

NEWS MEDIA EUROPE

Policy reactions from news media to COVID19 situation as 15 April 2020 **(updated)**

These are reactions at national level from News Media Europe's members to the ongoing COVID19 situation. Please treat the information confidentially, but feel free to use it as a source of inspiration for your own activities. We will be relaying further developments of interest.

In addition, please note that the European Commission intends to pass emergency legislation to facilitate the rapid clearing and deployment of state aid measures by Member States seeking to support businesses through this difficult period. For more details on this, we refer you to this [statement](#) by Commissioner Vestager.

Table of Contents

Belgium (Flanders):	2
Croatia:	2
Denmark:	2
Estonia:	3
Finland:	3
Hungary:	4
Ireland:	5
Latvia:	5
Lithuania:	5
Norway:	6
Romania:	6
Spain:	7
Sweden:	7
The Netherlands:	8
United Kingdom:	8
United States:	9
ANNEX - ESTIMATED INDUSTRY LOSSES – NEWS PUBLISHERS IN EUROPE AND AD REVENUE FALL IN COMING MONTHS	9

NEWS MEDIA EUROPE

Belgium (Flanders):

The association has reached out to the government to obtain an exemption from the general lockdown regime for media, journalists and communication services. This has been secured and the media is recognised as necessary to protect the vital interests of the nation. For instance, newspapers kiosks are authorized to stay open during the confinement.

Authorities have granted authorisation to media houses, and other economically impacted enterprises, to enforce temporary unemployment due to force majeure. This means that employees can receive part of their salaries plus a monthly compensation from the government.

The government has also accepted to launch a €3 million public awareness public health campaign through media outlets which will purchase advertising space and therefore help mitigate the impact of the fall in ad revenue (across the media sector, not news specific).

Update 2/4:

- after the previous compensation (4000 euro) for enterprises that had to close down, there will now be a new compensation (3000 euro) in case of a loss of turnover of 60% compared to the same period last year (14/03-30/04). The Flemish Government decided to include freelance journalists (main and secondary profession) in a series of new professions that are able to claim this compensation of 3000 euro.

<https://www.benjamindalle.be/post/hinderpremie-ook-voor-freelancers>

-A support fund of 200 million euros for sport, culture and media is being prepared. Details will be revealed at a later date.

Croatia:

The Croatian association is in contact with the government asking for sector specific measures. General measures, applicable to media, primarily prevent loss of jobs and are welcome. Each affected business directly receives ca. 700 EUR aid per employee (this includes net salary and health/pension contributions) in a period of 3 months, with a possibility to be extended to 6 months.

Paying taxes for salaries is abolished in this period, as a further measure (indirect help; cost saving). Most affected businesses are granted delays for VAT, income tax, or any other form of tax. Businesses in state-owned property are abolished of paying rent. Government is negotiating with banks about loan payment stand-still, and also launched crisis-loans (upto 100 TEUR) with minimum interest rates for small businesses.

Denmark:

The association is working towards securing sector-specific measures to support news media. Danish media are hit hard by the spread virus which has resulted in an important fall in ad

NEWS MEDIA EUROPE

revenues which the government does not address in its state aid package. They ask that the government looks at the entire economic ecosystem holistically in future measures.

Many companies have paused their advertisement activities which is causing the fall in ad spending. In particular, tourism, hotel, restaurant, aircraft and culture industries are under normal circumstances important contributors of ad spending in the market.

As the Business Minister pointed out, tourism may require particular attention as a sector needing targeted support going forward. It would be good to account for their decreased ad spend which is impacting Danish media.

On 1 April, the government announced a 180 million DKK support scheme (24 million EUR). In the government proposal, all media companies with a loss of revenue of between 30 and 50 percent should be compensated for 60 percent of the lost, while companies with a revenue loss of more than 50 percent will be compensated with 80 percent of lost profits.

Although it is estimated to run up to DKK 180 million, no financial ceiling has been set on the scope of the relief package.

[Estonia:](#)

The association wrote to the government to ask for support for media houses. This includes asks to postpone tax payments, state support for distribution, to advertise in Estonian media channels, and decrease VAT for digital media.

