
Declaration by the Committee of Ministers on the financial sustainability of quality journalism in the digital age

*(Adopted by the Committee of Ministers on 13 February 2019
at the 1337th meeting of the Ministers' Deputies)*

1. A democratic society requires citizen participation in public decision-making. This presupposes that individuals have available to them relevant and credible information from diverse sources enabling them to form and express their opinions and make informed choices about their government and society. Independent and pluralistic media play a vital public watchdog role by overseeing public affairs and political structures and processes at both local and national level. Furthermore, they report on a wide range of other matters of public interest and provide a shared forum for meaningful debate, within and between all communities in a society.
2. The right to freedom of expression and media freedom, as guaranteed by Article 10 of the Convention for the Protection of Human Rights and Fundamental Freedoms (ETS No. 5, "the Convention"), is wide in scope and contributes to promoting and protecting the principles of democracy, human rights and the rule of law on which the Council of Europe is built and which it is committed to uphold. This right is a prerequisite for a favourable environment for quality journalism, which serves an important democratic function. Quality journalism extends the range of diverse, credible, interesting and timely information available to the public and counteracts propaganda, misinformation and disinformation proliferating on social media in particular.
3. Quality journalism is upheld by journalistic practices that serve the public interest and are based on good faith and the ethics of the profession. Such practices, irrespective of whether performed by professional journalists or other authors, seek to provide accurate and reliable information that complies with the principles of fairness, independence and transparency, public accountability and humanity. Journalism committed to these principles should be acknowledged as a public good, so as to emphasise its key role and value for societies and to encourage a wide range of stakeholders, including member States, to join efforts in ensuring its promotion and support, also through financial means.
4. The technological evolution of the past decades has radically changed how news and other media content are produced, circulated and received. News is now extensively distributed online, with a few platforms acting as powerful intermediaries and with many individuals accessing news through social media, search engines and similar online services and resources, and increasingly via mobile devices and applications.
5. The digitisation process has, in turn, transformed the economic reality of journalism, compromising its traditional business model based on revenues from sales and/or advertising, and causing disruption in the media sector. The growing digital and mobile consumption of news has been a catalyst for the decrease in the circulation of print media, often coupled with a decline in their subscription revenues. Furthermore, the vast audience reach of major online platforms and corresponding economies of scale, their data-driven business models and potential for personalised, targeted messaging make these actors very attractive for the advertising industry. As a result, advertising spending has shifted to a very significant degree from traditional media companies to these platforms, rewarding distribution of content more than its creation.

6. Sustainability of media outlets, the largest investors in news content, is at great risk, as their resource-intensive and costly production does not carry a commensurate economic value or financial rewards. The decline of the media industry and accompanying cut-backs have resulted in reduced news coverage, significant job losses and deterioration of journalists' working conditions, all of which hinders all media in their public watchdog role, but weighs particularly heavily on the local, investigative and cross-border journalism. These factors render journalists vulnerable to pressures from powerful news sources and their employers, impinge on their investigative capacities and create a climate conducive to both censorship and self-censorship. Moreover, the weakened sustainability has contributed to a growing concentration of media ownership and may lead to a less diverse news environment.

7. Some media outlets have responded to these pressures by changing their journalistic practices to prioritise speed and volume over substance, harnessing the possibilities of the digital environment, including online platforms' algorithms, for engaging the attention of the audience. A "clickbait" culture is developing, the main purpose of which is to attract attention by using exaggerated and emotional headlines. Such reporting favours content produced without sufficient regard for accuracy, fact-checking and separation of fact and opinion. It inclines towards sensationalism, with a negative effect on the overall quality of journalism and trust therein.

8. New organisations are emerging to fill some of the gaps left by the traditional media outlets. However, these organisations face similar challenges. They, too, struggle to find sustainable business models for quality journalism. Moreover, in this age of growing scepticism towards democratic institutions, the media are vulnerable to being labelled as partisan or "fake", even where they are committed to high standards of journalism. Lacking the brand recognition of their established counterparts, the new organisations in the media ecosystem must work particularly hard and more innovatively to gain the trust of their target audiences.

