EUROPEAN COMMISSION
Information Society and Media Directorate-General

Brussels,
SEC(2006)

COMMISSION STAFF WORKING PAPER

Media pluralism in the Member States of the European Union

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1. INTRODUCTION

The European Union is committed to protecting media pluralism as well as the right to information and freedom of expression enshrined in Article 11 of the Charter of Fundamental Rights. Since the early nineties the discussion on media pluralism has played an important role within the European Union.

Similar provisions are included in Article 10 of the Convention for the Protection of Human Rights and Fundamental Freedoms. The Council of Europe has been very active in the field of media concentration/media pluralism. It is the main organisation at pan-European level dealing with the human and democratic dimension of communication. A series of recommendations, guidance documents and codes of conduct have been developed.[1] The Council of Europe plays a central role in strengthening the common values and principles, in particular by setting common pan-European minimum standards in this area.

The European Parliament has continued to show concern, both in the previous legislature and in the current one and asked for European actions, inviting the Commission to propose concrete measures.[2]

The European Commission published different documents in order to launch a debate on the need for Community action in this field.[3] The various consultations led to the conclusion that at present it would not be appropriate to submit a Community initiative on pluralism. At the same time, the Commission underlined that it will continue to closely monitor the situation.

The publication of this Communication together with this Staff Working Paper analyses the issue of media pluralism in more depth and indicates the next steps that could be taken.

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1 Council of Europe, Media Diversity in Europe, H/APMD(2003)001; Comments on the draft Convention on Cultural Diversity prepared by the International Network of Cultural Policy (INCP) (AP-MD(2003)004); Transnational media concentrations in Europe (AP-MD(2004)007) ;Report on Media Pluralism in the Digital Environment (CDMM(2000) pde); Recommendation No. R (2000) 23 on the independence and functions of regulatory authorities for the broadcasting sector and its Explanatory Memorandum "Pluralism in the multi-channel market: suggestions for regulatory scrutiny" (MM-S-PL(1999)012def); Recommendation No. R (99) 1 of the Committee of Ministers to member States on measures to promote media pluralism; Recommendation No. R (96) 10 on the guarantee of the independence of public service broadcasting and its Explanatory Memorandum Recommendation No. R (94) 13 of the Committee of Ministers to member States on measures to promote media transparency

2 European Parliament resolution on the risks of violation, in the EU and especially in Italy, of freedom of expression and information (Article 11(2) of the Charter of Fundamental Rights) (2003/2237). European Parliament resolution on the application of Articles 4 and 5 of Directive 89/552/EEC ("Television without Frontiers"), as amended by Directive 97/36/EC, for the period 2001_2002, A6-0202/2005

3 Pluralism and Media Concentration in the Internal Market: An Assessment of the Need for Community Action, COM (92) 480 Final, Brussels, 23 December 1992. Analysis of the ensuing consultation is contained in Communication to Parliament and Council: Follow-up to the Consultation Process Relating to the Green paper on 'Pluralism and Media Concentration in the Internal Market - An Assessment of the Need for Community Action', COM (94) 353 final, 5 October 1994. Green paper on services of General Interest COM (2003) 270, 21.5.2003; White Paper on services of General Interest, COM (2004) 374, 12.5.2004

2. MEDIA PLURALISM – A BROAD ISSUE

Media pluralism is a concept that embraces a number of ideas, such as diversity of ownership, variety in the sources of information and in the range of contents available in the different Member States. In the global context media pluralism has come to mean, almost exclusively, plurality of ownership. Concentration of ownership, it is feared, may result in a skewed public discourse where certain viewpoints are excluded or under-represented. Further, because some viewpoints are represented while others are marginalized, abuse of political power can occur through the lobbying of powerful interest groups - whether these are political, commercial or other.

Although pluralism of ownership is important, it should be by no means the sole instrument for ensuring media pluralism. Media ownership rules need to be complemented by other measures. Different instruments on different levels have already been analysed in the issues paper on media pluralism prepared for the Liverpool audiovisual conference.[4]

Media pluralism includes in our understanding all measures that ensure citizen's access to a variety of information sources, opinion, voices etc. in order to form their opinion without the undue influence of one dominant opinion forming power.

The discussion on media pluralism must also reflect the reality of the market and the structure of the media. During the last years this discussion was mainly based on the fact that print, television, radio and the upcoming new markets were separated. But today the media world faces radical changes and restructuring as a function of new technologies. Technical developments offer new opportunities for all market players and for consumers. In our view, the restructuring of the market in the light of new technology should not be taken as a threat to media pluralism as such. Otherwise there could be a risk of blocking or hindering any evolution of media markets on grounds of media pluralism and of hindering the development of strong European players in the global media landscape.

Asserting the important fundamental right of freedom of expression through media pluralism rules in new media will therefore require public authorities to act in the full knowledge of new technologies and business models. It is frequently said that new media do not destroy old media; rather that they continue to exist in parallel. It would be more accurate to say that new media redefine the role of old media, often snipping off certain activities that they are better able to perform than traditional media.

Freedom of Expression and Freedom of Information

Freedom of expression is legally protected in each of the EU Member States. Freedom of information is equally implemented across all Member States; in some cases the impetus for its development stems from the European Convention on Human Rights and fundamental freedoms. These general provisions are completed by freedom of press and freedom of media rules, normally through Constitution articles or Parliamentary Acts. Their practical implementation includes on the one hand either voluntary or statutory rules for publishers that ensure the independence of journalistic output (codes on

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[4] Issues Paper for the Liverpool Audiovisual Conference Media Pluralism - What should be the European Union's role? http://europa.eu.int/comm/avpolicy/revision-tvwf2005/ispa_mediapluralism_en.pdf

editorial independence, confidentiality of sources, privacy rules, defamation legislation etc) and on the other hand codes for journalists relating to standards in accuracy, fairness, honesty, respect for privacy and to ensure high professional standards, by avoiding plagiarism, defamation or the acceptance of bribes. Several companies have voluntarily introduced internal rules to protect their editorial staff from outside pressure and to separate managerial and editorial responsibilities.[5] However, the European Institute for the Media identified some specific restrictions on internal editorial freedom laid down in the press law of at least one Member State, where the law stipulates that a journalist must obey and follow the general principles of his/her publisher.[6]

In any case even if there are legislative as well as co- and self regulatory systems in place the actual practice of media freedom and the levels of professional ethics can only be judged by the reality of every day working experience.

Interrelation between politics / economic interests and media

Another important issue is the interrelation between politics, business and media. Given the important role that the media play in disseminating information about the economy and political actors and their activities, there is no European Member State where political and / or economic actors do not try to influence media coverage according to their own interest. Various instruments can be used: for example, in some countries political parties and organisations are allowed to hold broadcasting licences or run newspapers. In other Member States, this is clearly prohibited (see country analysis).

Advertising revenues remain among the main sources of financing for media and can not be replaced easily. This situation can lead to pressures and unwanted predominance of advertisers on editorial choices.

Another aspect of this analysis is access to information on state activities, notably by journalists. The freedom to receive and impart information and ideas without interference by public authorities is legally implemented in national law. In practice some media may enjoy privileged access to information on state activities.[7]

An additional point is the status of the public service broadcaster which faces a range of challenges, including questions of editorial independence, of recruitment of staff and of funding. The Open Society Institute (OSI) report pointed out that public service broadcasting in a number of Member States that joined the EU in 2004 faces political pressures and interference, coming from a heritage of state broadcasting.

Media concentration

In the last ten years, media concentration has been an important issue in all parts of Europe. A major concern is the possible domination of a number of markets by national and international companies.

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5 Organization for Security and Co-operation in Europe, Representative on Freedom of Media, The Impact of Concentration on Professional Journalism, Vienna 2003, page 47

6 The European Institute for the Media, Information of the citizen in the EU: obligation for the media and the Institutions concerning the citizen’s right to be fully and objectively informed, Düsseldorf 2004, page 214

7 This question is further analysed in: European Audiovisual Observatory, Media Regulation in the Interest of the Audience, Strasbourg, January 2006

The application of EU competition law plays an important role not only in respect of the preventing the creation or the abuse of dominant positions, but also with regard to ensuring market access for new entrants. Application of the Merger Regulation prevents that concentrations significantly impede effective competition in the Internal Market, especially through the creation or strengthening of dominant positions. Application of the antitrust rules prevents foreclosure of competitors from those markets and contributes to ensuring access to content and platforms for operators.

As already pointed out in the issues paper on media pluralism,[8] European competition law cannot replace - nor does it intend to do so - national media concentration controls and measures to ensure media pluralism. Article 21(4) of the Merger Regulation allows Member States to apply additional controls in order to protect pluralism in the media.

Control mechanisms for media concentration vary widely between countries. In certain countries competition rules includes media-specific regulation. A variety of measures are used to assess a company's influence on the market and to limit the influence of companies, circulation and audience share, number of licence, capital shares, voting shares, advertising revenues, involvement in a certain number of media sectors.[9] (See country reports)

While competition policy is one central aspect of pluralism, it is difficult to pin down how much size matters or which way competition policy is good or bad for pluralism: a number of studies[10] already signal that even if media concentration is limited, this does not necessarily mean that media pluralism is ensured. And the mere fact that concentration takes place does not automatically indicate that there is a loss in or a lack of media pluralism. Several aspects have to be taken into account.

Furthermore, the question of concentration has always to be considered in the light of the size of a particular geographic or linguistic market. In smaller markets it is economically impossible for the advertising spend to sustain more than a few broadcasters. The TV advertising market size 2004 for example in Finland was 230 million €, in Hungary 242

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8 Issues Paper for the Liverpool Audiovisual Conference Media Pluralism - What should be the European Union's role? http://europa.eu.int/comm/avpolicy/revision-tvwf2005/ispa_mediapluralism_en.pdf

9 The report prepared on behalf of the European Parliament analysis the variety of measures that are used to assess a company's influence on the market, and to limit the influence of companies: circulation and audience share, number of licenses, capital shares, voting shares, advertising revenues, or involvement in a certain number of media sectors. Because of this fact, **the report concludes that given these differences, it is difficult to propose any kind of harmonisation of rules between the EU member States. "The systems have developed alongside and partly in response to the national markets, which in each country have specific characteristics"**. The European Institute for the Media, The information of the citizen in the EU: obligations for the media and the Institutions concerning the citizen's right to be fully and objectively informed, page 222

10 Open society institute Report, Television across Europe, monitory report 2005; Bertelsmann, Study of existing restriction on cross-media ownership mono-media ownership and political parties ownership of media companies within the 25 Member States of the European Union, September 2005; Council of Europe, Media Diversity in Europe, December 2002; The European Institute for the Media, The information of the citizen in the EU: obligations for the media and the Institutions concerning the citizen's right to be fully and objectively informed; European Audiovisual Observatory, Media Regulation in the Interest of the Audience, January 2006; Media power in Europe: The big picture of ownership, European Federation of Journalists, Brussels 2005

million € and in the Czech Republic 246 million € compared with market size in Germany 4235 million €, United Kingdom 5537 million € or Italy 4124 million €.[11]

A comparable picture holds for newspaper advertising markets. Finland: 444 million €, Czech Republic 82 million €, Hungary 103 million € compared with big markets such as Germany 5406 million € or the United Kingdom 3453 million €.[12]

Hence, in smaller countries, external media pluralism - having many competing and diverse channels or titles controlled by many different players – can be more difficult to reach and one should more look at internal pluralism. Internal pluralism means either an obligation with respect to programme requirements or structural obligations such as the composition of management bodies or bodies responsible for the programme/content selection (see chapter on internal and external pluralism).

The fact that only few players are present in a small market is not in itself a threat to media pluralism. In these markets, consolidation can play a positive role: by acquiring, investing and developing an effective regional and local newspaper industry, these players ensure the sustainability of this sector which than is able to offset concentration of national daily newspapers.[13]

Cross border concentration - global competitiveness

Traditionally, Europe's media companies focused their activities on their national markets. However, in the last 10-15 years a number of media companies have grown significant business outside their primary markets. At the same time a process of cross boarder media concentration has appeared. It has given rise to concerns that it will damage the freedom of expression and information in Europe that are vital both from a democratic and a cultural perspective. Cross boarder media concentrations include several phenomena such as media conglomerates distributing their products in many countries,[14] including broadcasts, companies operating directly or indirectly in the media market of more than one country and legal entities owning media companies in several countries.

The issue of cross boarder ownership has two dimensions: an international dimension and an intercommunity dimension.

The first is related to the increasing influence of especially non-European investors in Europe: News Corp, Rupert Murdoch's press and pay-television Empire; US media magnate Haim Saban purchasing the financially troubled German Kirch group's television channels in summer 2003; the American SBS broadcasting group owning several channels in Northern Europe and expanding into South-Eastern Europe. European ownership rules are directly affected by this international dimension: too restrictive

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[11] European Audiovisual Observatory, Yearbook 2005, Economy of the radio and television industry in Europe Volume 1, page 148.

