

# INDICATORS FOR MEDIA PLURALISM: Towards a Risk-Based Approach

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## Context of the Study

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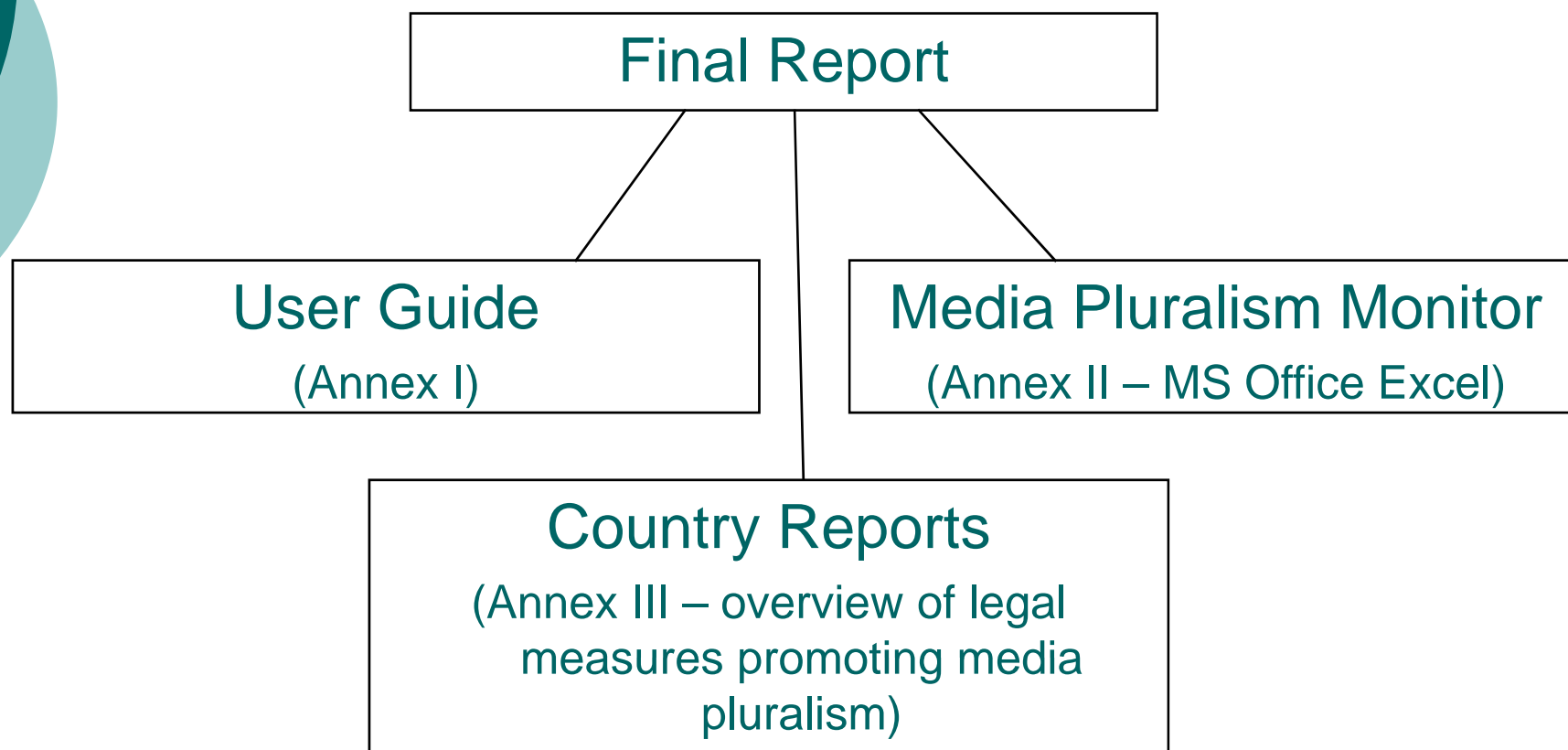
- mid-1990s: EC harmonisation directive on media ownership failed
  - shows political sensitivities about issue
- But: media pluralism recurrent concern of EP
  - various resolutions, Mikko report...
- **EC three-step approach to media pluralism**
  1. Commission Staff Working Document (Jan. 2007)
  2. Study (2008-2009)
  3. Communication (2010?)

