trust case will have a strong impact on citizens' access to information, media pluralism and press freedom in Europe.

In October 2013, DG Competition circulated to stakeholders a request for information on Google's second set of commitments and a questionnaire prepared by DG Competition. These revised commitments were unanimously rejected by complainants, since they neither improve the first commitments nor respond to the Commission's four concerns.

In February 2014, former Vice President Almunia announced that Google had already made significant concessions regarding the other concerns raised by the Commission. Before the summer, the complainants received the pre-rejection letters from DG Competition which aimed at giving the reasons why the Commission did not intend to conduct a further investigation under Article 7 of Council Regulation (EC) No 1/2003.

In October 2014, former Vice President Almunia stated that the formal complainants in the case have provided new evidence and arguments in response to the pre-rejection letters on certain aspects of the latest commitments proposed by Google. Mr. Almunia informed Google of these developments at the beginning of September and asked them to offer improved commitments.

In November 2014, the MEPs in the European Parliament organised a press conference and adopted a resolution on "Supporting Consumer Rights in the Digital Single Market". In this Resolution, MEPs stressed the need to prevent online companies from abusing dominant positions by enforcing EU competition rules and unbundling search engines from other commercial services.

The new EU Competition Commissioner, Margrethe Vestager, who took office in Autumn 2014, asked to be further informed about the views of complainants. In January 2015, the German and Spanish newspapers and magazines' associations AEDE, BDVZ and VDZ had a publishers' meeting with Commissioner Vestager.

In April 2015, Commissioner Vestager announced that the European Commission has sent a Statement of Objections to Google regarding its comparison shopping service. The Commission has also opened a separate formal investigation into the Android mobile operating system.

This Statement of Objections relates to the first of the four concerns presented in May 2012. The Commission also continues to actively investigate Google's conduct with regard to the other three concerns (copying of rivals' web content (known as 'scraping'), advertising exclusivity and undue restrictions on advertisers).

In the ongoing competition case, European press publishers specifically call for:

- the ban of preferential treatment of own services and products within Google's quasi-search monopoly, including Google's own services and content introduced through Google's Knowledge Graph;
- no use of content from press publishers (newspaper, magazine and online publishers) beyond what is truly indispensable for navigation purposes in the horizontal search without prior consent;
- an option to mark information on an item-by-item-basis in a machine-readable way in order to express permissions and restrictions for use of that respective content;
- no direct or indirect punishment of websites that restrict the use of their content; and
- no preferential treatment of news aggregators compared to online press portals.

Key Messages:

- Press publishers have long been calling for an end to Google's anti-competitive behaviour, which is detrimental to the sustainability of the independent press sector and future innovation.
- European Press publishers fully expect that the Commission will use the current action in the context of comparison shopping services as a precedent for the ongoing legal proceedings regarding the other sectors prejudiced by Google's abuse of dominant position.

STRATEGIC PRIORITIES TIMELINE

2013

2014

New
European
Parliament
and
Commission

Google
Development

March 2013
Commission formally informed Google of four types of business practices which may violate EU antitrust rules

April 2013
Commission market test/consultation on the first set of commitments presented by Google.

October 2013
Parliament's hearing chaired by Andreas Schwab (EPP, Germany) and Ramon Tremosa i Balcells (EPP, Spain)

End of October 2013
DG Competition's request for information and questionnaire on Google's second set of commitments.

December 2013
Vice President Almunia publicly criticizes second set of commitments

February 2014
Vice President Almunia announced improvements of commitments proposal from Google

February 2014
State of affairs and discussions in College of Commissioners

Value
Added Tax

Summer 2013
EC commissions economic study on VAT

December 2013
EC launches Expert Group on taxation

January 2014
Statement of German and French Culture Ministers

February 2014
France reduces VAT on digital press

Media
Literacy

Autumn 2013
EU pilot projects re media literacy

October 2013
ENPA launches media literacy publication

February 2014
ENPA presents to EC Media Literacy Expert Group

April 2014
ENPA meeting with Culture Commissioner Vassiliou

Research and
Development

October/November 2013
Parliament votes on budget for Horizon 2020

December 2013
Council adopts legislative acts on Horizon 2020

January 2014
Horizon 2020 first calls for applications

Freedom of
Press/Media
Pluralism

January 2013
Report of High Level Group on Media Freedom & Pluralism

January 2013
CMPF Report on EU competences

March 2014
ENPA fact finding visit to Bulgaria

December 2013
Launch of pilots for Media Pluralism Monitor

November 2013
ENPA at Council of Europe Ministerial Conference, Belgrade

Data
protection

January 2013
Presentation of draft report of Jan Philipp Albrecht in EP Committee for Civil Liberties

January - April 2013
Vote on opinions in EP Committee for Internal Market and Consumers, Legal Affairs and Industry, Research and Energy

October 2013
Vote on Jan Philipp Albrecht report in leading EP Committee on Civil Liberties and Fundamental Rights

January 2013
Presentation of draft report of Jan Philipp Albrecht in EP Committee for Civil Liberties

March 2014
Parliament's first reading (plenary session) adopting report of Civil Liberties Committee

2015

May 2014
European Parliament elections

June 2014
Juncker nominated by the Council

July 2014
New MEPs take up their seat
Juncker elected as EC President

November 2014
EC President Juncker presents 10 priorities
New College of EU Commissioners
New role for Vice-Presidents in College

January 2015
Changes to EC department structure

April 2015
Reshuffle of senior EC officials

Spring 2014
DG Competition prepares pre-rejection letters for complainants

Summer 2014
Complainants respond and comment to pre-rejection letters

Autumn 2014
Vice President Almunia asked Google to revise its commitments

November 2014
Parliament's resolution calling for unbundling search engines/commercial activities

April 2015
Commissioner Margrethe Vestager announces Commission's statement of objections against Google

May 2014
EC Expert group publishes report

March 2015
CJEU ruling on e-books
EC releases VAT economic study

2016-2017
Review of the VAT definitive regime

April 2015
ENPA meeting with Commissioner Moscovici

May 2015
Presentation of the Digital Single Market Strategy

May 2014
ENPA presentation at UNESCO Forum

November 2014
Responsibility divided between Digital & Culture Commissioners

February 2015
DG Connect seminar on publishers' R&D needs

April 2015
ENPA and WAN-IFRA provide research topics to DG Connect

January 2015
ENPA press release on Charlie Hebdo atrocity
ENPA statement on press freedom in Bulgaria