[12] World Association of Newspapers, World press trends 2005

[13] A study showed that even though concentration is high for national daily newspapers for example in France or Germany, this is offset by the fact that the readers rely much more heavily on consumption of regional newspapers. See: Media concentration and ownership in ten European countries, David Ward with Oliver Carsten Fueg and Alessandro D'Armo, Netherlands, 2004.

[14] In the audiovisual field, for example one can notice a number of European or international channels that are available in different language versions. See : European Audiovisual Observatory Persky database http://www.obs.coe.int/db/persky/persky.html

ownership rules in Europe might hinder European companies from competing globally and increase the influence of non-European media owners. The ranking by audiovisual turnover of the 10 leading media groups worldwide (2004) already gives clear indications of the trends: (1) Walt Disney, (2) Viacom, (3) Time Warner, (4) Sony, (5) News Corp., (6) NBC/NBC Universal, (7) Vivendi Universal, (8) The Direct TV Group Inc, (9) Bertelsmann, (10) Liberty Media Group.[15]

As regards the intercommunity dimension, west-European companies have significantly invested in the countries that joined the Union in 2004. The Springer and Ringier groups, from Germany and Switzerland respectively, have launched several high-circulation publications in the countries of Central and Eastern Europe; WAZ has gained a significant position in the Central and Eastern European press markets, dominant in some of them. For instance in the case of the Czech Republic, German and Swiss companies own 80 percent of Czech newspapers and magazines. Foreign capital – mostly German, Austrian, French and Scandinavian – also dominates print media in Bulgaria, Hungary, Poland and the Baltic states.[16] In the audiovisual field the most successful commercial broadcaster in Hungary are TV2 and RTL Klub. RTL Klub is 49% owned by Bertelsmann whereas the main shareholder in TV2 is SBS Broadcasting, a US-owned Luxembourg based company. The third commercial channel is Viasat 3, which is operated by the Modern Times Group.[17]

A recent Council of Europe report lists a number of concerns:[18] large, foreign undertakings may use their market power to the detriment of small, national publishers and broadcasters; the weakening of public service broadcasters, the particular situation in central and Eastern Europe as well as an increasingly commercial approach to programmes. In addition, the report argues that national media regulations become harder to apply and national competition remedies become more difficult to enforce against foreign undertakings. Some Member States have supplementary rules concerning foreign investors (see country profiles).

In our opinion, the fact that non-domestic owners are important players in some markets does not necessarily pose a threat to media pluralism. It depends very much on the legal safeguards in place and real editorial independence from the owner. Concerns about non-domestic ownership suggest that these investors should voluntarily apply a high duty of care in respect of transparency and editorial independence. Media companies have access to toolboxes that will help them achieve these objectives on a voluntary basis.[19] The concern that a non domestic company might use its market power against smaller national competitors would apply even to any large, well-resourced domestic company entering the media sector. The challenge is to manage market power including its cross-border manifestations, rather than rejecting non-domestic investment out of hand. Indeed, the investment of these publishers can help to protect the future of certain titles or channels, thanks to additional resources and management expertise.

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15 European Audiovisual Observatory, Yearbook 2005 volume 1, page 26

16 Media power in Europe: The big picture of ownership, European Federation of Journalists, Brussels 2005

17 Media power in Europe: The big picture of ownership, European Federation of Journalists, Brussels 2005; Council of Europe, Transnational media concentration in Europe, Strasbourg 2004

18 Council of Europe, Transnational media concentration in Europe, Strasbourg 2004

19 Typically, voluntary codes of practice, used for instance in the example cited in footnote 11 above, and in the section on internal and external pluralism below. Certification in line with the practice of ISO 9001 quality management standards is a more recent option. See for example the ISAS 9001 broadcast and print media quality standards at http://www.certimedia.org/home.htm

Media content

Diversity of ownership of media outlets is not sufficient per se to ensure media pluralism of media content. They way media content is produced also has an impact on the overall level of plurality in the media.

Readers who consult several newspapers sometimes find they contain the same articles, usually preceded by the initials of a press agency. Television viewers who switch from one channel to another often see the same news reports, documentaries or dramas. The reason for this uniformity is that the newsrooms of media companies do not themselves produce all their articles or programmes. They use outside agencies that supply information, photos, newsreel, broadcasts, documentaries, series and films. As a consequence, the intense competition between newspapers or television channels may not itself guarantee pluralistic content. This raises the question of whether, and if so to what extent, inadequate competition among information sources can have a negative effect on the functioning of democratic society.[20] On the other hand, news agencies play an important role especially for broadcasters in smaller countries, unable to afford a full network of foreign affairs correspondents. Provision of such raw inputs need not necessarily affect the quality of editorial comment.

Strong ownership could strengthen the position vis-à-vis strong production chain companies. In those countries where newspapers or channels are owned by large media groups, the smaller newspapers or channel can benefit from a strong owner who, apart from the economies of scale aspect, holds sufficient command in the industry production line to be able to negotiate effectively with strong news agencies, newsprint producers, right holders, global advertising agencies etc.

In this respect the Television without Frontiers Directive in general and articles 4, 5 and 6 in particular play an important role. The aim of these articles is to facilitate the circulation of audiovisual works from other countries and to support independent producers. A study[21] showed that these measures have had a considerable positive impact: Europeans works for example made by independent producers are 1/3 of transmission time or roughly 50% of all European works. This is an important contribution to media pluralism. The proposal for a new Audiovisual Media Services Directive, modernising the existing Television without Frontiers Directive, includes a provision for all audiovisual media services with respect to the promotion and access to European works.

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[20] Council of Europe, Report on Media Diversity in Europe (H/APMD(2003)001)

[21] Study on the impact of measures concerning the promotion of the distribution and production of TV programmes (Community and national) provided for under Article 25 (a) of the directive on television without frontiers http://europa.eu.int/comm/avpolicy/stat/studi_en.htm.
Sixth communication from the Commission to the Council and the European Parliament on the application of Articles 4 and 5 of Directive 89/552/EEC "Television without Frontiers", as amended by Directive 97/36/EC, for the period 2001-2002
http://europa.eu.int/comm/avpolicy/regul/twf/art45/art45-intro_en.htm

Internal and external pluralism

Media pluralism is very often reduced to the aspect of external pluralism and to aspects related to media ownership rules. External pluralism has to be seen together with internal pluralism. The latter can be essential for smaller markets.

In the audiovisual field, a highly regulated market, internal pluralism, diversity of output and/or content can be stimulated and monitored by imposing programme requirements and obligation in the law or licence. In addition internal pluralism could also be reached by imposing structural obligations such as the composition of management bodies or bodies responsible for the programme/content selection.

There is a fundamental distinction between licensed media like broadcasting, and print publishing. For print publishing, internal pluralism can be better ensured through voluntary self- and co-regulation (codes on editorial independence, confidentiality of sources, privacy rules, defamation legislation etc) and Journalists' codes of setting standards for accuracy, fairness, honesty, respect of privacy and promoting high standards of professionalism by prohibiting plagiarism, defamation or the acceptance of bribes. The nature of the content and the quality of the news that a title offers as a reflection of internal pluralism could only be evaluated with some form of comparative content analysis. On the other hand one has to say that the commercial success of titles depends very much on the confidence readers have in this publication. Therefore there is an important 'natural' incentive for publishers to offer diverse and viable content.

Pluralism in the broadcasting sector: Dual landscape and independent regulators

Broadcasting in Europe has since its beginning undergone an exceptional development. From single, national radio channels with only a few hours of daily broadcasting to the multi-channel systems of today where radio and television is broadcast 24 hours a day to listeners and viewers all over the continent. From broadcasting as a public monopoly to the present "dual system", where public broadcasters live side by side and compete with a still growing numbers of private, commercial media corporations.

Both public service broadcaster[22] and commercial broadcaster contribute to media pluralism. A functioning dual system also means that it must be balanced: that the bigger the presence of the public operator on the markets for viewers, advertising and content, then the smaller the available space for commercial operators, especially in markets where advertising revenues are already saturated.

Even if the broadcasting regulation is in place, the implementation of legislation while ensuring media pluralism is crucial. The regulatory authorities play a central role in this respect. In general, regulatory authorities have the power to grant broadcasting licences,

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[22] A number of international instruments stress the importance of public service broadcasting organisations and their contribution to promoting diversity and pluralism. Although not all of these instruments are formally binding as a matter of law, they do provide valuable insight into the implications of freedom of expression and democracy for public service broadcasting. Council of Europe: Recommendation No. R (99) 1 of the Committee of Ministers to member States on measures to promote media pluralism; Recommendation No. R (96) 10 on the guarantee of the independence of public service broadcasting and its Explanatory Memorandum; Recommendation No. R (94) 13 of the Committee of Ministers to member States on measures to promote media transparency.

enabling the free movement of media services. They must supervise audiovisual programmes' compliance with European and national rules. Central to this is the protection of minors, human dignity, non-discrimination and the enforcement of advertising rules. Independent regulators also develop and establish the rules themselves (e.g. codes of practice in the field of advertising). National regulatory authorities exercising these powers impartially and transparently are crucial in order to ensure media pluralism.

The importance of the independent regulatory authorities has been underlined in the Council of Europe Recommendation No. R (2000) 23 on the independence and functions of regulatory authorities for the broadcasting sector.[23]

The proposal for a new Audiovisual Media Services Directive[24] includes the obligation for Member State to guarantee the independence of national regulatory authorities. They should be independent from both, national governments and audiovisual media service providers.

Technological developments

Digital television

The dawn of the digital TV era in the mid-1990s saw widespread concerns regarding the potential impact of "gatekeepers" on media pluralism. Free-to-air broadcasters were concerned that network and platform operators who controlled conditional access, electronic programme guides and other associated facilities would bar them from participating on equitable terms in digital television. There were fears that control of these facilities would be detrimental to pluralism. The Council of Europe commissioned a report[25] in order to investigate these issues and subsequently issued a second, updated Recommendation on media pluralism.[26] This signalled to public authorities the need for vigilance in relation to associated facilities and is now in the process of being updated.

However, the worst fears of certain commentators have not been realised so far. An important succession of competition law cases has prevented market foreclosure.[27] Starting with the TV Standards Directive,[28] ex ante access regulation has also developed as a means to control the market power of DTV network and platform operators arising from control of conditional access and other facilities. The Electronic Communications Directives[29] provide National Regulatory Authorities with a comprehensive set of tools for regulating the market power that could threaten pluralism. Nevertheless, new

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23 Recommendation No. R (2000) 23 OF the committee of ministers to Member States on the independence and functions of regulatory authorities of the broadcasting sector.

24 COM (2005) 646 final

25 C. Marsden, Pluralism in the Multi-channel Market, Suggestions for Regulatory Scrutiny, Report for Council of Europe, October 1999

26 Recommendation No. R (99) 1 of the Committee of Ministers to Member States on measures to promote media pluralism.

27 The most recently-concluded case is M2878, Newscorp/Telepiu. The resulting Commission Decision C(2003) 1082 final of 02.04.2004 features a very comprehensive set of remedies. Earlier cases include those referred to in footnotes 12, 37 and 38 of this Decision.

28 Directive 95/47/EC of the European Parliament and of the Council of 24 October 1995 on the use of standards for the transmission of television signals Official Journal L 281 , 23/11/1995 P. 0051 - 0054

29 OJ L108 24.04.2002, pp 1-51

concerns appear regarding the emerging role of network operators as "gatekeepers" for all – "quadruple play" - communication services, including many media services that are being subscribed by millions of households in Europe.[30]

A supplementary instrument to promote media pluralism in the EU regulatory framework for electronic communications is the possibility to impose must-carry obligations on network operators. Art. 31 of the Universal Service and Users' Rights Directive enables Member States to impose reasonable must-carry obligations, for the transmission of specified television broadcast channels and services. Such obligations must be necessary to meet clearly defined general interest objectives and must be proportionate and transparent. It is possible to apply "must carry" obligations to the transmission capacity of any network, where a significant number of end-users of those networks use them as their principal means to receive television broadcasts. There are also forms of must-carry on content bouquets. Issues relating to must-carry within the Electronic Communications Framework are the subject of consultations in the forthcoming review of that framework.

Interoperability is an area where some Parliamentarians and market players expressed concern over a possible threat to media pluralism arising from use of proprietary software (API) for delivery of interactive television services. Article 18 of the Framework Directive for electronic communications networks and services[31] encapsulated this concern, requiring market players to use an open API and triggering a review in order to assess interoperability and freedom of choice for users.[32]

More generally, the possibility to have many more channels in digital has stimulated new entrants as well as leading existing players to launch new channels. Scepticism has been expressed that more channels means greater pluralism;[33] but it is also true that the prospect for greater diversity is much improved, compared with a typical analogue scenario of 4-5 terrestrial TV channels.[34] Some commentators have regretted that the increase in channels has led to greater reliance on cheaper forms of programming and attributed this to a problem of media pluralism. The real reason is economic: programming budgets have not increased in line with transmission capacity. A recent study undertaken for the Commission underlines the paradox that high market share - concentration - may be helpful for funding certain types of programming considered important for pluralism and diversity, notably expensive drama series.[35] This again

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30 New issues such as 'Net Neutrality' – the ability of a network provider to offer different levels of quality-of-service for internet content travelling over its network – will be covered in the forthcoming Electronic Communications Review.