## Objective of the Study

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- Develop practicable **monitoring tool** to detect **threats** to pluralism with differentiated sets of **indicators** covering pertinent legal, economic and socio-cultural considerations
  - Signal areas or domains where media pluralism is endangered and show underlying cause
  - Standardised approach throughout EU
    - but: taking account of different cultures, markets
  - Enhance transparency about media pluralism in Member States
  - Provide evidentiary basis for decision-makers
- Hence: NO harmonisation of policies, concepts...

# Final Report



[http://ec.europa.eu/information\\_society/media\\_taskforce/pluralism/study/index\\_en.htm](http://ec.europa.eu/information_society/media_taskforce/pluralism/study/index_en.htm)

## Main Features (& impact on design)

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# Neutral Monitoring Tool

- NOT:
  - prescribe remedies
  - dictate level of risk-appetite
  - defend ideology
- *Hence: diagnosis, no therapy*

## Main Features (& impact on design)

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# Holistic / Comprehensive

- Covers various segments of ‘media market’ (print, audiovisual, online – public, private, community media...)
- Broad notion of media pluralism (internal, external, political, cultural, ownership...) – cf. Council of Europe

## Main Features (& impact on design)

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# Risk-based

- Does not measure actual level of media pluralism, but threats to such pluralism
- Risks include lost opportunities (e.g. low availability of broadband networks in rural areas)

## Main Features (& impact on design)

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# Concrete / Objective

- Relies on quantitative measurements to largest possible extent
- Methods for calculation and border values are transparent



## Main Features (& impact on design)

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# EU-standardised

- Common set of indicators with identical border values
- But: regard for national specificities through ex ante- and ex post profiling; *infra*

## Main Features (& impact on design)

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# Evolving

- Tool is flexible: possibility to include emerging / future risks at later stage, as well as new indicators
- **SMART-test** = method applied to select « first tier » from « second tier » indicators in current MPM
  - **Specific:** indicators have sufficiently precise meaning & direct link with media pluralism
  - **Measurable:** they can be expressed in quantitative or qualitative score
  - **Achievable/attainable:** data can be obtained at reasonable cost
  - **Result-oriented:** reliable border values can be defined over which there is broad consensus
  - **(Time-bound:** data can be collected frequently enough to inform the progress and influence the decisions)

*Second tier indicators may be included in MPM at a later stage (e.g. when relevance has grown, data or measurement methods have become available).*