October 2014
EC seminar Transparency of Media Ownership

March 2015
Seminar with CMPF on Media Pluralism Monitor

April 2015
Pilot test implementation of the MPM to 19 Member States

June 2015
Council's final agreement
Starting trilogue with European Parliament Committee for Civil Liberties

December 2015
Final adoption
Committee for Civil Liberties

2013

2014

Net
neutrality

September 2013
Commission's proposal on a single market for electronic communications

February 2014
Vote on opinions in Parliament's Committee for Culture and Education, Legal Affairs and Internal Market and Consumers

March 2014
Vote on Pilar del Castillo's report in Parliament's Committee for Industry, Research and Energy

April 2014
Parliament's first reading (plenary session) adopting new amendments

EU Copyright
Reform

January 2013
ENPA delegation meets with Michel Barnier, the EU Commissioner for Internal Market and Services

February 2013
L4EU Plenary launching the stakeholder dialogue

November 2013
L4EU Closing Plenary

December 2013
De Wolf & Partners study on the application of Directive 2001/29/EC
EC Public Consultation on the review of the EU copyright rules

March 2014
ENPA delegation meets with Commissioner Michel BARNIER

April 2014
EC-appointed Expert Group publishes Text and Data Mining Report (Hargreaves)

Copyright &
the Digital
Single Market

January 2013
António Vitorino presents his recommendations on levies.

September 2013
OHIM study on IPR-intensive industries

March 2014
EP Plenary votes on the levies report by MEP Castex

October 2013
ENPA meeting Cabinet Kroes on Europeana

November 2013
European Parliament adopts Report on Collective Management of Rights

January 2014
ENPA meeting with Europeana and DG Connect in Luxembourg

February 2014
Council formally adopts EU Directive on Collective Rights Management
KEA European Affairs study "Contractual Arrangements Applicable To Creators"

Audiovisual
Media
Services/
Connected
TV

March 2013
Public consultation on the independence of audiovisual regulatory bodies

April 2013
Green Paper on a rapidly Converging Audiovisual World ("Connected TV")

May 2013
Vote in Parliament Plenary Session, Piotr Borys (EPP; Poland) report on the Audiovisual Media Services Directive

July 2013
Vote in Parliament Plenary Session, Petra Kammerevert (Germany, S&D) report on Connected TV

February 2014
Commission's Decision establishing the European Regulators Group for Audiovisual Media Services

March 2014
Vote in Parliament Plenary Session, Sabine Verheyen (Germany, EPP) report on Preparing for a fully converged audiovisual world

Advertising

2013
Alcohol Forum study on impact of alcohol marketing

May 2013
EC publishes report on AVMS Directive

February 2014
EU Action Plan on Childhood Obesity 2014-2020

March 2015

Telecom Council's consolidated position
Starting of trilogue with Parliament

January 2015

MEP Julia Reda publishes Report on the implementation of INFOSOC in EP
De Wolf new study on the making available right and territoriality

March 2015

Questionnaire to the EC Study on the remuneration

April 2015

ENPA joins #CopyrightForFreedom campaign and petition
EP CULT Committee rejects MEP Isabella Adinolfi Opinion
EP ITRE Committee adopts the Opinion by MEP José Blanco López

May 2014

Competitiveness Council: Digital Single Market policy
ENPA General Assembly conference on Future of Copyright, Rome

June 2014

EU Greek Presidency conference on Intellectual Property and Digital Agenda in Europe.
ENPA presentation at the WAN-IFRA World Congress on 'Future of Copyright', Turin.
CRA study on economic impacts of adapting limitations and exceptions.
European Council meeting on the Digital Single Market.

August 2014

Summary report of the EC Copyright Consultation

November 2014

Spain passes new Intellectual Property Law, incl. a neighbouring right for press publishers

December 2014

EC College Orientation debate on the Work Program 2015
Creation of a Working Group on IPR and Copyright Reform in the EP

June 2015

Vote in JURI Committee on the Reda report

July 2015

Vote in EP Plenary on the Reda report

June 2014

IPO/OHIM International IP Enforcement Summit in London

July 2014

EC call to tender for a "Study on the remuneration of books and scientific journals, translators, journalists and visual artists for the use of their works"
EU Action Plan on Enforcement of IP rights

September 2014

ENPA at Europeana workshop on Intellectual Property Rights, London
OHIM IP Infringement quantification study
Enforcement of IP rights: 'Follow the Money' Stakeholder Dialogue

December 2014

ENPA at WIPO 29th SCCR Session on Copyright & Related Rights, Geneva
IFFRO's "Value of Copyright" Campaign

February 2015

MEP Pavel Svoboda publishes Report on the EU Action Plan on enforcement of IPR
ENPA Copyright working group hosts speaker Maria MARTIN-PRAT (DG CNECT)

June 2015

Public consultation on review of AVMS Directive

December 2015

REFIT
Communication on AVMS Directive

1st quarter/half of 2016

New legislative proposal

September 2014

EU action plan on youth, binge and heavy drinking adopted by Member States

December 2014

adoption of scoping paper to call for a new and comprehensive EU Alcohol Strategy by Committee on National Alcohol Policy and Action (CNAPA)

March 2015

EP report on Alcohol strategy adopted in ENVI Committee

April 2015

Adoption of revised DMC BPR by EASA

Mai 2015

EP resolution on Alcohol strategy to be foreseen

June/July 2015

adoption of Annex to OBA Framework on extension to mobile

August 2015

consultation on AVMS Directive and quantitative advertising rules

A free and open internet crucially depends on strong net neutrality rules

The European Commission's "Proposal for a regulation laying down measures concerning European Single Market on electronic communications and to achieve a connected continent" was presented on 11th September 2013.

This proposal contains some ambiguous wording that might be interpreted in such a way as to allow for problematic discrimination in the way internet traffic is managed. If the internet service infrastructure and ISPs were allowed to treat content from certain content providers differently from others, in return for an additional fee, then net neutrality would be at risk, to the detriment of both the independent press and consumers.

Main publishers' concerns:

Article 19 paragraph 2 and 3 of the Commission's proposal would oblige network operators to provide a European Assured Service Quality (ASQ) product, even if some operators would prefer to provide their sub networks in a neutral way. This would be a radical departure from the way the internet has operated so far. At the moment the competition between the different network operators contributes to safeguard net neutrality. This provision would enforce interference with net neutrality via the network of an operator.