31 See footnote 33

32 Communication on interoperability of interactive TV services, COM (2004) 541 final. http://europa.eu.int/information_society/policy/ecomm/info_centre/documentation/communic_reports/index_en.htm

33 See for instance the debate on media pluralism at the Liverpool Audiovisual Conference http://europa.eu.int/comm/avpolicy/revision-tvwf2005/2005-conference.htm

34 Some commentators seem to assert that the internal and external pluralism public authorities could assert over 5 national channels of analogue terrestrial TV is superior to the "bottom up" diversity of 500 digital channels. In the words of one participant at the Liverpool Audiovisual Conference, "There's a big difference between simple variety and genuine choice".
See http://www.bbc.co.uk/pressoffice/speeches/stories/thompson_presidential.shtml

35 See David Graham and Associates Limited, *Impact Study of Measures (Community and National) Concerning the Promotion of Distribution and Production of TV Programmes Provided for Under Article 25(a) of the TV Without Frontiers Directive Final Report*, section 8.2.3 Channel-based regressions results

illustrates the balance that needs to be struck between critical economic mass and plurality of supply – and the need for new business models to secure a continuing supply of the high-quality programming that European audiences seek.[36]

Internet and WWW

Internet - and more specifically the web - is becoming a major battleground for all media, as the internet embodies the convergence process. Specifically, this means that licensed media and unlicensed media will compete on the web using a mixture of text, graphics, photographs and video.[37] In addition individual citizens can make and distribute their own content – including video - without the high entry costs and entry barriers inherent in broadcast or traditional print media.[38]

Interaction is the major new feature that internet brings to traditional one-way media, such as television or the printed press. All internet media involve two-way communications. This makes it very easy to create communities sharing the same interest. Internet media poses a challenge to traditional print and TV media, accustomed to "one way" traffic and limited interaction through "Letters to the Editor". This is likely to alter the significance of the traditional right of reply in the longer term.

The key question will be how to measure pluralism and diversity in the on-line context. It may be much more self-sustaining than in the analogue, material world if online media consumers are indeed much less passive than the traditional newspaper or broadcast consumer.[39] For example, they are likely to be members of several communities run by major media players, but also of other communities that have no connection with commercial media. Hence, even if it is still too early to draw any conclusions in relation to media concentration and media pluralism, one can already argue that internet media seem promising for pluralism.

But concerns have been expressed on several fronts already. One relates to the quality of information available on the web. To those used to the interlocking obligations imposed by the traditional deontology of rights and obligations applied to the written press especially, the fact that anyone can publish on the internet may raise difficulties. Clearly, established media companies enjoy the trust of their readers or audiences and start with an advantage in this respect and have a strong incentive to maintain that trust. Media

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36 Recently, DVD revenues have played an important role in the annual renewal of some US drama series such as Fox's *24* and re-ignited UK TV producers' interest in the high-risk comedy genre following the success of BBC's *Little Britain* on DVD. On-line revenues could also be very significant in future.

37 Debates with publishers in a number of Member States as to how far Public Service Broadcasters should be active on the web are a testimonial to the tensions that can arise.

38 Blogs and web sites are already common. Google has a video platform in beta-testing that would facilitate the distribution of videos by members of the public and allows for remuneration. See https://upload.video.google.com/video_faq.html

39 Innovations like "Really Simple Syndication" are significant. RSS enables users to subscribe to automatic alerts from web sites, the latest news for instance. Users no longer have to take the initiative to visit a particular web site regularly to check for updates.

literacy initiatives addressing the on-line environment will no doubt include trust issues, whether at national or European level.[40]

The rise of search engines has also triggered concerns among observers that search engines might constitute a gateway and be detrimental to pluralism and diversity, notably by manipulating the search criteria and steering people towards advertisers' sites. On the other hand, there are strong commercial incentives for offering an objective search facility, together with some clearly identified links to advertisers' sites that might be relevant to the searcher.[41] As with all internet media, there are no fundamental technical limitations on the number of search engines that the Internet could support and there will be new search algorithms in future, able to search multimedia content, a topic supported by EU Research projects. Through sophisticated indexing, cataloguing and filtering algorithms, these enable a much wider audience to access news content than would otherwise be reached.

3. THE WAY FORWARD

Even if a number of studies are already available that analyse legal instruments and some aspects of 'real' media pluralism[42] none of these studies identify systematically **concrete indicators** to measure media pluralism in the Member States. The Commission services will therefore procure an independent study in order to define indicators for assessing pluralism.

The identification of concrete indicators marks a new approach and will enable citizens and all interested parties to assess more objectively media pluralism in the Member States. A successful study will help to introduce a greater measure of clarity into a debate on a very complex and multifaceted issue.

Taken together, the indicators should be placed in a risk-based analytical framework[43] for assessing pluralism across the Member States. This first study will not seek to apply the indicators systematically to every Member State, thereby generating a risk assessment profile for every Member State; it will rather seek to develop a methodology based on indicators that would deliver such a result. A successful study along these lines

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40 DG Information Society has constituted a high level group on media literacy which will meet during the course of 2006. The terms of reference includes media literacy in the on-line environment, encompassing issues such as this one.

41 In relation to freedom of expression, commentators have been more concerned by the willingness of search engines to limit their search capabilities in countries that are not yet democracies in order to secure a commercial position.

42 Open Society Institute report, *Television across Europe*, monitoring report 2005; Council of Europe, Media Diversity in Europe, December 2002; The European Institute for the Media, The information of the citizen in the EU: obligations for the media and the Institutions concerning the citizen's right to be fully and objectively informed; The Commission gratefully acknowledges access to an copy during the preparation of this staff working paper. European Audiovisual Observatory, Media Regulation in the Interest of the Audience, January 2006; Media power in Europe: The big picture of ownership, European Federation of Journalists, Brussels 2005. In addition a number of publications, analysis and recommendations on this issue were made by the Organisation for Economic Co-operation and Development, e.g. Cross-ownership and convergence, policy issues, 1998, Media mergers, 2003; L'infrastructure mondiale de l'information et la société mondiale de l'information: Recommandations pour l'action des pouvoirs publiques, 2001.

43 Risk assessment is a systematic analytical process based on predetermined risk criteria, professional judgment and experience to determine the probability that an adverse condition will occur.

will help to introduce a greater measure of clarity. The study will include the development of indicators under the following headings.

(1) Policies and legal instruments that support pluralism in Member States

The scope of these indicators will be wider than ownership, aiming to assess various policies that support media pluralism, for instance independence of the public service broadcaster, and others identified in the European Parliament's Resolution cited earlier. The study will assess not just the presence of measures to support pluralism, but propose ways to assess quality of implementation.

(2) The range of media available to citizens in different Member States

These indicators will assess pluralism from an end user perspective. They will serve to define different types of media markets, notably from a geographic perspective (urban, rural etc). This part will also feature an assessment of the diversity of the media offer available to different social groups within the Member States together with some consideration of the impact of new technologies on the structure of the media. The output will be used to develop a series of representative profiles that are drawn from the wide variety of circumstances to be found in Member States' markets.

(3) Supply side indicators on the economics of the media

These indicators would enable the Commission services to assess the range and diversity of media available across Member States. Indicators could include for instance the number of media companies in a particular Member State – or within a linguistic region within a Member State, the number of newspapers and magazines per head of population, for instance. This part should also develop an economic analysis of how new technology is changing the structure of media industries compared with 20 years ago. It should outline what the economic incentives for media concentration are at company level - drawing on economic theory as necessary and analysing how different policy lines covered in (1) affect the economics of the media.

A second study, which could be launched in 2008, would consolidate the earlier work, notably by taking into account technical feedback received from Member States and civil society. It would then apply the different indicators in order to generate a risk assessment profile for every Member State.

The European institutions and all interested parties such as NGOs will then be well-placed to engage in dialogues with Member States on further competence-building and other remedies as appropriate.

Timetable:

September 2006	Communication from the Commissioner for Information society and media to the Commission’s college on the issue of media pluralism in the Member States of the European Union accompanied by the staff working paper
2007	Comprehensive study on media pluralism in the Member States of the European Union – Identification of indicators
End 2007/Beginning 2008	Communication presenting the outcome of the study: indicators how to measures media pluralism This will furthermore enable European institutions and NGO, in the framework of their respective competences, to engage in dialogues with Member States on further competence-building and other remedies as appropriate.
2008	Second study applying the indicators to all European Member States in order to assess the achievement of media pluralism in Member States.

ANNEX - COUNTRY PROFILES

The information included in the annex is based mainly on publications of the European Audiovisual Observatory, of the World Association of Newspaper, of the Council of Europe, on a number of published studies as well as private, unpublished research on this issue. This information must be verified by the independent study (Chapter 3) and if necessary completed or corrected.

AUSTRIA

Legal Base

Kartellgesetz - KartG Bundesgesetz vom 19.10.1988 über Kartelle und andere Wettbewerbsbeschränkungen (Kartellgesetz 1988 - KartG 1988) BGBl 600/1988 i.d.F. BGBl 520/1995, BGBl I 143/1998 und BGBl I 126/1999 (Kartellgesetz-Novelle 1999)

Privatfernsehgesetz vom 31. Juli 2001

Regulation of Media Ownership

Ownership Restrictions Television	One entity may not own more than one TV or radio licence in any service area. Media conglomerates (= companies who hold shares of more than 25% in each other) may not own more than one analogue or digital TV licence
Ownership restrictions Print	No specific restrictions – Cartel Act
Cross ownership restrictions	"Coverage Rule": TV-licence refused if the owner has more than 30% coverage via radio, daily or weekly press or more than 30% of cable infrastructure. Same applies on regional level.
Foreign ownership restrictions Print and TV	49% limit of ownership share for non EEA members
Restrictions for political parties and organisations	Political parties and organisations are not allowed to hold a TV or radio licence.

Market Situation – Audiovisual

Public service broadcaster: Österreichischer Rundfunk (ORF); channels: ORF1 and ORF2

Commercial Companies: ATV Privat TV Services AG; channel: ATV+

Remarkable is the market share of foreign programmes RTL, Pro-7, ARD, ZDF, Kabel 1, VOX which accounts in 2004 28 % of the daily audience share.

TV audience share 2004 – Daily share (%)

ORF 2	ORF 1	3sat	ATV+	ARD	ZDF	RTL	SAT 1	Pro 7	Kabel 1	VOX
28.3	**21.8**	**1.2**	**1.9**	**3.3**	**3.4**	**5.4**	**5.6**	**4.7**	**2.6**	**3.0**

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation – Print

Top Ten Daily Newspapers (2004)

Title	Publisher	Circulation (000)	Readership (000)	Cover price Euro
Kronen Zeitung	KRONE-Verlag	1,009	2,967	0,90
Kleine Zeitung	Kleine Zeitung	292	831	0.90
Kurier	Kurier Zeitungsverlag und Druckerei	254	700	0.90-1.00
OÖ Nachrichten	Wimmer Medien	129	371	0.90-1.30
Tiroler Tageszeitung	Schlüsselverlag J. S. Moser	121	343	0.90-1.20
Die Presse	Die Presse Verlags-gesellschaft	115	299	1.20-1.30
Der Standard	Standard Verlags-gesellschaft	106	366	1.20
Salzburger Nachrichten	Salzburger Nachrichten Verlagsgesellschaft	96	268	0.90-1.20
Vorarlberger Nachrichten	Eugen Russ Vorarlberger Zeitungsverlag und Druckerei Gesellschaft	72	207	0.90-1.30
Wirtschafts Blatt	WirtschaftsBlatt Verlag	53	65	1.50

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004) (Ranked by total printed circulation)

Krone Verlag
Kleine Zeitung
Kurier Zeitungsverlag und Druckerei
Schlüssel Verlag J. S. Moser
Wimmer Medien
Die Presse Verlagsgesellschaft
Standard Verlagsgesellschaft
Salzburger Nachrichten Verlagsgesellschaft
Eugen Russ Vorarlberger Zeitungsverlag und Druckerei Gesellschaft
WirtschaftsBlatt Verlag

Source: World Association of Newspaper, Word Press Trends 2005

BELGIUM

Legal Base

Décrets relatifs à la radiodiffusion et à la télévision, coordonnés le 4 mars 2005
Decreten betreffende de radio-omroep en de televisie,

Regulation on Media Ownership

Ownership Restrictions Television	Francophone community: Significant position: more than 24 % of capital of a two television broadcaster or more than 20% of the total audience of TV broadcasters in the Francophone community Flemish community: Nobody is allowed to own more than one community, regional or local station
Ownership restrictions Print	No specific restrictions – general law regulation competition
Cross ownership restrictions	Francophone community: Broadcaster, cable companies and net operators have to declare their structures of ownership and control rights and their degree of independence.
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	Flemish Community: Political parties and organisations are excluded from providing broadcasting services Francophone Community: “Editeur de service” has to be independent form a political party.