At the same time, the association communicated with readers, advertisers, governmental offices, and big companies to encourage them to use their advertising budget with local media.

Update 26 March: The Estonian government has advised the news media sector to make use of the general measures put in place. It therefore rejects the idea of media-specific measures.

[Finland:](#)

In a press release, the association provides its members with interpretation of national law, including an “Emergency Act”. It looks at possible obligations that media providers may have under national law in relaying emergency information issued by government.

Finnish colleagues have conducted a survey with news publishers (findings [here](#) – try online translator). The survey shows amongst other things that 89% of the member companies said media sales would decline during the spring. 26% of all respondents and 36% of city newspaper respondents estimate that media sales will fall by over a third.

The Finnish association also identified a government decision identifying media and journalistic staff as being critical for society, therefore allowing them to continue benefiting from public school for children so that they may continue working. See [press release](#). They

NEWS MEDIA EUROPE

have also asked the government to exclude media employees from free movement restrictions.

On 26 March, the Finnish association has suggested to their government:

- temporary state aid to news media and magazine media publishers in the form of VAT returns regarding subscriptions sales, or alternatively a zero rate VAT
- temporary state aid to ad-financed media companies in the form of VAT returns regarding media sales.

The government's response to the proposals has been positive. Although no concrete sector-specific measure to support the media has yet been adopted.

The southern part of Finland will be isolated as of 27 March. The Finnish association has notified its members that journalists and other employees are still allowed to move to and from the province of Uusimaa if this is necessary for professional activities.

Hungary:

The association finds that distribution of newspapers has fallen by 80%, magazines by 50%, and that a dramatic fall of 80% in ad revenue is expected.

The government has announced a state aid package, which includes media. As part of the measures, similar to tourism and catering, Hungarian media providers will be granted a tax exemption due to their lost advertising revenues.

Update 14/04: The association is working towards securing sector-specific measures to support media. Hungarian media are hit hard by the spread virus which has resulted in an important fall in ad revenues which the government does not address in its state aid package. The association asks that the government looks at the entire economic ecosystem holistically in future measures. The association has also conducted a survey with publishers.

The association asks for a special emergency fund to keep media companies alive; this includes asks for:

- to postpone tax payments for at least 3 months for media companies
- state support for distribution
- Provide state subsidy for payroll
- to advertise in Hungarian print and online channels
- temporary state aid to news media and magazine media publishers
- to carry out public and local public awareness campaigns and buy advertising space
- decrease VAT for digital media
- Provide simplified and fast possibility to get financial aid
- designating news media (printed/online) as "essential service"
- include press products within Széchenyi Recreation Card (cafeteria system)

NEWS MEDIA EUROPE

Ireland:

Irish media have written to their Finance Minister to ask for support for news publishers, including a possible VAT holiday.

In addition, they also wrote to their health Minister regarding investment in public health awareness advertising – as so far none have taken place in/through newspapers.

The Prime Minister has also been reached out to, with a request to grant media with “essential status” so that they may continue to operate. This status has been now been granted.

Latvia:

News publishers expect advertisement revenues to drop by 40-70%. They published an open letter to the government, indicating an avalanche of cancellation of advertising campaigns in the media, which is continuing and threatening to collapse the media system.

The association is asking the government to carry out public and local public awareness campaigns and buy advertising space. Local associations are currently preparing a series of proposals for media and advertising rescue measures, including tax breaks for the mass media and a review of various advertising bans that would allow the industry to survive a critical situation.

Lithuania:

News publishers expect a very important drop in ad spend, a drop of around 50-60% of advertising. Recalling printed outlets would get a minimum of 30% drop in ad spend. Important closures are an ongoing concern, which could be followed by further sector restructuring. Discussions are ongoing with Ministry of Culture.