Discrimination in the way content is treated by ISPs would be detrimental to both the independent press and consumers

Article 23 would legalise agreements between providers of content, applications and services and providers of electronic communications to privilege the transmission of certain types of content by providing a so-called specialised service. The provision of such specialised services could interfere with the quality of the best-efforts Internet, or prevent its continuing development.

This threat is further underlined by the provision in Article 23 paragraph 2 which proposes that such services shall only "not impair in a recurring or continuous manner the general quality of internet access services". If the provision of such services shall indeed not hamper the free and open internet the reservation "in a recurring or continuous manner" has to be deleted. Furthermore, we believe it would be necessary to add that the provision of such services must also not interfere with the existing technical standards, transmission rates as well as further development of internet access services.

Finally, Article 23 paragraph 5 point c) would enable internet access providers to prevent the transmission of "unsolicited communications" to end-users. These "unsolicited communications" are not defined, but would give ISPs the possibility to introduce restrictions of access to certain types of content, including press articles and advertising, in case the end-users have given their prior consent to these restrictions.

Progress achieved in European Parliament's first reading:

In April 2014, the European Parliament has called for strong principles for ensuring net neutrality in the Regulation. The resolution adopted in the plenary first reading removes from the Regulation the obligation for providing a European Assured Service Quality (ASQ) by deleting completely Article 19.

The adopted compromise amendments on Article 23§2 state that specialised services can only be offered if the network capacity is sufficient to provide them, in addition to internet access services, and they are not to the detriment of the availability or quality of internet access services.

The Parliament's first reading amendments also include in Article 2§12a) a definition of "net neutrality", meaning the principle according to which all internet traffic is treated equally, without discrimination, restriction or interference, independently of its sender, recipient, type, content, device, service or application.

In March 2015, the Council of the European Union adopted its consolidated position on the draft Regulation for a single market for electronic communications. This agreement launches the official start of the 'trialogue' negotiations between the EU Commission, the EU Parliament, and the Council of the EU to put forward a final text.

Although the Parliament's vote in April 2014 was clearly in favour of a strong net neutrality rules and principles, the Council's text has been criticised for not providing enough guarantees for net neutrality. It would still allow commercial agreements between internet access providers and services providers in order to prioritise certain content by guaranteeing a minimum level of quality, **favouring therefore global technological companies over smaller content providers.**

There is no fixed timeline for 'trialogue' negotiations. However, since the institutions have demonstrated their keenness to swiftly negotiate and agree on a common proposal, the 'trialogue' text could be finalised by June 2015.

Key Messages:

- The Regulation on a European Single Market for Electronic Communications should highlight clearly the principle of net neutrality in order to keep the same quality of service and the same possibility to reach digital users for all content applications and service providers, regardless of a company's financial capacity.
- The provision of specialised services, by allowing commercial agreements between internet access providers and services providers in order to prioritise certain content, could interfere with the quality of the best-efforts Internet and hold back its continuing development.

Achieving a VAT System that recognises the role of the press in democratic society

At European level, legislators have long recognised the essential role that newspapers and news media play in democracy and this has been reflected in the VAT rates applied to printed press. Under the Sixth VAT Directive, Member States can provide for a zero, super reduced or reduced VAT rate for printed newspapers.

Today, a majority of EU Member States apply a less than 10% VAT rate on printed newspapers. Many Member States, apply a super-reduced VAT rate of below 5%, while a number of countries provide for a zero rate. Yet newspapers on digital formats remain subject to a standard VAT rate of between 15% and 25%.

In ENPA's view, the possibility for Member States to apply zero, super reduced or reduced VAT rates to printed newspapers is indispensable and should be maintained as a matter of high priority in the current review of the EU taxation system.

Moreover, it is clear that the current VAT regime penalises digital press and constitutes a serious barrier to the creation of jobs and growth in the European publishing sector for the future. ENPA is therefore calling for the rates for press in the digital environment to be aligned with the existing rates for printed press in the Member States.

Newspapers promote access to information, democratic debate and civic engagement to the benefit of citizens

Background on VAT discussions and consultations at EU level

In Spring 2010, the European Commission launched a Green Paper "On the Future of VAT", to which ENPA responded. This was followed by a Commission Communication in December 2011 which highlighted the following guiding principle: "Similar goods and services should be subject to the same VAT rate and progress in technology should be taken into account in this respect...."

At the end of 2012, the Commission launched a public consultation, to which ENPA responded regarding VAT reduced rates with a particular focus on publishing sectors (books, newspaper and magazines). Following these initiatives, the Commission had been expected to present a legislative proposal or a Communication by the end of the Barroso II Commission, but nothing emerged.

In May 2014, the Commission published a Report of the EC appointed High Level Group on Taxation in the Digital Economy. While the Report concentrated mainly on corporate taxation, it also recommended that, similar goods and services should be subject to the same standard VAT rate.

After much delay, in March 2015, DG Taxation finally published the study by independent consultants it had commissioned two years earlier, entitled "Economic Study on Publications on all Physical Means of Support and Electronic Publications in the context of VAT." Despite all of the input and data provided by the press sector, the study is very unhelpful and explores

the possibility of equalising VAT rates upwards rather than downwards.

Latest Developments at EU level

On 5th March 2015, the Court of Justice of the European Union released a negative decision regarding VAT on e-books. This CJEU ruling against France and Luxembourg followed their consistent application of a lower VAT rate to print and e-books.

On 6th May 2015, the Commission was also due to launch its Digital Single Market strategy, which will be one of the most important roadmaps for the new administration. In this context, ENPA has been calling for the need for reduced VAT rates for digital publications to be recognised in this strategy.

Developments at national level

On 4th February 2014, the French National Assembly approved a bill reducing VAT for online press at 2.1% instead of 20%, as for the print.

In Germany the Culture Minister Monika Grütters published a press release on 27th January 2014 in which she stated her support for reduced VAT on books and press in the digital environment and expressed agreement with the then French Culture Minister, Aurelie Filippetti, on this issue.

Italy has also decided in January 2015 to apply the same super-reduced rate on e-books as for printed books (4%).

Any change to the VAT system requires unanimity among 28 EU Finance Ministers in the Council, so the decision-making process at national level is crucial in this field.

