

# Media Subsidy in Denmark

## What states are doing to promote journalism

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**Ida Willig**

Professor, PhD

Head of Centre for News Research

Department of Communication and Arts

Roskilde University

Member of the Danish Media Board since 2014 &

Member of the media subsidy committee in 2012

# Conclusions first: How does the Danish state support independent journalism?

- Public service media
- Public media subsidies for privately owned media – *focus in this presentation*
- Covid-19: Extraordinary compensation for lost advertising revenue due to Covid-19
- At the moment: Media settlement are being re-negotiated. On/off debates about revising the public support scheme for both PSB and privately owned media.

# The Danish Media System

D. Hallin & P. Mancini: <i>Comparing Media Systems</i> (2004)	Mediterranean/ Polarized Pluralist model (France, Spain etc.)	Northern European/ Democratic Corporatist Model (Denmark, Germany etc)	North Atlantic/ Liberal Model (Britain, US, Canada, Ireland)
Newspaper Industry	Low circulation; elite press	High circulation; early mass press	Medium circulation; early commercial press
Political Parallelism	High political parallelism; external pluralism, commentary-oriented journalism	External pluralism esp. In national press; historically strong party press; shift towards neutral commercial press	Neutral commercial press; information-oriented journalism, internal pluralism (but external pluralism in UK)
Professionalization	Weaker professionalization; instrumentalization	Strong professionalization; institutionalized self regulation	Strong professionalization; non-institutional self-regulation
Role of the State	Strong state intervention; press subsidies in France and Italy, periods of censorship	Strong state intervention but with protection for press freedom; press subsidies, strong PSB	Market dominated (except for strong public broadcasting in Britain, Ireland)

# Denmark: A Dual Media System

- **PUBLIC SERVICE MEDIA**
  - Radio and television market dominated by public service broadcasters
  - Primarily funded by public funds
  - The Public Service Board
- **PRIVATELY OWNED MEDIA**
  - Written press (printed/online) dominated by privately owned media companies, some freestanding internet media
  - Partly funded by public funds
  - The Media Board

# The Media Board

- Appointed by the Minister of Cultural Affairs
- Administrative support: Danish Agency for Culture and Palaces
- Function: Media Subsidy and oversight

## Members

- Chair: Professor of Law
- Member app. by Danish Journalism Association
- Member app. by Danish Publishers Association
- Expert on media economy
- Expert on media innovation
- Expert on media business models
- Expert on news media

*And parallel to this, The Public Service Board*

# Danish Media Policy

- Traditionally based on political consensus
- Focus on diversity and pluralism (of titles and content) and on journalistic independence i.e. no political interference with content, **'the arm's length's principle'**
- Inclusion of the media industry in democratic policy processes
- Historically a strong political will to financially support media i. e. "market correction" (small media market, small language area, population 5,8)
- Traditionally 4 year media agreements

# Total financial frame for “media purposes in 2020”

<b>Total amount</b>	<b>4.952,9 million DKR/approx. 660 million €</b>
- from the Finance Act: 2.508,6	
- from media license fee: 2.444,3	

Source: [https://www.ft.dk/RIPdf/samling/20191/aktstykke/aktstk20/20191\\_aktstk\\_anmeldt20.pdf](https://www.ft.dk/RIPdf/samling/20191/aktstykke/aktstk20/20191_aktstk_anmeldt20.pdf)

## Media Agreement 2019-2023:

- Transition from media licence fee to media tax
- 20% reduction of DR, the public service broadcaster

## New VAT rules:

The Government has introduced identical rules for VAT on print and digital written news media after the required EU legal basis was cleared. The rules applied July 1 2019”.

# Media subsidy (*not to PSB*) before and after 2014

Until and including 2013: **DISTRIBUTION SUBSIDY** – supporting the *distribution of printed* news publications

- 2009: Media Subsidy Report (Rambøll og Anker Brink Lund)  
*Mapping of media support, and suggestions for future media support, including the suggestion that media support could be “platform neutral”*
- 2012: Media Subsidy Committee (Dyremose udvalget)  
*Three detailed models for future media support based on the production of news, not distribution of news*
- 2013: New Media Subsidy Law for public media support to privately owned media is approved by the ECC which underscores that it is a state subsidy

From 2014: **PRODUCTION SUBSIDY** – supporting the *production and innovation of written news, both print and online*

# Media Subsidy Law after 2014

- **Editorial production subsidy** (support for production of editorial content)
- **Interrim production subsidy** (support for media previously entitled to media support) *used in the first years*
- **Innovation subsidy** (support for establishing new media and innovating existing media)
- **Redevelopment subsidy** (support for news media in severe financial problems) *has not been used yet*

# Editorial Production Subsidy

Criteria **qualifying** for public media support as a news media (my translation)

- Media has to be independent (not owned by political parties, etc.)
- Editor in chief
- Editorial staff equivalent of 3 full time positions
- Broad target group
- Not owned (2/3) by labor market interests
- Frequency of minimum 10 times a year
- Half of the content has to be editorial (not commercials etc.)
- Content primarily political, social and cultural themes
- At least one sixth of the content has to be original journalism

(Etc.)