## Main Features (& impact on design)

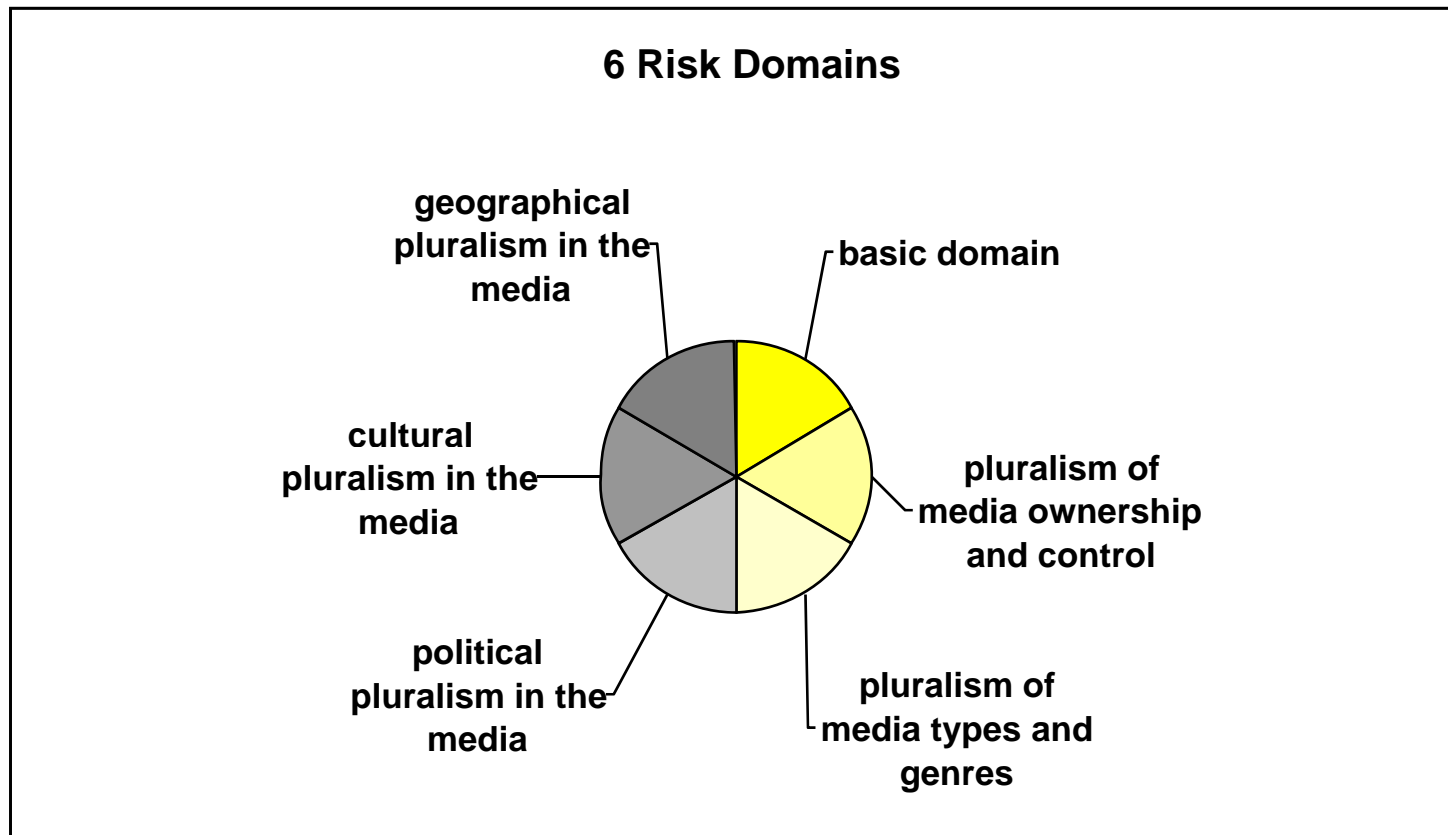
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# Practical / User-friendly

- As simple as possible, but as sophisticated as necessary
- Detailed User Guide
- Open for use by wide range of stakeholders

# Structure MPM

- **6 risk domains** (> traditional descriptions of media pluralism)



# Structure MPM

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- **3 types of indicators** (> ToR / holistic approach)
  - **LEGAL:** assess existence *and* effective implementation of legal (regulatory) safeguards against certain threats to media pluralism (including co/self-regulation)
  - **SOCIO-DEMOGRAPHIC:** assess social, geographic, demographic factors which have impact on / could pose threats to media pluralism (*e.g. employment, audience preferences, access of public to data about political affiliation of media owners, availability of certain media contents...*)
  - **ECONOMIC:** assess economic factors which have impact on / could pose threats to media pluralism (*e.g. ownership/control of media, industry structure, consolidation and concentration trends, geographic distribution, revenue distribution, financing, state aid, audience and advertising shares*)

# Structure MPM

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- **3 risk areas** (> traditional value chain)
  - Supply
  - Distribution
  - Use
  
- **3 border values** (> risk-based approach)
  - Green: low risk – no need for action
  - Orange: medium risk – attention point
  - Red: high risk – need for action

# Structure MPM: Statistics

Domain	Total
Basic Domain	11
Pluralism of ownership and control	28
Pluralism of media types and genres	21
Political pluralism in the media	37
Cultural pluralism in the media	44
Geographical pluralism in the media	25
<b>Grand Total</b>	<b>166</b>

Area/Type	Distribution	Supply	Use	Total
Economic	9	27	3	<b>39</b>
Legal	5	60	2	<b>67</b>
Socio-demographic	7	47	6	<b>60</b>
<b>Total</b>	<b>21</b>	<b>134</b>	<b>11</b>	<b>166</b>