Market Situation - Audiovisual

Public service broadcasters, one for each community:
Vlaamse Radio-en televisieomroep (VRT), channels: TV1, Canvas/Ketnet - Flemish community:

Radio-Télévision Belge Francophone (RTBF), channels RTBF 1 and RTBF 2 - French Community
Belgischer Rundfunk und Fernsehen (BRF) - German language community
Main commercial companies French Community (2004): TVI; channels: RTL-TVI, Club RTL; Youth channel Television; channels: AB 3, AB 4.
Main commercial companies Flemish Community (2004): VTM, channel: VTM Kanaal 2; SBS Belgium (since 2002 Belgium licence holder, previously operated by UK company VT-4-Ltd), channel: VT 4.
Remarkable is the market share of 30% of French channels in the French Community and Brussels. In contrast, broadcasters based in the Netherlands are less important for the Flemish community.

TV audience market share 2004 – French community Daily share (%)

RTL-TVI	Club RTL	AB3	AB4	RTBF1	RTBF2	TF1	France 2	France 3
17.9	5.8	3.8	2.1	15.3	3.7	15.7	8.9	5.4

Source: European Audiovisual Observatory, Yearbook 2005

TV audience market share 2004 – Flemish community – Daily share (%)

TV 1	KETNET/ CANVAS	VTM	Kanaal 2	VT 4
28.2	9.4	22.9	5.2	6.7

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation – Print

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Euro**
Het Laatste Nieuws/ De Nieuwe Gazet	Aurex	292	1.064	0.90-1.00
Het Nieuwsblad/De Gentenaar	V.U.M.	216	750	0.90-1.00
La Meuse/La Capitale/ La Nouvelle Gazzette/La Province/ Nord Eclair	Sud Presse	133	583	0.90
Gazet Van Antwerpen	De Vlijt	117	432	0.90-1.00

Het Belang Van Limburg	Concentra	102	368	0.90-1.00
Groupe Vers l'Avenir	Editions de l'Avenir	102	412	0.90
Le Soir	Rossel	101	456	0.90
La Dernière Heure/Les Sports	C.N.C.	87	354	0.90-1.00
Het Volk	V.U.M.	83	326	0.90
De Standaard	V.U.M.	81	298	1.00-1.50

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

V.U.M.
Aurex
Sud Presse
De Vlijt
Concentra
Editions de l'Avenir
Rossel & Cie
Cie Nouvelle de Communication
Uigeverij de Morgen
IPM

Source: World Association of Newspaper, Word Press Trends 2005

CYPRUS

Legal Base

The Radio and Television Stations Laws of 1998 to 2001 (Law consolidating and revising the laws regulating the establishment, installation and operation of radio and television stations)

Regulation of Media Ownership

Ownership Restrictions Television	Owners of regional and national Television are allowed to hold only one licence
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No licence for TV if applicant controls any more than 5% shares in a publishing house, newspaper or periodical or a more than 5% in a TV station with national coverage
Foreign ownership restrictions Print and TV	5% limit for non-EU
Restrictions for political parties and organisations	No specific provisions; political parties are considered as legal persons and follow relevant provision in existing law.

Market Situation – Audiovisual

Public service broadcaster: Cyprus Broadcasting Corporation (CyBC), channels: CyBC1 (RIK1) and CyBC2 (RIK 2)
Main commercial companies: Sigma TV, channel: Sigma TV,
Other commercial channels: Antenna TV, MEGA
ERT is the Greek public service broadcaster.

TV audience share 2004 – Daily share (%)

RIK1	RIK 2	SIGMA	ANT1	ERT	MEGA
12.5	6.9	25.4	20.3	3.7	15.9

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation – Print

Top Eight Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Cover price C£**

Phileleftheros (Liberal)	Phileleftheros Ltd.	25.0	0.40
Simerini (Today)	Dias Publishing House Ltd.	6.5	0.40
Alithia (Truth)	Alithia Ltd.	5.0	0.40
Haravgi (Dawn)	Telegraphos Ltd.	4.5	0.40
Politis (Citizen)	Arktinos Ltd.	4.5	0.40
Apogeymatini	Evga Ltd.	4.0	0.40
Cyprus Mail	Cyprus Mail Ltd.	3.6	0.40
Machi (Battle)	Atrotos Ltd.	1.2	0.40

Source: World Association of Newspaper, Word Press Trends 2005

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CZECH REPUBLIC

Legal Base

Broadcasting Act 2001/ Act on radio and television broadcasting operation and on changes of other acts No. 231/2001
Law on Political Parties and Movements No. 424/1991

Regulation of Media Ownership

Ownership Restrictions Television	Nation-wide broadcasting, only one licence Nation-wide television broadcasters may not have any ownership interest in other nation-wide television broadcaster Local level: audience reach limit of 70% of the population
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No nation-wide broadcaster may consolidate with any other nation-wide television broadcaster in any other manner than in Article 58 (1) (consolidation between radio and television broadcaster)
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	No specific regulation for political parties or organisations in the broadcasting law. However political parties and movements are enabled to run or participate in a company which deals exclusively with radio and television broadcast and publishing activities.

Market Situation – Audiovisual

Public service broadcaster: Ceska Televizie (CT), channels: CT 1 and CT 2
Main commercial companies: CET 21, channel: TV Nova; FTV Prima S.r.o., channel: Prima TV
The television market is 'owned' by Czech companies.

TV audience share 2004 – Daily share (%)

Nova TV	CT 1	CT 2	Prima	Others
42.2	21.5	9.0	21.1	6.1

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price K**
Blesk	Ringier CR	514	1,537	7.00-11.00
MF Dnes	MAFRA	308	1,169	9.50-13.50
Pravo	Borgis	181	603	9.50-13.00
Deniky Moravia	Vltava Labe Press	156	486	8.00-11.00
Lidove noviny	Lidove noviny	72	279	9.50-14.50
Sport	Ringier CR	70	265	9.50-13.00
Hospodarske noviny	Economia	67	176	12.00-16.00
Stredoceske deniky Bohemia	Vltava Labe Press	67	140	8.50
Zapadoceske deniky Bohemia	Vltava Labe Press	59	156	8.50-11.00
Vychodoceske deniky Bohemia	Vltava Labe Press	56	211	8.50-11.00

Source: World Association of Newspaper, Word Press Trends 2005

Top publishing companies (2004)

	Total Circulation
Ringier CR	584,069
Vltava Labe Press	429,250
MAFRA	308,486
Borgis	180,537
Lidove noviny	72,272
Economia	66,764
Futura	20,000

Source: World Association of Newspaper, Word Press Trends 2005

DENMARK

Legal Base

The Danish Radio and Television Broadcasting Act - ACT No. 1052 of 17 December 2002

Regulation of Media Ownership

Ownership Restrictions Television	No limitations for broadcasting are laid down in the media law Normal competition rules applies Within the local sector, various restrictions have been introduced to safeguarded the local character of the media
Ownership restrictions Print	No limitations for newspaper enterprises are laid down in the media law. Daily newspaper were exempted from the ban for commercial enterprises to exert a dominant influence on local radio and television broadcasting
Cross ownership restrictions	No specific limitation. Normal competition rules apply. However the radio and television board is responsible for a ruling on any disputes over ownership rules in the TV and radio sector.
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	Political parties and organisations are excluded from holding a licence of a broadcasting company or radio station.

Market Situation – Audiovisual

Public service broadcasting: Danmarks Radio, channels: DR 1 DR 2(financed only by licence fees); TV-2 Danmark AS (mixed company, financed by licence fees and advertising), channel: TV 2
Main commercial companies: TV 3 A/S, channel: TV3; TV Danmark A/S, channel: TV Danmark, CIAC A/S, channel: DK 4.
Several foreign broadcasters, especially Danish versions of Swedish programs, are available in the Danish market.

TV audience share 2004 – Daily share (%)

DR1	DR2	TV2	TV3	TV3+	TV Danmark	TV Danmark2 Kanal 5	DK4
29.9	4.2	35.0	8.4	3.5	4.3	2.3	0.7

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004)

Title	Publisher	Circulation (000)	Readers hip (000)	Cover price DKr
Jyllandsposten	JP/Politikens Hus A/S	158	669	14.50
Politiken	JP/Politikens Hus A/S	134	519	15.00
Berlingske Tidende	Der Berlingske Officin A/S	130	446	13.00
Ekstra Bladet	JP/Politikens Hus A/S	106	504	11.50
B.T.	Der Berlingske Officin A/S	101	521	11.50
Jydske Vestkysten	A/S Jydske Vestkysten	81	261	14.00
Nordjyske Stiftstidende	Nordjyllands Aktieselskab	74	207	14.50
Børsen	Dgabladet Borsen A/S	67	236	20.00
Fyens Stiftstidende	Fyens Stiftstidende A/S	62	190	14.00
Frederiksborg Amts Avis	Dagbladet A/S	53	83	9.50

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Total Circulation
JP/Politikens Hus A/S	397,931
Der Berlingske Officin A/S	231,024
A/S Jydske Vestkysten	80,697
Nordjyllands Stiftstidende	74,28
A/S Børsen	66,834
Fyens Stiftstidende A/S	61,993
Dagbladet A/S	53,458
Aarhus Stiftstidende A/S	53,053

De Bergske Blade	47,263
Sjællandske Tidende	28,502

Source: World Association of Newspaper, Word Press Trends 2005

ESTONIA

Legal Base:

Broadcasting Act passed on May 1994, Chapter 6 Broadcasting Licences of Legal Persons in Private Law
Competition Act, passed on 5 June 2001

Regulation on Media Ownership

Ownership Restrictions Television	If a broadcasting licence results in a press or information monopoly or cartel in the territory planned for the broadcasting activities or the broadcasting activity in the planned territory or part of the territory of Estonia, would accumulate in the hands of persons who co-operate with each others this should be refused. Abuse of dominant position and controlling concentration of the general competition law
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No company or person may simultaneously own a TV station, a radio station and a daily or weekly paper
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	No provisions in the broadcasting act

Market Situation – Audiovisual

Public service broadcaster: Eesti Televisioon (ETV), channel: ETV
Main commercial operators: TV 3 AS, channel: TV3 (Modern Times Group); Kanal 2 AS, channel: Kanal 2;
Perviy kanal Estonia is a channel in Russian language.
YLE is the Finish public service channel

TV audience share 2004 – Daily share (%)

Eesti Television	TV3	Kanal 2	Pervyi Baltiiski Kanal	RTR/Rossiya/RTR Planeta	YLE
18.0	23.6	19.6	9.6	4.6	1.4

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation – Print

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Kroon**
SL Õhtuleht	AS SL Õhtuleht	65	314	7,00
Postimees	AS Postimees	64	273	10,00
Eesti Päevaleht	AS Eesti Paevaleht	35	175	12,00
Ãripäev	Aripaeva Kirjastuse AS	20	81	15,00
Pärnu Postimees	AS Parnu Postimees	16	47	5,00
Sakala	Sakala Kirjastuse AS	11	31	5,00
Molodjožh Estonii	AS Moles	9	86	5,00
Virumaa Teataja	AS Viru Press	9	29	5,00
Pohjarannik/ Severnoje Poberežhje	AS PR Pohjarannik	8	40	5,00
Meie Maa	OU Saaremaa Raadio	8	19	5,00

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

AS Postimees
AS SL Ohtuleht
AS Eesti Paevaleht
Aripaeva Kirjastuse AS
Eesti Ekspressi Kirjastuse AS
AS Maaleht
AS Parnu Postimees
OU Moles
OU Vene Media
Sakala Kirjastuse

Source: World Association of Newspaper, Word Press Trends 2005

FINLAND

Legal Base

There are no specific media concentration or ownership restrictions or ownership restrictions in the Act on Television and Radio Operations, 744/1998 (last amendments 394/2003).

Regulation of Media Ownership

Ownership Restrictions Television	No specific rules Broadcasting act contains provisions on licensing. Upon granting a specific licence, the Government has to take into consideration the television broadcasting and radio broadcasting of the area as a whole. Among the factors to be considered is the issue of concentration. According to the Government Bill of the Act, the Government shall grant the licence so that broadcasting will not concentrate in a way that is likely to endanger the freedom of speech.
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No specific rules Broadcasting act contains provisions on licensing. Upon granting a specific licence, the Government has to take into consideration the television broadcasting and radio broadcasting of the area as a whole. Among the factors to be considered is the issue of concentration. According to the Government Bill of the Act, the Government shall grant the licence so that broadcasting will not concentrate in a way that is likely to endanger the freedom of speech.
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	Political parties and organisations are not prohibited from holding a radio or TV licence.