# Media Subsidy (*not PSB*) 2018-2020

**Media Support, 2018 – 2020 (million Danish Kr. / 1 DKR x7,5= 1€uro)**

Not including media license for PSB or indirect support (0-VAT) for print/online news media

Source: Danish

	2018	2019	2020
<b>Editorial Production support</b>	375	377	373
<b>Innovation support</b>	19	16	18
<b>Remediation support</b>	0	0	0
<b>Distribution support for "non-commercial" periodicals (Bladpuljen)</b>	20	20	21
<b>Compensation for lost advertising revenue in relation to Covid-19 (extraordinary pool)</b>	-	-	148 (also in 2021)
<b>Total</b>	414	413	556

Source: Forthcoming report from the NORDICOM/Nordic Council, on Covid-effects on the Nordic Media markets

# Nordic Media Subsidies (not PSB) 2020

	Support in total (mio €)	Support pr 1000 people(mio €)
Sweden	138 113 000	13 377
Denmark	74 431 000	12 773
Norway	52 690 000	9 836
Island	2 911 000	7 868
The Faroe Islands	268 000	5 065
Greenland	175 000	3 116
Finland	7 500 000	1 357
<b>Total</b>	276 089 000	Average: 7 627

# The future of public media subsidy

- On/off debates about revising the public support scheme for both PSB and privately owned media.
- Media settlement are being re-negotiated. Current issues are:
  - Regional news “deserts”
  - PSB cutbacks
  - Taxation on tech giants
- Re(a)curing issues are:
  - PSB online news presence
  - The role of boards and the tradition of having two boards
  - The tradition of broad agreements – end of an era?

# Support for science journalism media / The Innovation Pool

- Substance (feasibility study and establishment 2015 III): "Substance will contribute with responsible, fact-based news coverage and in-depth analysis of social conditions, politics, economics and the environment with a scientific starting point"
- Digital Denmark (preliminary study regarding establishment 2017 I): "new media to cover Danish digitalisation and its consequences"
- Rbot (establishment 2017 III): "Rbot.dk must be the leading news media for everyone who has an interest in following the 'robotisation' of Denmark closely."
- Ingeniøren / Ing.dk (development 2017 III)
- Clean Report (preliminary study regarding establishment 2018 I): "We want to create a new media that is dedicated, knowledgeable and in depth, continuously tells about the Danish cleantech environment and the scientific achievements that the industry is currently facing."
- E-MIK (establishment 2018 I): "The media must provide editorial content that will contribute to more qualified decisions about the proper use of the new, disruptive technologies and to qualify the public debate on the societal consequences of these decisions."
- News magazine about radical new technology (preliminary study regarding establishment 2018 I): "establish a journalistic online news magazine that deals with the intersection between radical new technology and the development of society."
- SuperDigital (preliminary study regarding establishment 2018 II): "The media focuses on new technology and how digital development affects our culture and Danish society"
- Ingeniøren / Ing.dk (development 2018 II) • techst (establishment 2019 I): "techst will describe and analyze the consequences of radical new technologies for citizens, companies and political development"
- SuperDigital (establishment 2019 II) • New Danish news media on digital culture (preliminary study on establishment 2020 I): "We want a media that deals with digital culture and modern technology's impact on our privacy, labor market, democracy and society."
- Naturavisen.dk (preliminary study regarding establishment 2020 II): "we will, via a critical journalistic approach, disseminate news about nature from a cultural, economic, political and popular angle"

# Support for science journalism media/Editorial Production Support

- Computerworld support since 2015
- Today's Medicine - support since 2015
- The engineer - support since 2015
- Medical Journals - support since 2019
- Monitor media (including Health Monitor and Climate Monitor) - support since 2021
- Science Report support since 2020
- Version2 - support from 2015-2019
- Watch Media (including energywatch, medwatch, itwatch and cleantechwatch) - support since 2015

**Thank you!**