Publishers are considering to asking:

- Postpone tax payments for at least four months for media companies;
- Provide state subsidy for payroll;
- Provide simplified and fast possibility to get financial aid (loan, credit line) guaranteed by the state;
- Create special emergency fund to keep media companies alive;
- Simplify public procurement processes to create easier access to p
- Subsidy for lease of infrastructure of broadcasting equipment;
- Intensify social advertising in national, regional and local media;
- Compensate part of printing expenses;
- Compensate distribution of press via Lithuanian Post.

9 April: Lithuanian media associations: National press; Regional newspapers; TV&Radio association and Internet media association have reached an agreement with the Government

NEWS MEDIA EUROPE

of Lithuania to have media losses partly covered via social advertising. All aid packages will be formally announced soon.

Norway:

Published an op-ed jointly with other journalism-related advocacy groups. It is a reaction to a personality who called on journalism regarding COVID19 to be freely accessible and considers the sharp fall in the ad spending market which is impacting media houses. The article concludes by saying that journalistic freedom is also about choosing where and how to publish.

Norwegian association is also in touch with the government regarding a 5 point action plan to support the media sector worth 1.3 bn NOK. The scheme looks at actions that include compensation for lost advertising revenue, a holiday from employment tax, purchase of ad space by public authorities for awareness raising, and a general strengthening of the national media support scheme.

The key concerns going forward related to a dramatic decline in ad revenues, a distribution environment that is become much more challenging, and the safety of journalists working in the field. The media authority now decided to issue its state aid earlier than initially planned.

Update 8/4: Media is recognized by the government as a sector that is 'important' for society during a crisis. Publishers can benefit from general financial aid for businesses: extensive loans to secure liquidity, government covering all but two days of layoff pay, government covering all but three days of sick leave pay and all but three days of care leave pay. As of 17th April businesses that have lost more than 20 percent of turnover in March and/or 30 percent in April and/or May, are eligible to be compensated 90 percent (if shut down by government) or 80 percent of unavoidable costs (not salaries).

Media ad revenue is falling by approx. 50 percent in March, and is predicted to fall on average 60-70 percent in April. Norwegian newspapers have on average 60 percent of their income from users, and 40 percent from advertising.

Romania:

Romanian media have written to their Prime Minister to ask for support for news publishers. They estimate a 60-70% budget drop in the next 3 months, with business closures being a key concern.

The association is asking policy makers for support in the form of:

- using newspapers and websites for spreading of information campaigns
- fiscal facilities for media companies, such as a temporary exemption from taxes
- an investment budget for media projects, that would support media companies during crisis and that could help build some platforms to be used in future situations
- 0% VAT for books and publications for at least 1 year
- designating news media (printed/online) as “essential service”

NEWS MEDIA EUROPE

Spain:

Published a press release with other media associations in the print supply-chain to announce that press distribution through kiosks has been secured in coming weeks despite the ongoing health crisis.

News publishers could lose up to 125 million EUR in ad revenue over the March-September period. News publishers are therefore considering whether to ask for (amongst other things):

- Suspension of social security payments
- Facilitated access to credit for distribution purposes
- State aid for distribution purpose as a service of general economic interest
- Government ad campaign to help finance media

Over the last two weeks, AMI has been very active supporting Spanish publishers and establishing communications with Spanish authorities.

Regarding to internal reports, AMI has sent out a dozen recommendations on labour matters, and has drafted several reports on legal and economic issues.

In terms of communication, it has promoted a communication campaign to acknowledge kiosks, distributors, printers, sanitary facilities, cleaners, bread makers or food vendors for their work during the crisis. This is a set of creativities that can be adapted to every media. It has also sent out several public announcements ensuring distribution or demanding the commitment of public institutions.

AMI keeps a wide coordination with all the players of the value chain, as well as with the main Spanish institutions, and is advising other associations at international level -especially in Latin America- on the risks of the crisis.

The association welcomed a government aid package of 100 billion euros which publishers can benefit from in terms of liquidity in the short term. The package is a credit line in which the government covers between 60 and 80% of financing operations issued to support companies, half of which will go to SMEs and self-employed, and the other half to other companies.