Market Situation – Audiovisual

Public service broadcaster Yleisradio OY (YLE) channels: YLE 1 and YLE2,
Main commercial operator: MTV OY, channel MTV 3; OY Ruutunelonen AB, channel: Nelonen; Sub TV Oy, channel: SubTV

TV audience share 2004 – Daily share (%)

YLE 1	YLE 2	MTV 3	Nelonen	Sub TV
24.6	20.3	34.7	12.4	2.5

Source: European Audiovisual Observatory, Yearbook 2005

<u>Market Situation – Print</u>

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Euro**
Helsingin Sanomat	Sanoma Osakeytiö	434	1,089	208*
Ilta-Sanomat	Sanoma Osakeytiö	201	966	1**
Aamulehti	Kustannus Oy Aamulehti	137	319	210*
Iltalehti	Kustannusosakeyhtio Iltalehti	130	617	1**
Turun Sanomat	TS-Yhtymä Oy	111	277	199*
Maaseudun Tulevaisuus	Viestilehdet Oy	82	299	114*
Kaleva	Kaleva Kustannus Oy	82	222	198*
Kauppalehti	Kustannusosakeyhtiö Kauppalehti	82	280	221*
Keskisuomalainen	Keskisuomalainen Oyj	76	191	202*
Savon Sanomat	Savon Media Oy	65	182	200*

Source: World Association of Newspaper, Word Press Trends 2005
(*) One year subscription price
(**) Single copy price

Top Ten publishing companies (2004)

Sanoma Osakeytiö
Alpress Oy
Savon Media Oy
TS-Yhtymä Oy

Ikka-Yhtymä Oyj
Keskisuomalainen Oyj
Keski-Uusimaa Oy
Esan Kirjapaino Oy
Pohjois-Karjalan kirjapaino Oy
Hufvudstadsbladet Ab

Source: World Association of Newspaper, Word Press Trends 2005

FRANCE

Legal Base

Loi n° 86-1067 du 30 septembre 1986 - Loi relative à la liberté de communication (modified August 2004) supplemented by subsequent laws and decrees

Regulation of Media Ownership

Ownership Restrictions Television	Subject to three limits based on: Capital share, number of licence (together with audience share), participation in more companies in the same sector: Physical or legal person not more than 49% (national TV) and 33 % (local TV) of the capital or voting rights in a station whose average annual audience exceeds 2.5 % of the total audience. If a person holds 2 stations he cannot hold more than 15% in the second If a person owns 3 stations he cannot hold more than 5% in the third. Terrestrial TV: not more than one (analogue) or 7 (digital) stations, Satellite TV: not more than two licences
Ownership restrictions Print	Companies are not allowed to acquire a new newspaper if the acquisition boosts their total daily circulation to over 30% nationally.
Cross ownership restrictions	A operator may not be involved in more than two of the following situations: - TV audience of 4 million - radio audience of 30 million - cable audience of 6 million - 20% share of national daily newspaper
Foreign ownership restrictions Print and TV	Non-EU investment is limited to a share of 20% of a capital of a daily newspaper or of a terrestrial broadcasting in French language
Restrictions for political	No provisions

parties and organisations	

Market Situation – Audiovisual

Public service broadcaster: France Television, channels: France 2, France 3, France 4 and France 5, France 5 shares the terrestrial frequency with the Franco-German cultural channel Arte.
Main commercial operators: TF 1 S.A., channel: TF1; Métropole Télévision, channel: M6 ;
The Group Canal+ has a total of about 8.4 million subscribers.

TV audience share 2004 – Daily share (%)

France 2	France 3	France 5	Arte	TF1	M6	Canal+
20.5	15.2	3	2	31.8	12.5	3.8

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004)

Title	**Circulation (000)**	**Readership (000)**
Ouest France	783	2,230
Le Monde	381	2,073
L'Equipe	369	2,459
Le Parisien	353	1,718
Le Figaro	346	1,373
Sud Ouest	326	1,281
La Voix du Nord	307	1,082
Nice Matin	258	757
Le Dauphiné Libéré	256	838
Le Progrès	249	-

Source: World Association of Newspaper, Word Press Trends 2005

GERMANY

Legal Base

Staatsvertrag über den Rundfunk im Vereinigten Deutschland - Rundfunkstaatsvertrag
Gesetz gegen Wettbewerbsbeschränkungen (GWB) Bekanntmachung der Neufassung vom 15. Juli 2005 in der seit 13. Juli 2005 geltenden Fassung, *BGBl. I/2005, S. 2114 ff*

Rules on Media Ownership

Ownership restriction Television	Limits based on audience share in order to prevent exercise of dominant opinion forming power: 30 % of the national market in a given year. If a market share of 25 % is attained and the company holds a dominant position in a media related market
Ownership restrictions Print	Merger control (Pressefusionsgesetz) Act against Restraints of Competition. Filing of the Federal cartel office is required if at least one party amounts 25 million Euro turnover in the last business year. New Bagatellklausel: purchases of small publishers (turnover up to 2 Mio €) possible. In cases of mergers of printed media publishers a maximum share of only 24,5% is permitted
Cross ownership restriction	Interdiction for companies to exercise a predominant impact on public opinion e.g. a company reaches an audience share of 25% and holds a dominant position in a related media market or an overall assessment of its activities in TV and media related markets suggest an influence equivalent to a company with a viewer rating of 30%
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	Political parties and organisations are excluded from holding a licence for TV or radio channels

Market Situation - Audiovisual

Public service broadcaster: ARD (with regional channels, so called ‘third channels’) and ZDF, channels; ARD, ARD 3, ZDF
Main commercial companies: RTL Television GmbH, channel RTL; ProSiebenSat1 GmbH channels: SAT 1, Pro 7, Kabel 1.

TV audience share 2004 – Daily share (%):

ARD	ARD 3	ZDF	RTL	SAT 1	Pro 7	Kabel 1

15.9	15.8	15.8	13.5	8.9	6.7	3.4

Source: European Audiovisual Observatory, Yearbook 2005

Market situation – Print

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Euro**
BILD	Axel Springer	3,867	12,330	0,45
WAZ Mediengruppe	Zeitungsgruppe WAZ	1,001	2,830	0,95
Zeitungsgruppe Köln	M.Dumont-Schauberg Expedition der Kölnischen Zeitung	628	1,120	0,90
Süddeutsche Zeitung	Süddeutsche Zeitung	442	1,110	1,50
Rheinische Post	Rheinisch-Bergische Druckerei und Verlagsgesellschaft	405	1,220	0,90
Zeitungsgruppe Thüringen	Zeitungsgruppe Thüringen Verwaltungs-gesellschaft	398	1,130	0,70
Frankfurter Allgemeine Zeitung	Verlag Frankfurter Allgemeine Zeitung	380	860	1,50
fp Freie Presse mit Döbelner Anzeiger	Freie Presse Chemnitzer Verlag – und Druck	358	960	0,90
Augsburger Allgemeine/Allgäuer Zeitung	Presse-Druck und Verlagshaus	353	9990	1,00
Nürnberger Nachrichten	Mitteldeutsches Druck- und Verlagshaus	310	880	1,00

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Total circulation
Axel Springer	5,377,800
Verlagsgruppe WAZ	1,461,000
Verlagsgruppe Stuttgarter Zeitung/Die Rheinpfalz/Südwestpresse	1,155,400
Verlagsgruppe Münchener Zeitungsverlag/ Zeitungsverlag tz München/Westfalischer Anzeiger/Dirk Ippen	1,001,600
Georg von Holtzbrinck	979,100
Verlagsgruppe M.Dumont-Schauberg	933,500
Gruner + Jahr	831,800
Verlagsgruppe Madsack	743,100
Verlagsgruppe Frankfurter Allgemeine Zeitung	675,200
Verlagsgruppe Süddeutscher Verlag	656,000

Source: World Association of Newspaper, Word Press Trends 2005

GREECE

Legal Base

Greek Media law 2328/1995 and 3310/2005
Law 1806/88

Regulation of Media Ownership

Ownership Restrictions Television	A company can only hold one licence to operate TV station. Natural or legal person can participate only in one station and hold no more than 25 % of the share capital. Person or company can only participate in one company that hold a Pay TV licence. Participation in a company that holds a terrestrial subscription broadcasting service is limited up to 40% of the company's capital.
Ownership restrictions Print	Up to two daily political newspapers, one a morning and one an evening, published in Athens, Piraeus, or Thessaloniki plus up to two provincial dailies in two different prefectures. Either (a) a single Sunday title covering one of the political titles, or two political titles in one Sunday edition, or (b) a Saturday or Sunday edition of an independent newspaper.
Cross ownership restrictions	Participation in more than two types of media is prohibited (e.g. participation in a TV company and a newspaper is permitted, but such involvement would prevent the ownership of a radio station), The owner of a Pay TV licence cannot hold a licence for a FTA broadcasting (it is permitted when there is no abuse of dominant position). The owner of a pay TV licence cannot be a shareholder in more than two different categories of media (TV, radio, newspapers), so-called "Two-of-Three"-Regulation
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	Contracts of all kinds between the public administration and other public organizations with owners, shareholders and managers of mass media enterprises are prohibited. Political parties are not among the entities entitled to radio or television ownership. However, they are able to publish newspapers, since there are no restrictions on one's right to spread his/her views through the press.

Market Situation – Audiovisual

Public service broadcaster: Hellenic Broadcasting Corporation (ERT), channels: ET1 and Net, ET 3 (regional channel)
Main commercial companies: Antenna TV S.A., channels Antenna TV; Teletypos S.A., channel: Mega Channel; New Television S.A., channel: Star channel; Eleftheri Tileorassi S.A., channel Alter.

Audience share main channels 2004 - daily share (%)

ET 1	NET	ET-3	Antenna 1	Megachannel	Skai/Alpha	Star	Alter
5.2	8.8	2.1	20.8	16.9	13	11.5	11.5

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Euro**
Ta Nea	Mr. Leon Karapanagiotis	84	317	1,00
Eleftherotypia	Mr.Th. Tegopoulos	82	302	1,00
Ethnos	Mr. G. Bobolas	53	149	1,00
To Vima	Mr. Stavros Psycharis	56	62	1,00
Kathimerini	Mr. Th. Alafouzos	52	68	1,00
Eleftheros Typos	Mr. Makis Sarris	37	63	1,00
Sportime	Mrs. Frini Ontoni	37	99	1,00
Goal News	Mr. Harris Xidis	23	29	1,00
To Fos Ton Sport	Mr. Theod. Nikolaidis	24	29	1,00
Apogevmatini	-	23	30	1,00

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Total circulation
C.K. Tegopoulos S.A.	43,385
Lambrakis Press S.A.	41,887

Pegasus Publishing & Printing S.A.	24,891
Kathimerini S.A.	15,646
Press Foundation S.A.	13,746
Point Publications S.A.	13,264
Th. M. Nikolaidis S.A.	8,703
Apogevmatini Publications S.A.	8,153
Sport Plus S.A.	8,099
Daily Press S.A.	7,219

Source: World Association of Newspaper, Word Press Trends 2005

HUNGARY

Legal Base

Acto No I of 1996 on Radio and Television Broadcasting as well as the interpretative provision

Regulation of Media Ownership

Ownership Restrictions Television	Ownership of a single enterprise limited to max. 49% of the voting rights. broadcasters with national broadcasting rights and those holding a controlling share therein are not allowed to acquire a controlling share in another enterprise performing broadcasting or broadcast transfer
Ownership restrictions Print	No restrictions
Cross ownership restrictions	Company with controlling share in a national wide newspaper cannot acquire holdings in any broadcaster over 25%. Regional newspaper (with ten thousand sold copies) may not acquire a majority of a broadcaster or if the reception area overlaps with 80% of the distribution area of the newspaper (and vice versa).
Foreign ownership restrictions Print and TV	No restrictions for the press A minimum of 26% of the shares of a broadcasting company must be owned by Hungarian citizens and residents.
Restrictions for political parties and organisations	Political parties and organisations are not entitled to broadcast.

Market Situation – Audiovisual

Public service broadcaster: Magyar Televizio (MTV) channels: MTV1 (free to air), MTV2 (available on cable and satellite) and Duna TV. The channels are financed through taxes and advertising.
Main commercial companies: Magyar RTL Television, channel: RTL KLUB; MTL SBS Televizio, channel: TV 2; Duna TV Rt., channel Duna TV; Viasat Hungaria, channel: Viasat 3
The audiovisual market is characterized by a strong representation of several foreign media groups like the German RTL Group, SBS, HBO, Viasat, Modern Times Group (MTG).