Key Messages:

- Newspapers and news media, in all formats, play a vital role in promoting access to information, democratic debate and civic engagement, to the benefit of European society.
- The VAT rates for newspapers in the digital environment should be aligned with the existing rates for printed newspapers in the Member States.
- Reducing VAT on digital press would promote European languages, enhance literacy and strengthen the indispensable contribution of the press sector to the education and lifelong learning of citizens.
- Reducing VAT on digital press would promote the development of a successful and sustainable digital press market which will drive jobs and growth in the digital economy.
- The possibility for Member States to apply zero, super reduced or reduced VAT rates to printed newspapers is indispensable and should be maintained as a matter of high priority in the current review of the EU taxation system.

Freedom of journalistic reporting and press business models must be preserved in EU Data Protection proposal

On 25th January, 2012, the European Commission presented its proposal for a Regulation on Data Protection. Publishers are processing data for different purposes (editorial or commercial) and in various ways (print or digital versions).

The European Parliament adopted a First Reading resolution on the draft Regulation on 12th March 2014. The Council aims at achieving an agreement in June 2015. The trilogue between the Commission, the Council and the European Parliament is due to start in September 2015 in order to reach a final adoption of the Regulation by the end of 2015.

The draft Regulation will have an impact on newspaper publishing activities in Europe from three main perspectives:

Data processing for journalistic purposes (Article 80):

The processing of personal data by journalists is essential for contacting sources, investigating, archiving and reporting on all kind of topics. For these reasons, an exemption from data protection rules is indispensable to ensure the preservation of press freedom in all democratic societies.

The draft regulation provides an exemption for processing personal data and freedom of expression. In principle, this exemption should therefore be directly applicable and legally binding as it is the case for any provision of a European Regulation.

The exemption had been weakened by the European Parliament's First Reading in March 2013 which removed all references to press and journalistic activities, while making the exception optional for Member States.

However, the Council's general approach on Chapter IX, agreed in December 2014, included wording that would preserve at the minimum the level of protection provided under Article 9 of the existing Directive 1995/46/EC. It would be essential that this wording is not further weakened in the trilogue which will start after the summer.

The press must be able to fulfil its democratic mission by investigating, reporting and publishing editorial content

"Right to be forgotten" (Article 17 and related recitals):

The ruling of the Court of Justice of the European Union Costeja (C 131/12) has been hotly debated at European and national level, especially regarding its consequences for not only links to press articles, but also possible effects on press archives and editorial content.

If the Court's ruling is strictly limited to links on search engines and their responsibility as controller to assess any request from data subject regarding his or her personal data, the Court nevertheless underlined that those data protection/privacy rights override, as a rule, not only the economic interest of the operator of the search engine, but also the interests of the general public in having access to that information.

In November 2014, most EU Justice Ministers in the Council politically committed not to codify this CJEU ruling in the text

of the draft Regulation and to leave this matter to national courts. It is therefore essential to ensure in the Council and in the trilogue that this political commitment is respected.

Direct marketing and newspaper's subscriptions (Article 6§1f, Article 6§4 and Article 19§2):

Direct marketing to consumers is an indispensable tool for publishers to preserve existing readership and find new subscribers, since newspapers' subscriptions cannot be sold directly in press shops.

Former European Commission Vice-President, Viviane Reding, had confirmed that the status quo should remain as far as direct marketing is concerned. The Commission has therefore maintained the right for consumers to object and to be informed in the proposed regulation, but has omitted to include the possibility to use third party address lists.

In plenary session, the reference to third parties has been reintroduced in Article 6§1f). However, data processing for direct marketing purposes would be presumed to be carried for legitimate interests only for own or similar products and services or for the purpose of postal direct marketing.

In the Council, Member States have agreed to include "third party" in Article 6§1f) but restricting further processing under Article 6§4 only if publishers' legitimate interests override the data subject rights. The Council is also discussing more restrictive conditions for the right to object.

Future of newspapers' digital business models:

In order to fulfil the potential of the digital market, publishers have to know their readers better to address their needs. An overly restrictive approach in the proposed regulation challenge business opportunities and prevent consumer friendly experiences.

- The provisions relating to profiling (Recital 58, Article 4(12a) and Article 20) could be problematic if they also restrict direct marketing.
- A broad definition of personal data and data subject, a requirement to receive explicit consent from the data subject, extensive information requirements and too restrictive measures for profiling, could affect the development of publishers' new business models in the digital environment.

Key Messages:

- It is of fundamental importance that the press has a directly applicable and legally binding exemption for journalistic data processing and that sources are protected.
- The EU Data Protection Regulation should not restrict communications channels that have been used for decades to contact potential new readers and subscribers, notably via direct marketing.
- An overly restrictive approach to profiling would challenge publishers' ability to respond to their users' demands for innovative digital editorial content on various platforms.

The remit of public service broadcasters should be strictly enforced to avoid market distortion

In Europe, news traditionally has been delivered by three major types of media: newspapers, television and radio. All of these industries are currently developing new business models in a multi-platform digital world. Today's content provided by public service broadcasters (PSBs) co-exists with the commercial offers of a free and independent press sector. This mixed system should enable European citizens to benefit from a vibrant media landscape that offers a diverse range of news and information sources.

However, in recent years, PSBs have diversified and expanded their activities to the digital and mobile domain. PSBs are rapidly expanding their activities to include press-like offers on digital platforms. This means that websites, apps, news services for tablets and mobile devices offered by newspapers are now very often competing with "free" digital content and services provided by PSBs.

Publicly-funded content is provided free at point of use and is being used to attract audiences. This situation seriously undermines the ability of newspaper publishers to monetise their digital offers.

Moreover, PSBs in several countries compete with newspapers for crucial advertising revenue. Public money is used to create attractive offers to advertisers, including bundles for advertisers across television, print and digital platforms. This unfair competition seriously distorts the advertising market for independent newspapers and news media.

Application of state aid and competition rules is essential for PSBs and newspapers to both thrive and contribute to media diversity

In this context, PSBs have moved to rebrand themselves as "Public Service Media". The European Broadcasting Union's (EBU) future strategy, as outlined in their "Vision 2020" report, recommends that PSBs develop "360° cross-media brands in response to the seismic shift of the media world towards digital, including the development of 24/7 online news services" and calls on their journalists to "adopt an 'Internet first' strategy to remain the first source that audiences turn to for news."

Yet nowhere in Vision 2020 is there any serious analysis of how this expansion will affect the independent press sector, or whether this expansion is permitted under state aid and competition law. EBU only briefly acknowledges that such plans depend on having the "regulatory leeway" to expand their digital and online activities.