Sweden:

Industry is expecting a fall of between 30% and 60% in advertising revenues in April and for the rest of the year, and the daily press is facing a turnover reduction of up to several billion SEK on an annual basis. There is an important risk identified that the impact of the virus on industry finances could lead to mass closures of titles, with important consequences for democracy.

The association made some proposals to the government in the form of immediate crisis measures with both shorter and longer-term effects. This includes asking for recognition as an “essential service” for society and a time-limited salary support from the state and / or a

NEWS MEDIA EUROPE

time-limited elimination of employers' tax. Furthermore, industry has also asked for a full exemption from VAT.

Industry has also asked for a rearrangement of national media subsidies to obtain an earlier, single payout for the year 2020. Last but not least, industry has also asked to stop the implementation of a paper recycling regulation with very important costs for industry.

The association met the Culture Ministry and is hopeful that this will result in sector-specific support measures for the media. The Government has presented general measures with target SMEs and these will not cover the whole membership even though some members will benefit from these. We need specific measure very soon.

Update 7 April: A state aid package is currently being proposed to support the media. It involves a permanent annual increase in state aid of 200 million SEK. This year, of the extra SEK 200 million, 150 million would be allocated for a temporary new distribution support (the support covers all printed news magazines, and thus will benefit more than those who receive support today). The remaining SEK 50 million is proposed to double the support for coverage of geographical areas with weak or non-existent journalistic coverage, so-called white spots.

[The Netherlands:](#)

Employers who face a 20% drop in turnover can ask for compensation of salary costs (maximum 90%) for a period of 3 months. Special measures have also been put in place for independent workers (many journalists are independent) to ensure a minimum income. Media professionals have been added to the list of crucial professions.

NDP Nieuwsmedia is asking for assurances that distribution remains operational, and is encouraging the government to run ads and awareness campaigns on private news media.

[United Kingdom:](#)

Published a press release looking at reactions across Europe of media on the virus. The press release is called: *"Media organisations across Europe have reacted to the coronavirus pandemic through initiatives including calling for tax credits to support the industry and highlighting the role played by news media in communicating important health information with the public."*

In the press release, the NMA calls on the UK government to designate news media as "essential service" that can continue to operate if restrictions are imposed. The press release also calls on media workers to be treated for corona as a priority group, and for any action plan of government to facilitate flow of newspaper supply-chain. The press release also highlights a [press release](#) by the Italian news media association calling for tax credits, WAN-IFRA's announcement of a series of webinars on mitigating the impact of the virus on business, and the reaction of Danish colleagues to their government plan.

NEWS MEDIA EUROPE

The government has not taken any press specific measure. At best, the government has confirmed that journalists, public broadcasters and ancillary staff qualify as “critical workers” whose children will be prioritized for school or childcare places.

The association is still pressing to have media recognized as “an essential service” that would keep newsrooms running and press distribution points open. The association also asks for support to small press businesses that are particularly vulnerable.

The government is working on a covid-19 campaign and that would involve buying advertising spots, but nothing concrete has been published yet.

United States:

Four national media organizations representing thousands of local newspapers and local broadcast media outlets – the News Media Alliance, National Association of Broadcasters (NAB), National Newspaper Association (NNA) and America’s Newspapers – jointly called on Congress to provide critical support to local news media in its next stimulus bill.

The organisations note that local news operations are in immediate peril due to COVID-19 and that action from Congress is need now in the form of:

- Ensuring the ability of local media to seek relief under the Paycheck Protection Program
- Funding through Federal Advertising Spending on Local Media:

For more information, contact Wout van Wijk, Executive Director News Media Europe, wout.vanwijk@newsmediaeurope.eu

ANNEX - ESTIMATED INDUSTRY LOSSES – NEWS PUBLISHERS IN EUROPE AND AD REVENUE FALL IN COMING MONTHS

Estonia drop 80% ad spend (€15million loss in Q2)

Hungary drop 80%

Ireland drop 60-70% for advertising

Lithuania drop 50% ad spend

Norway drop 60-70%

Romania drop 60-70%

Spain drop €125 million March-September

Sweden drop 30-60% in ad revenue compared to last year, from 5.3bn could fall by 3bn SEK