TV audience share 2004 – Daily share (%)

M1	M2	Duna TV	TV2	RTL KLUB	Viasat 3	Video	Minimax
15.5	1.9	1.7	27.4	29.4	3.1	3.5	1

Source: European Audiovisual Observatory, Yearbook 2005

<u>Market Situation – Print</u>

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price HUF**
Blikk	Ringier Kiadó	255	1,0901	59
Népszabadság	Népszabadság	163	544	99
Nemzeti Sport	Ringier Kiadó	87	299	93
Kisalföld	Lapcom Lapkiadó	78	270	99
Magyar Nemzet	Nemzet Lapkiadó	76	210	145
Észak-Magyarország	Inform Média	61	250	79
Kelet- Magyarország	Inform Média	59	215	79
Vas Népe	Pannon Lapok Társasága	58	185	-
Zalai Hirlap	Pannon Lapok Társasága	57	193	-
Hajdú-Bihari Napló	Inform Média	52	192	79

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Revenue HUF (2004)
Sanoma Budaest Kiadói	11,207, 269
Ringier Kiadó	9,765,022
Axel Springer Magyarország	9,745, 047
Népszabadság	7,106,280
Pannon Lapok Kiadói	5,696,920
Axel Springer Budapest	5,407,129

Pesti Est	5,390,685
Inform Stúdió	5,388,287
MTG Metro Gratis	4,816,617
HVG	4,698,256

Source: World Association of Newspaper, Word Press Trends 2005

IRELAND

Legal Base

Radio and Television Act 1988
Broadcasting Act 2001 Number 14 of 2002,
Competition Act, 2002

Regulation of Media Ownership

Ownership Restrictions Television	One investor should not hold more than 25% of the licences. "undue amount of communication media in a specified area": a reasonable share should not be exceeded; no definition of "reasonable share" Case by case analysis based on a market share model. Local licences: special attention is paid to the question whether the applicant is offering local content
Ownership restrictions Print	No specific limit but the Minister for Enterprise and Employment has the power to refer any proposed takeover, merger or investment to the Competition Authority to determine whether such an action would lead to a distortion in trade or lessening of commercial competition.
Cross ownership restrictions	Regional or national newspaper owners can hold only one private licence. In addition limited investment allowed.
Foreign ownership restrictions Print and TV	Subject to IRTC approval (Independent Radio and Television commission)
Restrictions for political parties and organisations	

Market Situation – Audiovisual

Public service broadcaster: Radio Telefis Éireann, channels RTE 1 and Network 2 (N2). RTE also cooperates with Teilifi s na Gaeilge (TG4).
Main commercial operator: TV3 Television Network Ltd, channel: TV3, was launched in 1998.
Foreign broadcasters, mainly from the UK, have an important stake in the Irish television market, as most of Ireland can also receive British television.

Audience share main channels 2004 (daily share) (%):

RTE 1	25.8
Network 2	12.4

TNAG/TG4	3.1
TV 3	13.5
UTV/HTV	6.5
BBC 1	6.6
BBC 2	3.8
C4/S4 C	4.2
Sky one	3.1
Sky News	1.6
E 4	1.4
Nickelodeon	1.3
Sky sport 1	1.1
Sky sport 2	0.6
MTV	1.3

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Euro**
The Irish Independent	Independent Newspapers Ireland Limited	176	612	1,50
The Irish Times	The Irish Times Limited	115	323	1.50
Irish Daily Sun	News International	114	278	0,75
Irish Daily Star	Independent Star Limited	107	447	1,20
Irish Daily Mirror	Mirror Group Newspapers	80	234	0,90
Irish Examiner	Thomas Crosbie Holdings	58	220	1,50

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Total annual sales
Independent Newspapers Ireland Limited	101,388,794
News International	49,750,064
Independent Star Limited	36,116,210
The Irish Times Limited	35,963,772
Trinity Mirror Group	30,046,120
Examiner Publications Limited	18,156,372
Sunday Newspapers Limited	13,954,408
Associated Newspapers Ireland Limited	7,697,846
Tribune Publications Limited	4,336,670
The Agricultural Trust	3,558,828

Source: World Association of Newspaper, Word Press Trends 2005

ITALY

Legal Base

Regulations and principles governing the set-up of the broadcasting system and the RAI Radiotelevisione italiana S.p.a., authorizing the government to issue a consolidated broadcasting act. 3 May 2004, n.112

The institution of the Autorità per le Garanzie nelle Comunicazioni and the regulations for telecommunications and radio and television broadcasting systems, July 31, 1997 n. 177

Regulation of Media Ownership

Ownership Restrictions Television	A content provider, subsidiary or allied company may not hold authorisations allowing them to broadcast more than 20% of all television channels that may be broadcast on terrestrial frequencies at the national level through the networks provided for in the plan. Furthermore, companies registered as communications operators may not, directly or indirectly, earn revenue greater than 20% of the total revenue of the integrated communications system
Ownership restrictions Print	No one may control more than 20% of the total daily newspaper circulation or more than 50% of a total regional or inter-regional circulation. Any purchase which breaches these limits is liable to be declared void in court, but the limits may be exceeded in the normal course of organic business growth.
Cross ownership restrictions	Subjects exercising television activities at the national level through more than one network cannot, before 31 December 2010, acquire shares in newspaper publishing companies or participate in setting up new newspaper publishing companies. In addition enterprises active in the sectors of radio, television and digital television broadcasting may not exceed 20% of the total transmission frequency resources of the said sectors,
Foreign ownership restrictions Print and TV	No restrictions on EU countries. Reciprocal arrangements apply to some other countries.
Restrictions for political parties and organisations	No provisions on the restriction of political parties or organisations ownership

Market Situation – Audiovisual

Public service broadcaster: RAI channels: RAI uno, RAI Due, RAI Tre

Main commercial companies: Reti Televisive Italiane, channels: Canale 5, Italia 1 and Retequattro; La 7 Televisioni, channel La 7.

Audience share main channels 2004 - daily share (%):

RAI Uno	RAI Due	RAI Tre	Canale 5	Italia 1	Rete 4	TMC/La sette
23.0	12.2	9.1	22.5	11.6	9.0	2.4

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Euro**
Corriere della Sera	RCS Editori	677	2,927	0,90
L a Repubblica	Gruppo Ed. L'Espresso	622	2,852	0,90
La Gazzetta dello Sport	RCS Editori	409	3,392	0,90
Il Sole 24 Ore	Il Sole 24 Ore	378	1,204	1,00
La Stampa	Editrice La Stampa	347	1,607	0,90
Il Messaggero	Il Messaggero	243	1,224	0,90
Corriere dello Sport	Corriere dello Sport	241	1,407	0,90
Il Giornale	Soc. Europea di Edizioni	209	723	1,00
Il Resto del Carlino	Poligrafici Editoriale	177	1,304	0,90
La Nazione	Poligrafici Editoriale	145	977	0,90

Source: World Association of Newspaper, Word Press Trends 2005

LATVIA

Legal Base
Law on Radio and Television 1996
General competition law

Regulation of Media Ownership

Ownership Restrictions Television	Each broadcasting organization, except public broadcasting organizations, may not produce more than three programmes. A natural person who is the sole founder of a broadcasting organization or whose investment in a broadcasting organization ensures control of it, or the spouse of such a person, may not own more than 25% of shares (capital shares) in other broadcasting organizations.
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No restrictions
Foreign ownership restrictions Print and TV	Non-EU owner of a mass media is restricted to 49%
Restrictions for political parties and organisations	The monopolisation of electronic mass media in the interests of a political organization (party), etc. is not permitted. A political organization (party) as well as an undertaking (company) established by it (where the investment by the political organization (party) ensures the control of it) may not establish broadcasting organizations.

Market Situation – Audiovisual

Public service broadcaster: Latvijas Televizija, channels , LTV1 and LTV7 - the only national player in the Latvian market.
Main commercial operator: Latvijas Neatkariga Televizija channel: LNT.
Foreign investors like the Polish company Polsat, Modern Times Group.
There are twenty-four regional and local television channels, which operate in small transmission areas and broadcast for just a few hours a day.
Channel 3+ Baltic, Pervy Baltiysky Kanal Latvia and Perviy Baltijskyi Muzykalnyi Kanal are channels in Russian language.

Audience share main channels 2004 - daily share (%):

LTV 1	LTV 7	LNT	TV 3	PBK	TV 5 Riga	3+Baltic	Video

13.8	4.9	22.1	17.1	9.6	2.9	2.4	2.7

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation – Press

Top Ten Daily Newspapers (2004)

Title	Publisher	Circulation (000)	Readership (000)	Cover price Lats
Diena	AS Diena	60	282	0,30
Latvijas Avize	AS Lauku Avize	59	239	0,30
Neatkariga Rita Avize	SIA Mediju Nams	40	105	0,30
Vesti Segodna	SIA Fenster IN	32	168	0,20
Rigass Balss	SIA Mediju Nams	23	43	0,25
Chas	SIA IN Petits	20	122	0,20
Vakara Zinas	SIA Mediju Nams	16	61	0,25
Sport Ekspress	SIA Mozus	15	25	0,27
Telegraf	SIA Belokons un partneri	13	47	0,20
Bizness & Baltija	SIA Medija un Baltija	12	41	0,35

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Total circulation
SIA IN Petits	47,069,360
SIA Fenster IN	39,091,000
SIA Mediju Nams	24,808,000
AS Diena	18,720,000
AS Lauku Avize	18,408,000
SIA Mozus	4,680,000
SIA Kurzemes Vards	4,204,512
SIA Belokons un partneri	3,380,000

SIA Medija un Baltija	3,120,000
SIA Diena Bonnier	2,756,000

Source: World Association of Newspaper, Word Press Trends 2005

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LITHUANIA

Legal Base

Law on Provision of Information to the Public from 1996
Law on National Radio and Television

Law on Competition (23 March 1999 No. VIII-1099) (As amended by 15 April 2004 No. IX-2126

Regulation of Media Ownership

Ownership Restrictions Television	There is no restriction as to the structure of capital of mass media enterprises. However, it is a duty to indicate changes in ownership structures.
Ownership restrictions Print	There is no restriction as to the structure of capital of mass media enterprises. However, it is a duty to indicate changes in ownership structures.
Cross ownership restrictions	There are no restrictions on cross-media ownership. However the State shall create equal legal and economic opportunities for honest competition of public information producers and disseminators. Furthermore, the State shall ensure, that no single person can occupy a monopoly position or abuses such occupied dominant position. A dominant position is defined by the relevant competition law as having the market share of not less than 40 %.
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	Political party or organisation may not be the owner of a broadcaster and operator

Market Situation – Audiovisual

Public service broadcaster Lietuvos Nacionalnis Radijas ir Televizija (LRTV), channels: LTV and TLV 2, which are financed by a state subsidy and advertising.
Main commercial operators: LUAB Laisvas ir nepriklausomas Kanalas, channel: LNK, UAB Tele-3, channel: Tele 3; UAB TV 1, channel: TV 1.
The Lithuanian audiovisual market is dominated by foreign capital, mostly from the Nordic countries but also Modern Times Group.
Pervy Baltiysky Kanal Lithuania is a channel in Russian language.

Audience share main channels 2004 - daily share (%):

LTV	**LTV2**	**Tele 3**	**LNK**	**Baltijos TV**	**PBK**	**5Kanalas**	**Tango TV**	**TV 1**	**Video**

12.5	**0.6**	**27.5**	**26.2**	**8.8**	**3.6**	**1.6**	**1.4**	**1.4**	**0.6**

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004)

Title	Publisher	Circulation (000)
Vakaro žinios	Naujasis aitvaras	88
Lietuvos rytas	Lietuvos rytas	74
Kauno diena	Kauno diena	38
Respublika	Respublikos leidiniai	34
Respublika (Russian edition)	Respublikos leidiniai	22
Lietuvos žinios	Lietuvos žinios	21
Klaipèda	Klaipèdos laikraščio redakcija	20
Vakarц Ekspresas	Broliu Tomka leidykla	18
Šiauliuц kraštas	Šiauliц kraštas	16
Verslo žinios	Verslo žinios	10

Source: World Association of Newspaper, Word Press Trends 2005

Top publishers (2000)

Ranked by circulation
Lietuvos rytas
Respublikos leidiniai
Vingis
Moteris
Kauno diena

Source: World Association of Newspaper, Word Press Trends 2005

LUXEMBOURG

Legal Base

Loi du 27 juillet 1991 sur les médias électroniques, (Mém.A -47 du 30 juillet 1991,p.972; doc.parl.3396) modifiée par: Loi du 2 avril 2001, (Mém.A -42 du 17 avril 2001,p.924; Doc.parl.4584;dir.89/552/CEE et 97/36/CE)

Regulation of Media Ownership

Ownership Restrictions Television	No restrictions Only for local radio broadcasting: No individual or organisation may own more than 25% of the voting rights in any radio station
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No restrictions (only restriction with respect to radio: The participation of a newspaper business in a regional radio station may not exceed 25% of the station's capital).
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	No provisions on political parties' or organisations' ownership

Market Situation – Audiovisual

Luxembourg does not have a public service broadcaster; but the Luxembourg based RTL group carries out some of the typical public information duties. RTL Tele Lëtzebuerg broadcast in Luxembourgian.
Foreign broadcasters, especially French and German stations, have an important position within the television market and in addition, Belgian public service broadcaster and the Portuguese public service channel RTP attract 1,5 and almost 5% of viewers daily.