A key challenge for regulators today, at both EU and national level, is to ensure that the digital offers of PSBs do not distort competition to the detriment of the digital services and products offered by the independent press sector. At a time when publishers are making substantial investments in further developing new business models to sustain the news industry, this issue is all the more critical. Such investment includes e.g. paid-for-offers on digital platforms.

EU State aid rules specify that the public service remit must be properly defined, that the dealings between public service and commercial elements must be at arms' length, and importantly that a public service broadcaster must not act anti-competitively. An impact assessment is required by the European Commission communication on the application of state aid rules to public service broadcasting of 2 July, 2009.

In addition, PSBs use public money to develop new digital platforms. At a time when newspaper publishers are investing heavily in digital business models, the rapidly expanding online offers of public service broadcasters are distorting the market. It is the task of the European Commission and the national authorities to ensure that PSBs stay within their remit and do not infringe competition rules.

Yet very few public value tests have been undertaken concerning the new digital activities of PSBs in Europe. At an ENPA seminar entitled "Striking the Right Balance between Public Service Broadcasting and Independent Press", which took place in Brussels in March 2014, speakers called on the EU Member States to carry out public value tests and market impact studies regarding the activities of PSBs.

In ENPA's view, all Member States should take immediate action to better define the remit of the publicly funded broadcasters in national legislation, in order to ensure fair competition and a diverse media market. There is also an urgent need to clarify the relationship between the public service; and commercial activities of PSBs.

Key Messages:

- The results of the extensive ENPA survey on Public Service Broadcasters, published in 2014, shows that the public service remit of the PSBs is not always clearly defined.
- Competition law is not adequately enforced and does not always provide for the desired solutions.
- Legislative framework on PSBs, which is largely based on laws from the 1980s, does not sufficiently take into account developments in the provision of digital news.
- PSBs compete unfairly with newspapers for crucial advertising revenue. Public money is being used to create attractive offers to advertisers that distort the advertising market.
- The rebranding of Public Service Broadcasters to Public Service Media is aimed at giving the impression that state-funded broadcasters are free to provide their content in a wide range of digital formats, regardless of the impact of their activities on the independent press sector.

Press sector promotes efficient self-regulation in the advertising ecosystem

Advertising is a vital source of revenues for a free and independent press in Europe. ENPA therefore opposes the introduction of any bans or restrictions to advertising of legally available products. Even mandatory information requirements, which make advertising in newspapers in print and digital less attractive, constitute a real threat to the financing of the press.

Up to 50% of the revenues of print newspapers come from advertising, and the rest from copy sales. Much of the digital press is still up to 100% financed by advertising. It is therefore crucial that any future legislative initiative does not inadvertently create obstacles to traditional advertising, or any new forms of advertising, given the devastating effect this would have on independent press.

A free and independent press is an indispensable element in raising awareness in society and helping to inform the public about important topics such as climate change, alcohol-related harm or obesity and societal issues such as gender equality. Advertising restrictions are counter-productive for any successful climate or health policy, as a decrease in revenue from advertising will in the end result in a loss of editorial content.

Introducing statutory advertising requirements would contravene the right of freedom of expression, one of the fundamental rights recognised at EU level. This freedom should apply to commercial communication as well editorial content.

Labelling and mandatory information requirements in advertising

Product labels and other mandatory information requirements, as well as warning messages in advertisements for all kinds of products, are under constant discussion in the EU institutions. Mandatory information requirements simply encourage advertisers not to place advertising in media in cases where products might not have the most energy-efficient output, and to find other ways to market their products. Regulatory examples of the last years are:

Energy Labelling Directive 2010/30/EU – the European Parliament introduced an amendment requiring a reference to the energy efficiency class of the product in any advertisement for a specific model of energy-related products, where energy-related or price information is disclosed. Amendments requiring the display of the Energy Label could be prevented.

Tyre Labelling Regulation (EC) No 1222/2009 – The regulation is a perfect example of a system ensuring an informed purchase decision of the consumer, without endangering advertising revenues of the media. It requires mandatory information at the point of sale and in technical promotional material which does not include advertisements in billboards, newspapers, magazines, radio broadcasting, television and similar online formats.

Directive on credit agreements for consumers relating to residential immovable property 2014/17/EU – The original Commission proposal required a warning to be included in the advertisement about the risk of losing the immovable

property in the event of non-observance of the commitments linked to the credit agreement. This was reduced in the final text adopted into the mere possibility for Member States to require a concise and proportionate warning concerning specific risks associated with credit agreements.

Alcohol and health strategy under revision

In September 2014, the 'EU Action Plan on Youth Drinking and on Heavy Episodic Drinking (Binge Drinking)' was published, endorsed by the Committee on National Alcohol Policy and Action (CNAPA). The new action plan (set to run from 2014 to 2016) is part of the follow up to the EU Alcohol & Health Strategy that ran from 2006 to 2012. Among its six areas for action is mentioned: 'to reduce exposure of youth to alcohol marketing and advertising'. Although heavily endorsed by non-governmental organisations during the drafting stage, no legislative framework in terms of scope, content and placement of alcohol advertising is included in the Action Plan.

The independent press sector plays an indispensable role in raising public awareness of topics such as climate change, alcohol-related harm and obesity

CNAPA followed this up by the publication of a scoping paper in December 2014, which calls for a new and comprehensive EU Alcohol Strategy. It also draws upon the 2012 report 'Alcohol in the European Union: Consumption, harm and policy approaches' (World Health Organisation's Regional Office for Europe and the European Union) in stating that: "restricting the volume and content of alcohol marketing and advertising is likely to reduce harm, by limiting the exposure of young people in particular, especially if controls are independently regulated and enforced".

CNAPA calls for effective EU action, by stating that: "The EU can add clear value by considering the case for allowing flexibility and removing barriers that currently make it harder for Member States to decide on effective policies, even where there is a pressing public health need. Good or developing evidence for policies where EU has most influence through its existing policies includes, inter alia, alcohol marketing and advertising, including cross-border advertising and on-line advertising, with particular regard to the exposure of youth.

The EU Alcohol Strategy 2006–12 took the form of a Communication from the Commission to the Council and created the Alcohol & Health Forum which was discussing also marketing communications. ENPA has not been a member to the Alcohol & Health Forum, due to the commitments which had to be given to the Forum when becoming a member.

In the European Parliament, MEPs are debating a draft resolution on the Alcohol and Health Strategy. This report

adopted in March 2015 by the leading Committee for Environment, Public Health and Food Safety (ENVI), in particular calls for restriction on alcohol advertising directed to minors.

