

Media Plurality Series: The Transparency of Media Ownership



*In the next post in our Media Plurality Series curated together with the Media Power and Plurality Project, **Mark Thompson**, of the Open Society Media Program, argues that an important first step toward media pluralism in Europe is better transparency of media ownership.*

Amid all the attention that scholars and activists have paid to media ownership over the years, the transparency of ownership has been neglected. This is odd, because the public availability of accurate and up-to-date information about ownership is – undeniably – an essential component of democratic and pluralist media systems. And anybody who has worked on media and journalism standards outside North America and north-western Europe is likely to have witnessed the problems that result when ownership is opaque.

Media regulators and ordinary citizens must have access to information about who owns what. It is impossible to take steps to address excessive media concentrations and conflicts of interest – or even to identify such problems – if owners cannot be identified. Public knowledge of owners' identities helps to ensure that abuses of media power can be assessed, publicised, openly debated and perhaps even prevented. Transparency also ensures that people can be accurately informed about the interests and influences behind the news presented for their consumption, and that media markets can operate fairly and efficiently, especially towards new entrants.

The state of transparency in Europe

European organisations agree that transparency of media ownership is essential for media pluralism and democracy. This has been broadly recognised by the European Parliament, and by the European Commission's High-level Group on Media Freedom and Pluralism. The OSCE Representative on Freedom of the Media has **consistently urged** member states to **respect** transparency of **media ownership**.

Above all, it has been recognised by the Council of Europe. Thomas Hammarberg, as the Council's Commissioner for Human Rights (2006-2012), **concluded** "there must be transparency of media ownership." The Committee of Ministers has led the way in drawing attention to the importance of media ownership transparency and **urging member states** to "adopt any regulatory and financial measures called for in order to guarantee media transparency".

Despite this recognition of the importance of the principle, no systematic research had been carried out before **Access Info Europe (AIE)** and the **Open Society Media Program (OSMP)** examined the availability of ownership information in 19 European countries, in 2012.[1]

We found that the public in most of these countries cannot obtain a detailed and comprehensive picture of who owns all media outlets. The data available does not make it possible to identify the ultimate or beneficial owners of media outlets. In nine countries it is impossible for the public to find out who the actual owners of the media are through media-specific reporting or company registers. In only six countries can the public access sufficient information from the media authority to establish who owns the broadcast media; for print and online media this is possible in just two countries.

In only four countries does the ownership information submitted to a company register allow identification of the owner for all types of company (publicly listed, limited company, etc.), but such requirements do not apply to owners of other kinds of media outlets. For the broadcast media,

beneficial ownership is only required to be disclosed to the media authority in six countries and to the companies register in four countries.

What can be done?

This is clearly an unhealthy situation. AIE and OSMP have prepared a set of **detailed recommendations** for mandatory reporting requirements to disclose the entire ownership chain to a national media authority. This disclosure would allow the identification of beneficial and ultimate owners, back to natural persons. The information should be available to the public in an accessible format free of charge, and be published in a regularly updated and centralised database.

At the Council of Europe, the **Steering Committee on Media and Information Society** noted our research while the Parliamentary Assembly referenced it in a **report on media freedom**. The Committee of Ministers may yet be persuaded to issue a detailed declaration, pointing towards a clear international standard of media ownership transparency. This could then be used as leverage with member states and the European Union.

The wider context for this campaign is media pluralism, which is explicitly supported in the **Charter of Fundamental Rights of the EU (Art. 11)**. Yet progress in Brussels is bound to be difficult, given the Commission's extreme reluctance to legislate on media values and the certainty of push-back from powerful industry players against any meaningful disclosure regime. With elections to the European Parliament due in May, it may be harder still to make headway in 2014. The best opportunity may arise as and when the Audio-Visual Media Services Directive comes to be revised; without effective campaigns at national level, however, the opportunity will prove elusive.

More positively, this initiative coincides with an unprecedented global debate around company ownership transparency. (**Commitments at the Open Government Partnership** and the **G8** are recent proof.) Transparency of media ownership is an idea whose time has come.

This blog post gives the views of the author, and does not represent the position of the LSE Media Policy Project blog, nor of the London School of Economics.

[1] The countries are Austria, Azerbaijan, Bulgaria, Croatia, Cyprus, Georgia, Germany, Iceland, Italy, Latvia, Luxembourg, Macedonia, the Netherlands, Norway, Romania, Spain, Switzerland, Turkey and the UK, plus Morocco as the 20th country. Open Society Foundation, part of the Open Society Foundations, is a company limited by guarantee registered in England and Wales (company number 4571628) and a registered charity (charity number 1105069). Its registered office address is 7th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP

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