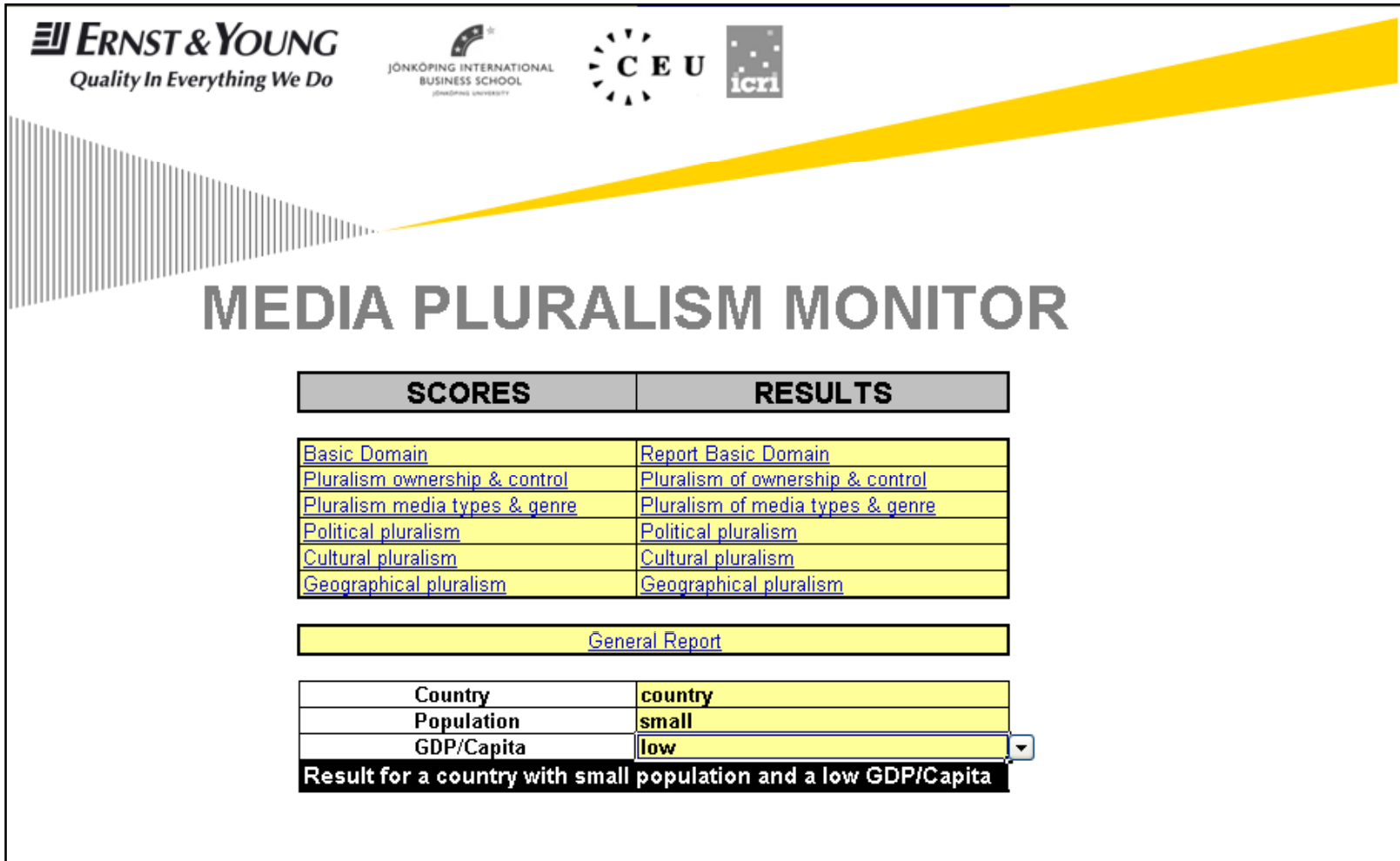
# Structure MPM: Statistics

Area / Domain	Distribution	Supply	Use	Total
Cultural pluralism in the media	2	40	2	44
Basic domain		10	1	11
Geographical pluralism in the media	5	17	3	25
Pluralism of media types and genres	3	15	3	21
Pluralism of ownership and control	8	20		28
Political pluralism in the media	3	32	2	37
<b>Total</b>	<b>21</b>	<b>134</b>	<b>11</b>	<b>166</b>