It urges the Commission to closely monitor the implementation of the AVMS Directive and to consider revising with respect to the marketing of alcohol to young people and alcohol sponsorship, so as to reduce the exposure of young people to marketing of alcoholic beverages.

New EU Action Plan on Childhood Obesity

The EC published its new EU Action Plan on Childhood Obesity 2014-2020. The overarching goal of the Action Plan on Childhood Obesity is to contribute to halting the rise in overweight and obese children and young people under 18 years by 2020. One area for action is to: "Restrict Marketing and advertising to children". Nevertheless, the report recognises the exclusive competence of Member States for defining national health policies. The EC will take actions to strengthen the implementation of Art. 9.2 of the AVMS Directive (2010/13/EU), aimed at encouraging media service providers to develop codes of conduct regarding advertising to children.

The EC report states that it is necessary to address the issue of the marketing of foods high in fat, sugars and salt, targeting under age groups as there is a strong link between TV and screen exposure and obesity in children and young people. The report takes the view that these efforts to restrict marketing and advertising to children and young people should include not only TV but all marketing elements.

We strongly support advertising self-regulation and encourage the EU institutions to recognise the positive diversity of the self-regulatory systems in the various EU Member States.

Audiovisual Media Services Directive

The European Commission announced a revision of the Audiovisual Media Services Directive for the first half of 2016. The AVMS Directive includes qualitative and quantitative advertising rules for linear TV.

ENPA has underlined that a ban of advertising content (qualitative requirements) infringes the freedom of communication of both the advertiser and the respective media providers. Any discussions on whether such quantitative restrictions of advertising volumes in one medium are outdated must also take into account the fact that quantitative limits for advertising in one medium can, from a media policy standpoint, also have a positive control and distribution function with regard to the advertising financing of

other media. The positive effect of this policy for the media – insofar as its direct impact on the share of advertising funding for different media – has also been recognised at EU level.

The European Parliament already pointed out in 1984, with regard to rules for advertising, That such rules can also "[...] ensure that revenue is apportioned fairly between the public and private sectors and the various mass media, [...]" (European Parliament, Resolution on a policy commensurate with new trends in European television, OJ C 117/2002, 40.4.1984.

The European Commission also pointed out in its Green Paper "Television without Frontiers – on the establishment of a common market mainly for broadcasting, especially by satellite and cable" (COM(84) 300 final) with regard to the authorisation of broadcast advertising: "For the broadcasting organisations, the main point is to allow the free flow of their advertising broadcasts and to secure their financial basis, which is dependent (or partly dependent) on advertising revenue [...]. For the press organisations, the main point is to maintain one of the main pillars of their activities and livelihood, namely their income from advertising." (Green Paper, p.268).

Promoting self-regulation:

As a Member of the European Advertising Standards Alliance (EASA), ENPA strongly supports advertising self-regulation and encourages the EU institutions to recognise the positive diversity of the self-regulatory systems in the various EU Member States. ENPA has been actively engaged in the revision of the Digital Marketing Communication (DMC) Best Practice Communications which shall be extended to marketing communication in social media.

ENPA has played an active role in developing a self-regulatory framework on online behavioural advertising (OBA) and in creating the EASA Best Practice Recommendation on OBA. ENPA was also a founding member in 2012 of the European Interactive Digital Advertising Alliance (EDAA), which is licensing the icon across Europe to ad-serving companies.

Key points:

- Advertising is an essential source of revenue for the media, promoting the independence and pluralism of the press sector, as well as contributing to the resources needed to finance high quality content.
- The introduction of any bans, restrictions or mandatory information requirements on the advertising of legally available products would make advertising in print and digital newspapers less attractive, resulting in a real threat to the financing of the independent press sector.
- Self-regulation operated by the advertising ecosystem, including advertisers, agencies and the media, has ensured quality standards of responsible advertising for several decades, to the benefit of European consumers.

Press sector should not be regulated like audiovisual content or services

In April 2013, the Commission launched a broad public consultation on a Green Paper entitled "Preparing for a fully converged audiovisual world: growth, creation and value". Its objective was to open discussions on the on-going transformation of the audiovisual media landscape, characterised by a steady increase in the convergence of media services and the way in which these services are consumed and delivered.

The Commission's work programme for 2015 and EU Commissioner for Digital Economy and Society, Gunther Oettinger, announced the REFIT of the Audiovisual Media Services Directive 2010/13/EC. REFIT is the European Commission's Regulatory Fitness and Performance programme. Action is taken to make EU law simpler and to reduce regulatory costs, thus contributing to a clear, stable and predictable regulatory framework supporting growth and jobs.

A public consultation will be launched over summer 2015 in order to evaluate the AVMS Directive and identify options for revision as part of a future Regulation. This consultation will be followed by an Impact Assessment to evaluate the costs and benefits of the Directive for stakeholders and for EU or national regulators.

The press exemption from AVMS, based on the sector's indispensable contribution to press freedom and pluralism, needs to be maintained

The consultation will feed into the REFIT Communication on the AVMS Directive which will be presented at end of 2015. The Communication will consider what kind of new measures are needed and prepare for a new legislative proposal foreseen for the first half of 2016.

The EU Council for Culture and Audiovisual adopted some conclusions in November 2014 on the European audiovisual policy in the digital era. The conclusions underlined that the blurring of lines between linear and non-linear audiovisual media services raises the question of whether existing EU legislative provisions remain appropriate; media convergence also offers new possibilities for distributing audiovisual content which in turn requires the business and regulatory environment to adapt.

Regarding the scope and the exclusion of newspapers and magazines from the Directive, the Commission will need to assess the outcome of the request for a preliminary ruling to the European Court of Justice by an Austrian court (Case C-347/14). This case raises the question of the application of AVMS to newspaper websites subsections including mainly videos.

Regarding advertising, the Commission will assess whether there should be a levelling down (i.e. deregulation) when it comes to quantitative advertising rules and, more generally, where harmonisation should take place. There is strong pressure from broadcasters, including the public broadcasters,

to deregulate, but it is not a unanimous position. It is also argued that deregulating the quantitative advertising rules could affect the advertising value and therefore decrease its price.

