INDICATORS FOR MEDIA PLURALISM:
Towards a Risk-Based Approach

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Context of the Study

- 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
  2. Study (2008-2009)
  3. Communication (2010?)
Objective of the Study

- 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

User Guide
(Annex I)

Media Pluralism Monitor
(Annex II – MS Office Excel)

Country Reports
(Annex III – overview of legal measures promoting media pluralism)

http://ec.europa.eu/information_society/media_taskforce/pluralism/study/index_en.htm
Neutral Monitoring Tool

- **NOT:**
  - prescribe remedies
  - dictate level of risk-appetite
  - defend ideology

  *Hence: diagnosis, no therapy*
Main Features (& impact on design)

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)

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)

Concrete / Objective

- Relies on quantitative measurements to largest possible extent

- Methods for calculation and border values are transparent
Main Features (& impact on design)

EU-standardised

- Common set of indicators with identical border values
- But: regard for national specificities through ex ante- and ex post profiling; \textit{infra}
**Main Features** (& impact on design)

**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)

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)

6 Risk Domains

- geographical pluralism in the media
- cultural pluralism in the media
- political pluralism in the media
- pluralism of media ownership and control
- pluralism of media types and genres
- basic domain
Structure MPM

- **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

- **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

<table>
<thead>
<tr>
<th>Domain</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Basic Domain</td>
<td>11</td>
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<tr>
<td>Pluralism of ownership and control</td>
<td>28</td>
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<tr>
<td>Pluralism of media types and genres</td>
<td>21</td>
</tr>
<tr>
<td>Political pluralism in the media</td>
<td>37</td>
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<tr>
<td>Cultural pluralism in the media</td>
<td>44</td>
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<tr>
<td>Geographical pluralism in the media</td>
<td>25</td>
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<tr>
<td><strong>Grand Total</strong></td>
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#### Area/Type

<table>
<thead>
<tr>
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<th>Distribution</th>
<th>Supply</th>
<th>Use</th>
<th>Total</th>
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<tr>
<td>Economic</td>
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<td>27</td>
<td>3</td>
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<tr>
<td>Legal</td>
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<tr>
<td>Socio-demographic</td>
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<tr>
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# MEDIA PLURALISM MONITOR

<table>
<thead>
<tr>
<th>SCORES</th>
<th>RESULTS</th>
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<tbody>
<tr>
<td>Basic Domain</td>
<td>Report Basic Domain</td>
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<tr>
<td>Pluralism ownership &amp; control</td>
<td>Pluralism of ownership &amp; control</td>
</tr>
<tr>
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<td>Pluralism of media types &amp; genre</td>
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**General Report**

<table>
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<tr>
<th>Country</th>
<th>Population</th>
<th>GDP/Capita</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>small</td>
<td>low</td>
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</table>

Result for a country with small population and a low GDP/Capita
Ex Ante-Profiling

- **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)
- T2.1 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

○ **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

Start

# High Risk = 0

YES

# Low Risk /Total > 75%

YES

Green

NO

Orange

NO

# High Risk > 1

NO

Red

YES

# High Risk 1

# High Risk /Total > 40%

Thank you for your attention!

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