9. Furthermore, even though internet intermediaries were not created with the explicit purpose of serving the news needs of society, some online platforms have become major distributors of news and have progressively assumed curatorial or editorial-like functions, thus shaping the users' experience of journalism while acquiring great power in the digital economy. Their content moderation and ranking is supported by non-transparent policies – in the form of algorithms that may result in content being filtered out despite being lawful – and their personalised selection, organisation and recommendations of news are based on expressed or inferred users' preferences and adapted to their profiles. Such recommendations, although useful for navigating a vast amount of available sources, are designed for maximum engagement of the target audience and with little consideration for the public interest, promoting both quality sources and other, even misleading or false, content. They also negatively affect the diversity of individuals' news exposure, reinforcing individuals' choices within their established preferences, and thus may contribute to political, social and/or cultural fragmentation.

10. The digital environment provides new opportunities for free expression and diversity of opinions, but is also susceptible to manipulation, disinformation and spread of hateful messages. In order to redeem its promise of fostering a culture of informed public debate and active participation in the democratic process, it is of the utmost importance that individuals are empowered to understand this environment and its challenges. This allows them to effectively access relevant and credible news and information and makes them aware of the risks of engaging with, and spreading, deceptive, malicious, or blatantly false content. To this end, individuals need to develop a wide range of skills for media and information use and an awareness of their rights and responsibilities in relation to the use of digital tools and technologies.

11. The media are exploring alternative formats for delivering content in order to (re)build interest in quality journalism; to direct advertising revenue back to their industry, including through branded or sponsored content; to create new revenue streams, and to reduce their dependence on any one form of funding. While new digital technologies enable innovative journalistic approaches, solutions range from consolidation of media's operations into larger networks, not-for-profit and foundation-supported forms of organisation, to funding models based on reader payment such as donations, subscriptions and membership fees. Notwithstanding these measures, continued targeted investments in the media ecosystem are indispensable to restore and maintain journalism that combines editorial quality, integrity, independence and a high level of ethics with sustainable technological and economic development.

12. States' support and commitment to providing a pluralist media ecosystem in accordance with their positive obligations under Article 10 of the Convention should take into account all sectors and types of media, bearing in mind their different purposes, functions, affordances and geographical reach. Support mechanisms should include measures for ensuring the basic financial sustainability of this ecosystem. Public service media, as an essential feature of pluralistic communication and provider of varied and high-quality content, should remain accessible to everyone online as well as offline and should enjoy sustainable public financing, in accordance with a number of Council of Europe instruments, the latest being Recommendation CM/Rec(2018)1 of the Committee of Ministers to member States on media pluralism and transparency of media ownership. In addition, there is a need to develop and strengthen public policy measures at European, as well as at local levels to ensure that community media, as well as other types of media serving local and rural communities, have financial and legal resources and space to operate on all distribution platforms.

In view of the foregoing, the Committee of Ministers:

- affirms that a favourable environment for freedom of expression and media freedom presupposes advantageous political, legal, social and economic conditions for quality journalism in the public interest, recognising that such journalism is a public good and has substantial benefits for democracy;
- alerts member States to the importance of promoting, through an enabling regulatory and policy framework that facilitates the operation of all media ranging from established to innovative forms, long-term financial sustainability of quality journalism produced in line with the editorial and ethical standards of the profession, while establishing effective safeguards for ensuring that such a framework does not constrain editorial and operational independence of the media;
- reiterates member States' commitment to ensure stable, sustainable, transparent and adequate funding for public service media in line with the principles and standards of the Council of Europe, notably Recommendation CM/Rec(2018)1 of the Committee of Ministers to member states on media pluralism and transparency of media ownership;
- encourages member States to include in their media regulatory and policy frameworks a variety of measures which may include, but are not limited to the following:
 - a) A beneficial tax regime for the production and distribution of journalistic content;
 - b) Financial support schemes for media sectors besides public service media, in particular for regional, local, hyperlocal and not-for-profit community media, with accompanying safeguards for their independent administration and oversight and for equitable and non-discriminatory distribution of such support in line with the principles of transparency and accountability and with the standards of the Council of Europe;
 - c) Media and journalism development measures financed through a variety of funding schemes including by private-public partnerships and aimed at (i) supporting investigative journalism, including cross-border journalism, and innovative journalistic projects, (ii) developing viable business models for hyperlocal journalism and freelance journalists, (iii) supporting the transition of printed publications to the digital environment, (iv) building a digital presence for small, particularly local media outlets, (v) developing journalistic skills and training and media literacy programmes for newsrooms, (vi) strengthening journalistic ethics and principles such as fact-checking or reflecting a plurality of views present in society, (vii) encouraging and promoting careers in journalism, (viii) developing business skills of media practitioners adapted to the digital economy, including skills for audience measurement and analysis, or (ix) supporting the development of new technologies for newsrooms, as well as funding and increased capacity building for the use of the existing technologies, based on the needs of individual newsrooms and those of their audiences;
 - d) The possibility for media outlets to operate as not-for-profit organisations and be able to receive donations from local, national and international philanthropic programmes;