Type / Domain	Economic	Legal	Socio-demographic	Total
Cultural pluralism in the media	6	13	25	44
Basic domain		11		11
Geographical pluralism in the media	6	7	12	25
Pluralism of media types and genres	12	7	2	21
Pluralism of ownership and control	15	13		28
Political pluralism in the media		16	21	37
<b>Total</b>	<b>39</b>	<b>67</b>	<b>60</b>	<b>166</b>



# Demo MPM



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## MEDIA PLURALISM MONITOR

SCORES	RESULTS
<a href="#">Basic Domain</a>	<a href="#">Report Basic Domain</a>
<a href="#">Pluralism ownership &amp; control</a>	<a href="#">Pluralism of ownership &amp; control</a>
<a href="#">Pluralism media types &amp; genre</a>	<a href="#">Pluralism of media types &amp; genre</a>
<a href="#">Political pluralism</a>	<a href="#">Political pluralism</a>
<a href="#">Cultural pluralism</a>	<a href="#">Cultural pluralism</a>
<a href="#">Geographical pluralism</a>	<a href="#">Geographical pluralism</a>
<a href="#">General Report</a>	
<b>Country</b>	<b>country</b>
<b>Population</b>	<b>small</b>
<b>GDP/Capita</b>	<b>low</b>
<b>Result for a country with small population and a low GDP/Capita</b>	

# Ex Ante-Profiling

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- **Why?** Take into account national specificities
- **How?** Adjusted border values for small / large markets to combine effects of population and GDP per capita
  - 2 Variables:
    - Population: large > 20 mio.; small < 20 mio.
    - GDP/capita: high > 23,500 Euro; low < 23,500 Euro
  - 4 Options:
    - **Large population and high GDP/capita:** default border values
    - **Large population and low GDP/capita:** border values are multiplied by 1.20
    - **Small population and high GDP/capita:** border values are multiplied by 1.25
    - **Small population and low GDP/capita:** border values are multiplied by 1.33