Two studies will be launched on advertising as part of the REFIT exercise:

- study on rules on audiovisual commercial communication for alcoholic beverages: it will assess whether rules on audiovisual commercial communication for alcoholic beverages have afforded minors the level of protection required (results expected in 2015)
- study to assess the extent to which co- and self-regulation aspects in promoting effective implementation of the AVMS Directive can reduce regulatory complexity (results expected for 2015)

Key Messages:

- The Directive on Audiovisual Media Services explicitly excludes electronic versions of newspapers and magazines from its scope and this exception needs to be maintained. The press sector cannot become assimilated to any other type of media or audiovisual content or services, linear or non-linear.
- This specificity is based on the democratic role of a free and independent press and its indispensable contribution to press freedom, cultural diversity and pluralism in Europe.
- Despite technological developments, the possibility to access different types of content from the same devices has not led to a "convergence" of audiovisual media and the digital press. There remains an important differentiation between linear and non-linear services.
- There should be no extension of the AVMS Directive to editorial videos, which are not the main purpose of editorial media offers.
- New devices should not justify an extension of the AVMS Directive or other broadcasting related restrictions beyond those audio-visual media services currently regulated.
- The Audiovisual Media Services Directive establishes quantitative advertising rules, which have been introduced not only to ensure consumer protection but also to allow a fair distribution of advertising between different media. It is important that the 12 minutes' limit remains in place.
- Any new regulation should not trigger the preferential searchability and accessibility of broadcast media versus digital press on hybrid platforms.

Prioritising resource efficiency and effective use of energy and raw materials

Sustainability is a top priority for the newspaper sector, which greatly values the wider role it plays in society. In the field of environmental policy, the newspaper industry is focused on the issues of paper recycling, ecological labelling and competition matters. Resource efficiency, fighting against climate change, effective use of energy and raw materials are challenges where publishers, together with the rest of the paper value chain, play a unique role in providing improvements and solutions.

Over half of paper in Europe is made out of paper for recycling and 90% of newspapers are made from recycled fibre. In 2013 the European paper recycling rate reached 71.7%. Wood fibres needed in papermaking are sourced from sustainable managed forests and the paper and print value chain is dedicated to reducing the carbon footprint of its products. New technology has enabled the print industry to increase productivity, expand into new markets and generate new products and services. This has provided opportunities for growth and innovation at every level of the print media value chain. A printed newspaper remains an essential contributor to the knowledge-based society that contributes to the development of the cultural economy.

Sustainability is a top priority for the newspaper sector, which greatly values the wider role it plays in society.

Need to refute misleading claims about impact of using paper

Increasingly, some institutions and commercial operators are publicly criticising the print and paper industries. It is necessary to refute claims that are unscientific and misleading to the public. In some cases, commercial players use unsubstantiated environmental claims as an excuse to no longer supply services on paper, when these "greenwashing" claims are really motivated by cost-saving.

ENPA's Newsprint and Environment Working Group decided in early 2014 to join the Two Sides campaign. This forum aims to improve customer confidence in print and paper products. The true picture of the excellent environmental benefits of paper as a means of communication is being obscured by false messages about paper, which is in fact based on a natural, renewable and recyclable resource. Two Sides is currently working on a new global initiative to stop the use of misleading "go green – go paperless" environmental claims.

Use of recycled newsprint and cardboard for food packaging

The use of recycled newsprint in cardboard for food packaging has raised concerns in some quarters about alleged health consequences related to the mineral oils used in inks for printing. ENPA has taken the position that newsprint is meant for reading, not for consuming. In our opinion, recycled board should never be in direct contact with foodstuffs.

Organic inks are not the solution, since chemical agents will also migrate. And furthermore, the imported materials, which may have high levels of mineral oils, are also used in recycling in Europe. ENPA has therefore requested the EU Institutions to recognise the voluntary declarations on recycled paper and their important role in achieving public policy objectives, and so to refrain from introducing new legal requirements.

Review of the EU Timber Regulation

The EU Timber Regulation (995/2010) covers a broad range of timber products including solid wood products, flooring, plywood, pulp and paper. Not included are recycled products, as well as printed papers such as books, newspapers and magazines. The product scope can be amended if necessary. A review of the Regulation is due to be launched by the European Commission in April 2015. This will include a Public Consultation which will run for the following 12 weeks.

There is quite some pressure to include printed paper products into the scope of the Regulation. Alternative options could be, for example, adaptation of the rules for publishers, in case it is the direction that is being taken. In 2010, publishers made a successful case to be excluded from the scope of Timber Regulation, since our sector is not in a position to carry out due diligence checks for the wood imported into the EU which is then used in printed press products. This position however could be put into question again in the forthcoming revision.

Greenpeace claims regarding Resolute Forest Products

In November 2013, ENPA received a letter from Greenpeace Germany regarding the newsprint manufacturer, Resolute Forest Products. It suggests that the company's forest management practises pose a reputational risk to ENPA and its members. ENPA met with Resolute in January 2014 to discuss the situation. In early 2015, several ENPA members received a similar letter from Greenpeace Germany and members supported an industry-wide response from ENPA to Greenpeace.

Key Messages:

- The print media value chain is an essential contributor to a knowledge-based society; the print sector promotes reading, which is an essential life skill.
- Paper is sustainable; it is based on wood, a natural and renewable resource. The industry makes a great effort to use raw materials in the most efficient way.
- The paper and print media value chain has a turnover of around €550bn and is characterised by a highly skilled workforce.
- Self-regulation is an effective, flexible and cost-efficient means of achieving overall objectives and targets by all stakeholders in the print value chain.

Media literacy: an essential component for informed and engaged citizenship

Newspapers and news media have a fundamental role to play in promoting the development of media literate and socially engaged citizens who have an understanding of local, national and global events.

It is ENPA's belief that newspapers and news media are the ultimate sources for media literate citizens. News content helps to inform us, to provoke us and to stimulate debate on the burning questions of our times. Reading news media opens a window on other worlds and other viewpoints, also confronting us with our own pre-conceived ideas and challenging our views.

The newspaper industry across the different markets in Europe has been active for many years at national level in specially developed "Newspaper in Education" programmes. In our view, news media should be an essential part of any educational programme that focuses on the ability of citizens to inform themselves and to analyse current social, political and economic developments. In fact, programmes for the formation of media literate citizens are incomplete without news media components.

Furthermore, ENPA has emphasized that the Commission's goal of enhancing "digital literacy" as part of the Digital Single Market strategy, should be linked to media literacy. This is essential to ensure that citizens have the ability to critically evaluate the content they access on the Internet.