- acknowledges the necessity to consider the growing responsibilities of those internet intermediaries, notably online platforms, which through their wide geographical reach and user engagement act as main gateways for news dissemination and generate important revenue from online news. Their active role in providing services of public value and their influence in the media ecosystem should be accompanied by public interest responsibilities developed through self-regulatory mechanisms or other appropriate and proportionate regulatory or co-regulatory frameworks, aimed to ensure, *inter alia* that:

- a) With due regard to their status as important sources of information and communication, the intermediaries' criteria by which they curate, categorise and rank online content and thus influence, through automated or human-directed processes, the visibility, accessibility and promotion of news and other journalistic publications, are transparent and applied in line with freedom of expression principles, notably the right to receive and impart information. Such criteria should be applied without discrimination against individual news sources and/or preventing access to legal journalistic content based on political or other opinion or on the form of expression, so as to stimulate diverse media choices;
- b) In the exercise of their curatorial or editorial-like functions whereby they categorise, rank or display content, they develop, in collaboration with media actors, civil society and other relevant stakeholders, mechanisms and standards for assessing credibility, relevance and diversity of news and other journalistic content. Content that complies with such standards should be promoted over disinformation and other manipulative, malicious or blatantly false content, notably through improved distribution processes and clear information to the users on how to find and access credible news sources. Online platforms should also commit to improving the transparency and oversight of advertisement placement on their websites, so as to avoid diverting revenues from credible news sources to sources of disinformation and false content;
- c) Revenues arising from the monetisation of news and other journalistic content in the digital environment are equitably shared and, if necessary, redistributed from online platforms to news content providers, ensuring a balancing effect of such monetisation on the economics of the media industry. Any such contribution schemes can be made through voluntary programmes or state-mandated mechanisms and should be developed in co-operation with the relevant stakeholders. They should be overseen by an independent body and guided by the principles of transparency and accountability; they should ensure that the gains are used to sustain news and other content produced in line with editorial and ethical standards of the profession. A level playing field between the media and online platforms should also be facilitated through appropriate procedures for equitable access to and sharing of data collected in the process of distributing individual media companies' online products, in order to prevent that the platforms' dominant position in the data economy is perpetuated and reinforced to the detriment of online news media;

- highlights the importance of providing everyone with effective access to quality journalistic content, irrespective of income levels and any other barriers. Such access should be complemented by media and information literacy programmes including data literacy designed to raise awareness among the audience about the importance for democracy of freedom of expression and media freedom, the right to access information in the public interest and quality journalism, to educate the public on the skills and knowledge required to recognise quality journalistic products and to encourage them to engage with such products, which should be available and accessible to all groups, including through affordable technological solutions;

- encourages continued dialogue between all relevant stakeholders, and invites media and journalists to be fully engaged in the development of international and national regulatory and policy frameworks related to the operation of the media sector; to be attentive to new opportunities of diversifying funding sources; to join efforts in developing collaborative and innovative projects supporting investigative journalism, also through alternative financing structures; and to strengthen audience engagement and (re)gain the users' trust through transparent editorial processes that provide insight in how news is gathered, written, edited and presented, through increased interaction with the users and through education programmes in media and information literacy intended for both early school level students and adults;

- undertakes to continue its standard-setting work to provide further guidance to member States on these issues.