STATEMENT ON TRANSPARENCY OF MEDIA OWNERSHIP

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The availability of accurate and up-to-date information about media ownership is an essential attribute of a democratic and pluralist media system. Market power cannot be understood or assessed – or effectively regulated – if media authorities and citizens do not know who owns the media in their society. Excessive media concentrations cannot be addressed – or even be identified – unless ownership is fully disclosed.

Public knowledge of owners' identities helps to ensure that abuses of media power can be assessed, publicised, openly debated, and even prevented. It ensures that people can be accurately informed about the interests and influences behind the news presented for their consumption, and that media markets can operate fairly and efficiently, especially towards new entrants.

Media regulators and the public need, then, to have access to information about who owns – and therefore is able to influence – media outlets. This has been recognised by the European Parliament, by the European Commission's High-level Group on Media Freedom and Pluralism, and by the OSCE Representative on Freedom of the Media. Above all, this need has been recognised by the Council of Europe. For the Committee of Ministers has led the way in drawing attention to the importance of media ownership transparency, and in urging action to ensure that this is achieved.

The Committee of Ministers first addressed this topic in the <u>Recommendation on Measures to</u> <u>Protect Media Transparency</u>, of November 1994, which underlined the need for media authorities to have the "information which enables them to know the reality of media ownership structures." The ministers put this need in the context of the possible harmful effects of media concentration.

1

And they recommended governments to consider legislating in order to guarantee media transparency.

In 2007, the Ministers returned to this issue in their <u>Recommendation on media pluralism and</u> <u>diversity of media content</u>, which reaffirmed that member states "should adapt" the regulatory frameworks and "adopt any regulatory and financial measures called for in order to guarantee media transparency". This recommendation was also made in the ministers' 2007 <u>Declaration on</u> <u>protecting the role of the media in democracy in the context of media concentration</u>. Two years ago, the <u>Recommendation on a new notion of media</u> reaffirmed that "Regulatory measures may be required with a view to guaranteeing full transparency of media ownership."

The actual availability of information about media ownership has now been assessed systematically for the first time, by the Open Society Foundations and Access Info Europe. Our research, in 19 European countries, found that the public is able to discover who the actual owners of the broadcast media are, whether from media regulators or from company registers, in fewer than one third of those countries [6 out of 19].

Disclosure to media regulators of the beneficial (and ultimate) owners of media outlets is not required in most of these 19 countries. There is no unified or standard approach to collecting or requiring disclosure to the public of media ownership data, particularly with regard to print and online media. If the data available in most countries of Europe does not make it possible to identify the ultimate or beneficial owners, then the public in such countries cannot obtain a detailed and comprehensive picture of who owns all media outlets. This finding can come as no surprise to the Committee of Ministers, for it supports their repeated warnings.

The solution to this problem lies through the adoption of a mandatory legal framework for transparency of media ownership in each country. Broadcast, print and comparable online media should be required to submit sufficient information to a national media authority to allow identification of their beneficial and ultimate owners, back to natural persons. This information should be available to the public in a fully accessible format, free of charge, in a regularly updated and centralised database.

2

On the basis of our research, we have developed a set of detailed and specific measures for achieving transparency of ownership. These recommendations spell out, inter alia, which categories of information should be provided to media authorities; which thresholds for disclosure are needed; how the information should be collected, and how and where it should be made available. These proposals have been improved by consultation with nearly a hundred civil society activists and media experts, and tested by discussion with European officials and parliamentarians in Brussels, including – very constructively – the Parliamentary Assembly of the Council of Europe.

We believe these steps are fully consistent with the approach taken by the Committee of Ministers since 1994. They are also timely, given the new governmental commitments to shed light on beneficial ownership more generally, seen for example at last week's Open Government Partnership summit in London. In short, we have heeded your warning, confirmed the reality and scale of the problem, and operationalized the principles that you articulated. For the Committee has not shied from the truth that a legal dimension is needed for a genuine solution to this problem.

Austria has – under its amended media law of 2011 – become a good practitioner of media ownership transparency. Under Austrian chairmanship, the Committee of Ministers will be strongly placed to inspire and drive efforts at the national (member state) level by adopting a clear and specific standard for the transparency of media ownership. Much of the substance of this standard has been prepared: it is in these recommendations. They await your attention and your action.

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