Media literacy ensures that citizens have the ability to critically evaluate content

In the new European Commission under President Juncker, responsibility for media literacy is divided between two Commissioners and two directorate-generals. Commissioner Oettinger (Digital Economy & Society) is responsible for the Creative Europe funding programme which is largely focused on audiovisual and the Safer Internet Programme, while Commissioner Navracsics (Education, Culture, Youth and Sport) is responsible for education in schools and the trans-sectoral strand of the Creative Europe programme where publishers can apply for funding for media literacy programmes from 2016. Link to publication: http://www.enpa.be/en/publications/whats-your-news-_62.aspx

In February 2014, ENPA Executive Director, Francine Cunningham, had the opportunity to present "What's Your News?" to the European Commission's Media Literacy Expert Group made up of representatives from the Member States.

In addition, the ENPA Executive Director was invited to speak at the first European Media Literacy Forum at UNESCO in Paris on May 27-28th, where she provided examples of best practises from What's Your News?

Background

In September, 2012, the independent High Level Group of Experts on Literacy, set up by Culture Commissioner Vassiliou in 2011 and chaired by Princess Laurentien of the Netherlands, released its final report. ENPA gave input into the work of the HLG and the final report referred to the work of individual newspapers in this area.

The Council of Culture Ministers decided in November 2012 that a European policy network of national literacy organisations should be established to help to implement the recommendations of the High Level Group. There was a call for proposals for members of this group in May 2013.

In 2013, the Commission also launched a number of pilot projects in European countries, with the aim of testing the practical application of assessment criteria that have been drawn up to assess media literacy levels.

In January 2013, the High Level Group on Freedom and Pluralism of the Media, appointed by EC Vice-President Neelie Kroes and chaired by Professor Vaira Vike-Freiberga, included this recommendation in its final report: "Media literacy should be taught in schools starting at high-school level. The role media plays in a functioning democracy should be critically assessed as part of national curricula, integrated either with civics or social studies."

EU Culture Ministers have also asked for a report in 2014 on low achievement in basic skills, including literacy, mathematics, science and technology.

Key Messages:

- Newspapers on all platforms play a vital role in both functioning and emerging democracies by encouraging active citizenship and an open exchange of opinion and information.
- Media literacy education should include the importance of informed citizenship and the use of media to promote civic engagement is emphasised.
- Media literacy skills are more urgently needed today than ever before, since sustainable growth in Europe depends upon having a highly educated workforce.
- Newspaper content (both in print and digital formats) should be included in media education programmes managed by the European Union.
- The "digital literacy" initiatives under the EU Digital Single Market strategy should be linked to the promotion of "media literacy", so that citizens can critically access the content they access online.

HORIZON 2020: The press sector embraces research to enhance the opportunities of the digital media market

Innovation is at the heart of the news media sector, which is in the midst of an ongoing transformation in response to structural and technological developments, as well as changing consumer needs. That is why the sector is increasingly putting an emphasis on research and development projects, with a results-based practical approach.

Horizon 2020 is a European Union initiative aimed at securing Europe's global competitiveness through funding for research and development. Running from 2014 to 2020, the European Commission's new cycle of research and development programmes, which began in January 2014 and will run until 2020, is now underway. This funding cycle has a budget of around €80 billion.

Until now, the newspaper and news media sector has not been involved in the EU funding programmes for research and development. But ENPA, together with the world association of newspapers and news publishers, WAN-IFRA, is currently supporting the efforts of some member to get involved in the Horizon 2020. To this end, ENPA has been in contact with the European institutions to ensure that the news media sector is considered eligible for the Horizon 2020 programmes.

ENPA was invited by the European Commission's DG Connect to take part in a meeting on Monday, 23rd February, on "Publishers' Research & Development Needs", in the context of Horizon 2020. Publishers' representatives encouraged the Commission to come forward with a call for proposals that is more specifically focused on the needs of the publishing sector, since the current application system is very complex and it is difficult to identify a call for proposals that is relevant to publishers.

Innovation is at the heart of the news media sector in times of rapid transformation

Publishers' representatives also underlined that the media sector is for the most part innovating through use of new technology, rather than itself inventing new technology. This means that the starting point should be focused on innovation, rather than research and development (R&D).

Following the meeting, ENPA and the other publisher representatives present at the EC meeting were invited to make written submissions, outlining the important areas that might be suitable to focus on for future projects under Horizon 2020. In consultation with WAN-IFRA, ENPA highlighted several broad areas of research included the following:

- Big data analysis to bring customer/user insight to a new level
- New digital first services and earning models
- Infrastructures: accessibility, DRM, cloud computing, authentication of users
- Internet of Things: wearable glasses, watches, buttons, clothes

- Immersive Technologies including 360 degree storytelling
- Co-creative intelligence in the service of media sector e.g. cognitive computing

In 2011, ENPA with input and support from WAN-IFRA had responded to a stakeholder consultation on Horizon 2020. This was followed by several ENPA meetings with the European Commission's DG Research and Innovation to highlight the interest of the newspaper sector in participating in the next round of programmes for research and development.

The Commission has indicated that it would regard the news media as an eligible sector to participate in Horizon 2020 and would welcome specific applications from this sector in rapid transition.

ENPA has conveyed the message to the Commission that innovation is imperative to ensure that the newspaper sector remains a powerful force in European society for the future.

Background:

Horizon 2020 aims to allocate funding for the following purposes:

- Strengthen the EU's position in science to provide a boost to top-level research in Europe, including an increase in funding for the European Research Council.
- Strengthen industrial leadership in innovation via major investment in key technologies, greater access to capital and support for SMEs.
- Address major concerns shared by all Europeans such as climate change, developing sustainable transport and mobility, making renewable energy more affordable, ensuring food safety and security, or coping with the challenge of an ageing population.

More information on Horizon 2020 can be found on the EC website:

<http://ec.europa.eu/programmes/horizon2020/>

Key Messages:

- Innovation is at the heart of the news media sector, which is in the midst of a major transformation in response to structural and technological developments, as well as changing consumer needs.
- Research and development projects with a results-based practical approach could help the news media sector to innovate successfully, at a time when consumption of media is rapidly changing.
- Innovation is imperative to ensure that the newspaper sector remains a powerful force in European society for the future, providing authoritative news and information to European citizens on a range of print and digital formats.

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ENPA - European Newspaper Publishers' Association

ENPA is an international non-profit association, advocating the interests of publishers of newspapers and news media in Europe. ENPA has 29 member associations from the EU Members States, as well as Norway, Switzerland and Serbia. Together its membership represents some 5,200 national, regional and local newspaper titles around Europe, published in both print and digital platforms.

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