## Border values are adjusted for:

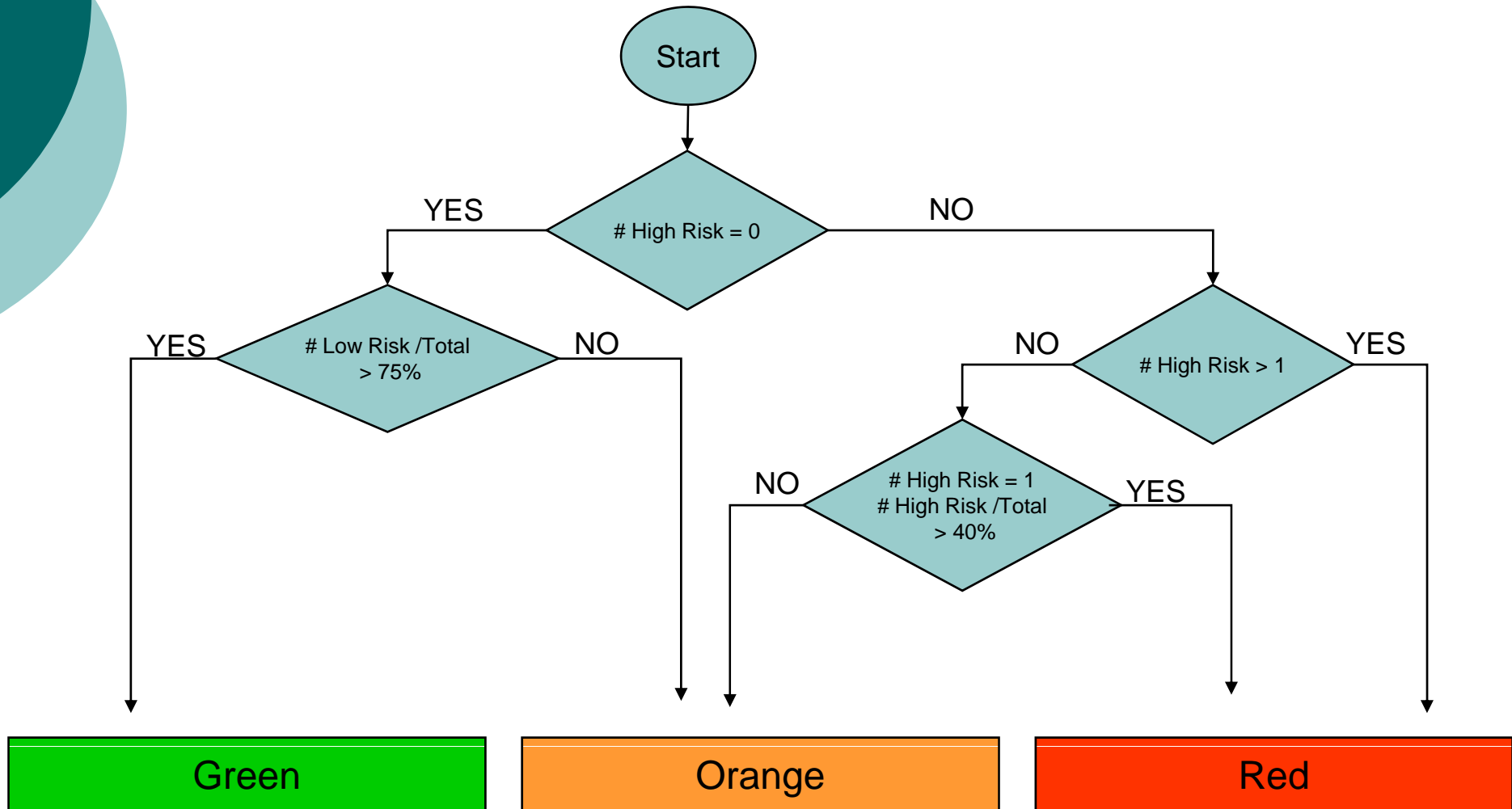
- O1.1 Ownership concentration in terrestrial television (horizontal) (E)
- O1.2 Audience concentration in terrestrial television (E)
- O2.1 Ownership concentration in radio (horizontal) (E)
- O2.2 Audience concentration in radio (E)
- O3.1 Ownership concentration in newspapers (horizontal) (E)
- O3.2 Readership concentration in newspapers (E)
- O4.1 Ownership concentration in Cable/Sat/ADSL-TV (horizontal) (E)
- O4.2 Audience concentration in Cable/Sat/ADSL-TV (E)
- O5.1 Ownership concentration in magazines (horizontal) (E)
- O5.2 Readership concentration in magazines (E)
- O6.1 Ownership concentration in internet content provision (horizontal) (E)
- O6.2 Readership concentration in internet content provision (E)
- O7.1 Ownership concentration in book publishing (horizontal) (E)
- O7.2 Readership concentration in book publishing (E)
- O8.1 Number of sectors in which top 8 firms/owners are active (E)
- T1.1 Audience parity between the TV channels of commercial broadcasters and of PSM (E)
- T1.2 Financial parity between the TV channels of commercial broadcasters and of PSM (E)
- T1.3 Audience parity between the radio channels of commercial broadcasters and of PSM (E)
- T1.4 Financial parity between the radio channels of commercial broadcasters and of PSM (E)
- T2.4 Ratio of Cab/Sat/ADSL-TV channels dedicated to news/public affairs, education and entertainment to total number of Cab/Sat/ADSL-TV channels (E)
- G1.4 Ratio of number of cities with TV and radio stations to total number of cities (E)
- G1.5 Ratio of number of cities with newspapers to total number of cities (E)
- G2.1 Proportion of regional and local television and radio broadcast channels to national broadcast channels (E)
- G2.2 Proportion of regional and local newspapers to national newspapers (E)
- G2.4 Parity of financing of regional and /local TV, radio and newspapers relative to population size (E)
- G3.1 Proportion of locally oriented and locally produced content (S)

## Ex Post-Profiling

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- **Why?** Take into account national specificities
- **How?** Interpret results on the basis of other national characteristics (e.g. developing / mature media markets, small / large numbers of ethnic minorities, high / low population density in urban areas...)
  - ➔ “Guidelines for interpretation” (User Guide)

# Calculation of Average Scores



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# Thank you for your attention!

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