TV audience market share 2003/2004 -daily share (%)

RTL Tele Letzbuerg	14.4
RTL	9.4
Pro 7	5.7
ARD	7.3
SAT 1	5.9

ZDF	7.1
RTL 2	3.4
TF 1	8.6
M6	5.1
France 2	3.1
France 3	1.8
RTP Int	4.8
RTL-TVI	2.0
MTV	1.7
La Une RTBF	1.5

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Press

Top Daily Newspapers (2004)

Title	Publisher	Circulation	Reader ship	Cover price Euro
Luxemburger Wort	Saint-Paul Luxemburg	74,525	173,000	0,90
Tageblatt	Editpress	17,106	61,100	0,95
Zeitung vum Letzebuerger Vollek	Zeitung	8,000	2,900	0,70
Le Quotidien	Lumedia	5,441	29,200	0,95
Letzeburger Journal	Editions du Letz. Journal	5,150	11,000	0,55
La voix du Luxembourg	Saint-Paul Luxemburg	4,920	24,300	0,70

Source: World Association of Newspaper, Word Press Trends 2005

Top publishing companies (2004)

	Total circulation
Saint-Paul Luxemburg	82,549
Editpress	18,248
Lumedia	6,023

Editions du Letz. Journal	5,150
Zeitung	8,000

Source: World Association of Newspaper, Word Press Trends 2005

MALTA

Legal Base

Broadcasting Act

Regulation of Media Ownership

Ownership Restrictions Television	It is not allowed for the same organization, person or company to own, control or to be editorially responsible for more than one terrestrial or cable, radio broadcasting service.
Ownership restrictions Print	No restrictions
Cross ownership restrictions	the same organization, person or company can at the same time to own one terrestrial or cable radio station and one terrestrial or cable television station and one terrestrial or cable teleshopping station, No restrictions between publishing and broadcasting industries
Foreign ownership restrictions Print and TV	Since the broadcasting act was amended in 2000 it allows for foreigners to own broadcasting media licensed in Malta;
Restrictions for political parties and organisations	No restrictions In fact, in Malta there are three political parties which all own their own radio stations. The two largest parties also own a television station. In addition, some political parties also own newspapers.

Market Situation – Audiovisual

Public service broadcaster: channel TVM
Main commercial station is *Super 1 TV*, which is owned by the Malta Labour party. The Nationalist Party owns the *NET TV* channel.
Due to its geographical shape and its size, there is a high penetration of foreign broadcasters especially from Italy.

TV-audience market share 2005 – daily share (%)

TVM	30.53
Super One TV	15.62
NET TV	10.32

Smash TV	2.11
RAI (RAI Uno, RAI Due Rai Tre)	7.67
Mediaste (Canale 5, Italie 1, Rete 4)	20.49
Cable and Satellite	12.13

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**
The Times	Allied Newspapers Ltd.	37
In-Nazzjon	The Partit Nazzjonalista	-
L-Orizzont	The General Workers Union	-
The Malta Independent	Standard Publications Ltd.	-

Source: World Association of Newspaper, Word Press Trends 2005

THE NETHERLANDS

Legal Base

Mediawet

Regulation of Media Ownership

Ownership Restrictions Television	Commercial broadcaster may control no more than one FM frequency
Ownership restrictions Print	The Competition Authority must be notified of any merger in which participating companies have a combined turnover of over 113.5 million € and at least two of them have a turnover within The Netherlands of minimum 30 million €.
Cross ownership restrictions	Commercial broadcasters can not own more than 25% of the daily newspaper market or more than 50% of a regional newspaper market when providing a service to the same region. Regional newspaper owners may not own more than 50% of companies with a radio licence in the same region
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	No explicit provision

Market Situation – Audiovisual

Public service broadcaster: Nederlandse Omroep Stichting (NOS), channels Ned 1, Ned 2 and Ned 3.
Main commercial companies: RTL 4 Nederland; channels: RTL4 and RTL5; SBS Broadcasting B.V. channels: NET 5, SBS6, and Veronica.
The Belgian public service broadcaster of the Flemish community BRTN is also present in the market.

Audience share main channels 2004 - daily share (%):

Ned 1	11.1
Ned 2 / TV2	18.4
Ned 3	6.6
RTL 4	15.4

RTL 5	4.3
SBS 6	9.6
NET 5	4.3
Veronica	2.8
Regional TV	2.2
Nickelodeon	2.4
BRTN 1/VRT1	1.4
BRTN 2/VRT 2	1.2

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation – Print

Top Ten Daily Newspapers (2004)

Title	Publisher	Circulation (000)	Readership (000)	Cover price Euro
De Telegraaf	Holdingmij. De Telegraaf	753	2,334	1,10
de Volkskrant	PCM Uitgevers	308	782	1,20
Algemeen Dagblad	PCM Uitgevers	288	1,069	1,20
NRC Handelsblad	PCM Uitgevers	257	451	1,30
Dagbald De Limburger/ Limburgs Dagblad	Holdingmij. De Telegraaf	221	647	1,20
De Gelderlander	Wegener	185	585	1,20
Dagblad van het Noorden	Noordelijke Dagblad Combinatie bv	169	499	1,15
De Stentor	Wegener	154	482	1,30
Noordhollands Dagblad	Holdingmij. De Telegraaf	152	469	1,20
Brabants Dagblad	Wegener	148	457	1,20

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Total circulation
nv Holdingmaatschappij De Telegraaf	1,243,462
Wegener nv	1,149,015
PCM Uitgevers nv	1,111,056
Noordelijke Dagblad Combinatie bv	280,208
Het Parool bv	85,729
Reformatorisch Dagblad bv	59,484
Het Financieele Dagblad bv	55,472
Nederlands Dagblad bv	34,796
Friesch Dagblad Holding bv	21,139
Koninklijke BDU Uitgeverij bv	11,417

Source: World Association of Newspaper, Word Press Trends 2005

POLAND

Legal Base

Broadcasting Act (adopted December 29, 1992, several amendments over the past years)
Law on Access to Public Information, Dated 6 September 2001 Journal of Laws No 112, item 1198
Act of February 24, 1990 on Counteracting Monopolistic Practices, (Dz. U. of 1991, No 89, item 403 - the uniform text) according to the state as of August 6, 1993

Act on Competition and Consumer Protection of 15 December 2000 (Journal of law of 2003, No 86).

Regulation of Media Ownership

Ownership Restrictions Television	A licence shall not be granted if the applicant's programming could give the applicant a dominant position in mass communications in the given area. Furthermore, a licence shall be withdrawn if the applicant has gained such a dominant position in mass communications in the given area. (No definition of these terms in Broadcasting Act)
Ownership restrictions Print	Dominant position in the market is defined as the ability to prevent effective competition in the market and conduct its business independently of its competitors and customers to a significant extent. A Company has a dominant position when its share of the market exceeds 40%; there are not separate circulation thresholds at local, regional and national level.
Cross ownership restrictions	No dominant position in mass communication in a given area.
Foreign ownership restrictions Print and TV	Non-EU ownership of broadcast outlet is restricted to 49% No restrictions for Print
Restrictions for political parties and organisations	No specific provision in the Polish Broadcasting Act

Market Situation – Audiovisual

Public service broadcaster: Telewizja Polska SA (TVP), channels: TVP 1, TVP 2, TVP 3 and TVP Polonia
Main commercial operators: Canal + Cyfrowy SP, channel : Canal +; TelewiPolsat, RTL polska, channel: RTL 7; Telewizja Wisia SP, channel TV Wisla.

Audience share main channels 2004 - daily share (%):

TVP 1	TVP 2	TVP 3	TV Polonia	PolSat	TV Wisla	TV4	RTL 7/TVN7	Canal +

24.9	20.5	5.1	1.4	16.2	14	2.8	2.0	0.2

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Zloty**
Fakt	Axel Springer Polska	241	7,042	1,00
Gazeta Wyborcza	Agora S.A.	171	5,619	2,00
Super Express	Bonnier Business Polska	115	3,322	1,30
Rzeczpospolita	Presspublica (Orkla Group)	75	1,137	2,50
Dziennik Sportowy	Marquard Media Polska	39	1,259	1,80
Gazeta Pomorska	Gazeta Pomorska Media (Orkla Group)	33	664	1,20
Gazeta Prawna	Grupa Wydawnicza Infor	33	577	3,95
Dziennik Zachodni	Polskapresse	30	1,060	1,30
Nasz Dziennik	SPES	28	595	1,40
Dziennik Polski	Jagiellonia	25	643	1,30

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Total copy sales (mill)
Axel Springer Polska (Fakt)	240,8
Orkla Group	220,1
Agora	209,5
Polskapresse Group	190,2
Bonnier Business Polska (Puls Biznesu)	123,4
Marquard Media Polska	45,9
TTP (Metropol)	38,0

Grupa Wydawnicza Infor Gazeta Prawna	33,2
DD Media (Dzien Dobry)	32,8
SPES (Nasz Dziennik)	27,5

Source: World Association of Newspaper, Word Press Trends 2005

PORTUGAL

Legal Base

Lei n.º 4/2001 de 23 de Fevereiro Aprova a Lei da Rádio
Lei da Televisão: **Lei n.º 31-A/98, de 14 de Julho**

Regulation of Media Ownership

Ownership Restrictions Television	No one can own shares on more than five radio companies, and no company can own more than a 25% share in two or more stations that operate in the same municipality
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No restrictions Television law and Radio broadcasting law expressly state that competition rules are applicable to the operators
Foreign ownership restrictions Print and TV	Print: Foreign companies can only own up to 10%
Restrictions for political parties and organisations	Political parties and organizations are excluded from owning a private television company or radio channel

Market Situation – Audiovisual

Public Service Broadcaster RTP, channels: RTP 1 and RTP 2.
Main commercial operators: SIC, channels: SIC; TVI, channel: TV1, was founded by the Catholic Church in 1993, but is now part of Media Capital group.

Audience share main channels 2004 - daily share (%):

RTP1	RTP2	SIC	TV1	Video	Cable and satellite channels
24.7	4.4	29.3	28.9	0.8	11.9

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Print

Top Ten Daily Newspapers (2004**)**

Title	**Publisher**	**Circulation (000)**	**Cover price**

			Euro
Correio da Manhã	Presselivre	116	0,75
Jornal de Noticias	Global Noticias	112	0,74
Record	Edisport	93	0,74
Público	Público – Comunicação Social	52	0,92
24 Horas	Global Notícias	50	0,60
O Jogo	Jornalinveste	49	0,70
Diário de Noticias	Global Notícias	41	0,86
Diário de Noticias da Madeira	Empresa do Diário de Notícias da Madeira	15	0,80
Diário Económico	S.T.& S.F.	11	1,20
Jornal de Negócios	Canal de Negócios	8	1,10

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Circulation
Sojornal	132,8
Presselivre	119,8
Edisport	95,9
Global Notícias	59,5
Público	53,5
Jornal Investe	52,1
J. António Emidio & M. fátima Emídio	27,5
Edições Periódicas	21,1
Edições V.L.	17,6
Jornal do Fundão	16,9

Source: World Association of Newspaper, Word Press Trends 2005

SLOVAKIA

Legal Base

Act No. 308 of 14th September, 2000 on Broadcasting and Retransmission and on Amendments of Act No. 195/2000 Coll. on Telecommunications as changed by Act No. 147/2001 Coll. on Advertising and on change and amendment of some acts
Act No. 206/2000 Coll. on Amendment of the Act No. 308/2000
Act No 289/2005 on Broadcasting and Retransmission

Regulation of Media Ownership

Ownership Restrictions Television	To one legal or natural person may be granted one licence for the broadcasting of television programme service or one licence for the broadcasting of radio programme service, except: monothematic programme (which is a programme service where 90% of the programme are devoted to the same programme type)
Ownership restrictions Print	No restrictions
Cross ownership restrictions	Publisher of periodicals that appear at least five times a week and are distributed in public in at least half of the territory of the Slovak Republic can not be a licensed broadcaster for multiregional or nationwide broadcasting at the same time. The broadcasters may develop a programme network to an extent allowing that it is received by maximum 50% of the total population Prohibition of any connection through capital or through personnel of a broadcaster of a radio programme service and a broadcaster of a television programme service with each other, or with a publisher of nation-wide periodicals
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	No specific restrictions

Market Situation – Audiovisual

Public service broadcaster: Slovenská televízia STV; channels: STV1 and STV.2 Slovak Television is funded by its own resources as well as the public funds.
Main commercial channels: Markíza, TV Joj (since 2002)
Czech and Hungarian channels are available and have an important market share.

Audience share main channels 2004 - daily share (%):

Jednotka STV 1	Dvojka STV 2	TV Markiza	TVF Joj	TA 3	CZ Channels	HU channels
19.9	4.7	33.7	13.6	1.1	11.2	8.5

Source: European Audiovisual Observatory, Yearbook 2005

<u>Market Situation - Print</u>

Top Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price SKK**
Novy čas	Ringier Slovakia	165	100	8,50-12,00
SME	Petit Press	78	450	10,00-15,00
Pravda	Perex	75	400	9,00-13,00
Šport	Sport Press	55	260	12,00
Új Szó	Petit Press	32	200	9,50-11,00
Korzár	Petit Press	30	180	9,50-12,50
Hospodárske noviny	Ecopress	18	100	11,00-12,00
Národna obroda	Pegas. II	13	70	10,00
Prešovsky večernik	Privatpress	8	50	9,50

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

Ringier Slovakia
Petit Press
Spoločnost’ 7 plus
Perex
Šport Press
Ecopress
TV Tip
Živena

AH-Public
Spolok sv. Vojtecha

Source: World Association of Newspaper, Word Press Trends 2005

SLOVENIA

Legal Base

New Mass Media Act 2001

Regulation of Media Ownership

Ownership Restrictions Television	Ministerial approval if one wants to acquire more than 20% owner's share in TV station or daily newspaper. Approval will be refused if this leads to a monopolistic situation defined as gaining control over more than 30% of radio or TV advertising time or coverage that exceeds 40% of the national coverage
Ownership restrictions Print	If any publisher controls over 50% of the market, it has to be reported to the authorities
Cross ownership restrictions	Publisher of a daily informative printed medium or a single legal or natural person or group of connected persons that holds an ownership stake of more than 20% or a share in the management of voting rights of more than 20% in the capital or assets of such a publisher may not also be the publisher or co-founder of the publisher of a radio or television station and may not undertake radio or television activities. The same rules apply vice versa. incompatibility of performing radio activities and television activities. incompatibility of performing advertising activities and radio and television activities, incompatibility of performing telecommunication activities and radio and television activities.
Foreign ownership restrictions Print and TV	Print: Foreign companies may not own more than 33% of a newspaper publisher
Restrictions for political parties and organisations	No provisions

Market Situation – Audiovisual

Public service broadcaster RTVSLO; channels TVS 1 and TVS 2 and a third regional channel TV Koper Capodistria, which provides programming in Slovenian and Italian.
Main commercial companies: Central European Media Enterprises Ltd, channels Pop TV and Kanal A; TV 3 Televizijska Dejavnost, channel: TV 3
The commercial television sector is dominated by foreign capital as e.g. Central European Media Enterprises (CETV).

The Slovenian TV market is characterised by the availability of foreign channels, especially Croatian channels.

Audience share main channels 2004 - daily share (%):

TVS1	TVS2	Pop TV	Kanal A	Koper	TV 3	Croatian channels
26.0	10.4	27	8.1	0.4	1.9	6.4

Source: European Audiovisual Observatory, Yearbook 2005

<u>Market Situation – Print</u>

Top Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price SIT**
Slovenske Novice	Delo	104	399	130
Delo	Delo	93	243	180
Dnevnik	Dnevnik	59	167	170
Večer	Večer	58	183	170
Primorske Novice	Primorske Novice	23	95	150
Ekipa	Salomon 2000	13	44	150
Finance	Fainance	12	50	300

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Revenue SIT (mill)
Delo	11,754
Vecer	4,053
Delo Revije	3,394
Burda	1,447
Salomon	1,140
Primorske Novice	1,006
Salomon 2000	980
CZD Kmecki Glas	783

Mladina	772
Gorenjski Glas	739

Source: World Association of Newspaper, Word Press Trends 2005

SPAIN

Legal Base

Ley 10/1988 de Televisión Privada
Act on private Television 10/1988as amended by Act 62/2003
Act 10/2005 digital terrestrial television ad deregulation of cable television

Regulation of Media Ownership

Ownership Restrictions Television	Natural persons or legal entities that directly or indirectly hold share capital or voting rights of a licensed TV broadcasting company amounting to 5% or more in total cannot hold a further significant participation in another TV Broadcasting company. Act on private Television prohibits a relevant participation in two broadcasting companies with the same coverage in the same demarcation. It also forbids the holders of national television concessions to take part in the stock of a regional or local television concessionaire, provided the population of both demarcations exceeds 25% of the entire Spanish population. This prohibition also affects those undertakings owning holdings in a regional concessionaire who are interested in taking part in a local company. The limit set out is 25% of the regional population. Finally, the exercise of voting rights in different broadcasting television companies (national, regional or local) that share the same broadcast reception point is not permitted
Ownership restrictions Print	No restrictions only competition rules
Cross ownership restrictions	There are *no provisions* about cross-media ownership in Ley 10/1988 de Televisión Privada, but according to Spanish general competition law no person may own more than 49% of a television company. In addition only horizontal cross-ownership is restricted. Vertical integration is not covered.
Foreign ownership restrictions Print and TV	No restrictions for Print but following the general legislation for foreign capital investment: If foreign investments exceed 50% of total capital investment it is subject to investigation. Non-EU nationals cannot hold more than 25% of a share capital of a licence-holder

Restrictions for political parties and organisations	

Market Situation – Audiovisual

Public broadcaster: Radio-Television Española (RTVE), channels: TVE 1 and TVE 2.
Main national commercial operators: Gestevision Telecinco S.A, channel: Telecinco; Antena 3 de Television, channel: Antena 3; Sogecable, channel: Canal+ nationwide pay TV channel.
In addition, there are a large number of regional public service channels that are operated by the Autonomous Communities, like: Televisió de Catalunya, Televisión Autonómica de Madrid S.A/Telemadrid, Televisión Autonómica Valenciana S.A/Canal,ETB, Televisión de Galicia/TVG, or Television Autonomica de Castilla-La Mancha. The autonomous T.V. channels have a combined viewer share of 18%.

Audience share main channels 2004 - daily share(%):

TVE 1	TVE2	Regional TV channels	Tele 5	Antena 3	Canal + Espana
21.4	6.8	18	22.1	20.8	1.8

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Press

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price Euro**
El Pais	Diario El Pais	468	2,155	1,00
Marca	Recoletos	380	2,619	0,95
El Mundo del siglo XXI	Unidad Editorial	308	1,314	1,00
ABC	Prensa Española	276	903	1,00
La Vanguardia	La Vanguardia	203	800	1,00
As	Diario As	203	939	0,85
El Periodico de Catalunya	Ediciones Primera Plana	171	884	1,00
La Razón	Audivisual 2000	146	458	1,00
El Correo Español	Diario El Correo	126	544	0,95

Sport	Edecasa	122	625	0,90

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Circulation (000)
Diario El Pais	468
Recoletos (Marca & Expansion)	426
Unidad Editorial	308
Prensa Española	276
La Vanguardia Ediciones	203
Diario As	203
Ediciones Primera Plana	171
Audivisual Española 2000	146
El Correo Español	126
Ediciones Deportivas Catalanas	122

Source: World Association of Newspaper, Word Press Trends 2005

SWEDEN

Legal Base

Radio and Television Act (1996:844)
Competition Act

Regulation of Media Ownership

Ownership Restrictions Television	Conditions for broadcasting licences may entail that the ownership structure and influence within an undertaking that receives a licence may only change to a limited extent. No person or entity may have more than one licence to broadcast local radio in a transmission area, unless special reasons apply.
Ownership restrictions Print	No restrictions
Cross ownership restrictions	No restrictions However, for reasons of pluralism, new licences will, in practice, not normally be given to a daily newspaper that has a dominant position in its distribution area.
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	No provisions

Market Situation – Audiovisual

Public service broadcaster: Sveriges Television (SVT), channels: SVT1, SVT2. It is financed via the licence fee and sponsorships and does not carry advertisements.
Main commercial operators: TV4AB, channels: TV4; Kanal 5 A.B. channel: Kanal 5.
Kanal 5 and TV 3 are established in the United Kingdom.

Audience share main channels 2004 - daily share (%):

SVT – 1	SVT-2	TV 3	TV 4	Femman/ Kanal 5
24.8	14.9	10.1	24.4	8.3

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation - Press

Top Ten Daily Newspapers (2004)

Title	Publisher	Circulation (000)	Readership (000)	Cover price SKr
Aftonbladet	Aftonbladet Hierta	444	1,444	8-13
Dagens Nyheter	Dagens Nyheter	363	907	15
Expressen inklusive GT och Kvällsposten	Kvällstidningen Expressen	342	1,187	8-13
Göteborgs-Posten	Göteborgs-Posten Nya	246	577	12-15
Svenska Dagbladet	Svenska Dagbladet & Co.	179	471	15
Sydsvenskan	Sydsvenska Dagbladets	136	327	12-15
Dagens Industri	Dagens Industri	117	434	20
Helsingborgs Dagblad	Helsingborgs Dagblad	87	167	15
Dalarnas Tidningar	Dalarnas Tidningar	65	146	13
Östgöta Correspondenten	Correspondenten i Linköping	62	149	13

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

	Circulation (000)
Bonnier	1,027,200
Schibsted	623,300
Tidnings Stampen	246,000
Gota Media	169,700
Gefle Dagblads Förvaltnings	151,000
Herenco	135,000
Centertidningar	117,700
Nya Wermlands- Tidningen	109,800

Norrköpings Tidningars	62,000
VLT	47,200

Source: World Association of Newspaper, Word Press Trends 2005

UNITED KINGDOM

Legal Base

Communications Act 2003

Regulation of Media Ownership

Ownership Restrictions Television	Secretary of State can intervene in media mergers that raise public interest considerations. Secretary of State can ask OFCOM and, if necessary, the Competition Commission to investigate any merger that could have a damaging effect on plurality, diversity or standards. It prevents unacceptable levels of cross media dominance and ensures a minimum level of plurality.
Ownership restrictions Print	Under the Communications Act 2003 any cross media ownership activity will trigger a public interest test that aims to ensure: plurality of ownership, economic benefits, no detrimental effect to the market.
Cross ownership restrictions	In every local area of the UK there must be at last three separate commercial media companies providing newspapers, radio, and terrestrial television. Nobody controlling more than 20% of national newspaper circulation may own more than 20% of an ITV licence. Nobody owning a regional ITV licence may control more than 20% of the newspaper market in that region. Nobody owning a regional ITV licence may own a local radio station with more than 45% coverage of the same area. Nobody owning a local newspaper may own a local radio station where the newspaper accounts for more than 50% of the circulation within the station's coverage area.
Foreign ownership restrictions Print and TV	No restrictions
Restrictions for political parties and organisations	Political organizations are not allowed to hold broadcasting licences of any kind

Market Situation – Audiovisual

Public Service Broadcaster: British Broadcasting Corporation BBC; channels: two national free-to-air channels, BBC1 and BBC 2 (with several regional versions) and a range of free digital channels (available on digital terrestrial and other platforms) including BBC3, a youth channel, BBC 4, BBC News 24, BBC. The principle source of income for the BBC is the licence fee because it has no advertising revenue but it does earn additional income through the distribution of television programmes, publishing, and videos via BBC Worldwide.

Main commercial company: ITV Network Ltd, ITV runs now more than ten channels after the merger between Carlton and Granada. One of the other major channels is Channel 4. Channel 5 is the newest arrival on the terrestrial television network.
Audience share of main channels 2004 - daily share (%):

BBC 1	BBC 2	C4	ITV	ITV 2	Five	Sky one	Sky sports 1
24.7	10	9.6	22.8	1.1	6.6	1.5	1.1

Source: European Audiovisual Observatory, Yearbook 2005

Market Situation – Press

Top Ten Daily Newspapers (2004)

Title	**Publisher**	**Circulation (000)**	**Readership (000)**	**Cover price £**
The Sun	News International	2.419	8.869	0.30
The Daily Mail	Associated Newspapers	2.093	5.665	0.40
Daily Mirror	Trinity Mirror	1.597	4.734	0.35
Daily Express	Express Newspapers	720	2.089	0.40
The Daily Telegraph	Telegraph Group	483	2.218	0.60
Daily Star	Express Newspapers	705	1.935	0.35
The Times	News International	485	1.629	0.50
The Guardian	Guardian Newspaper	288	1.072	0.60
The Independent	Independent Newspapers	179	628	0.60
Financial Times	Financial Times	101	495	1.00

Source: World Association of Newspaper, Word Press Trends 2005

Top Ten publishing companies (2004)

News International
Daily Mail and General Trust
Trinity Mirror
Northern & Shell
Barclay Brothers

Guardian Media Group
Independent Newspapers
Pearson
Gannett
Sport Newspapers

Source: World Association of Newspaper, Word Press Trends 2005