



Research Observatory on Media and Journalism
Louvain School of Journalism

The Role of Public Authorities In The Transition to Digital Daily Written Press In French-Speaking Belgium

“Media subsidies have largely remained frozen in their late-20th century form.” (Nielsen, 2013)

⇒ Are public authorities in French-speaking Belgium adapting their support adequately as written press transitions to digital channels?

Interviews

- “Paper” players: daily print newspapers groups
- One pure player: Newsmonkey
- La Presse.be: newspaper publishers association
- AJP: professional journalists association
- UBA and Space: Belgian advertisers sector

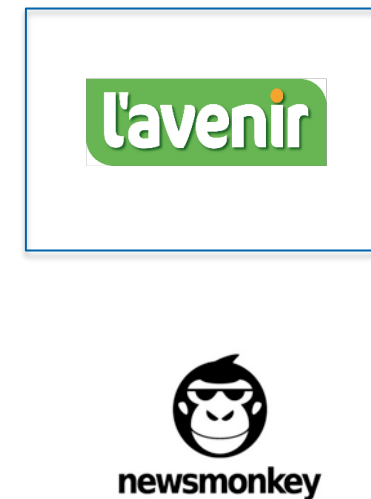
Rossel



IPM



Éditions de l'Avenir



Indirect subsidies

- Government subsidies (€ 200 million/year) for delivering print press subscriptions (2016-2021)
- Taxation benefits on copyright: 15% (2008)
- Public transportation advantages for journalists
- VAT exemption (0%) only for print sales, but not digital or advertising
- However, agreement with the fiscal Belgian federal administration to apply VAT exemption on digital products (2016) under some conditions
- Bundled offer: print (first product) and digital (second product)

Indirect subsidies



DIGITAL	DIGITAL+	INTÉGRAL
àpd 5,75€/mois TVAC	àpd 11,25€/mois	àpd 25,75€/mois



Numérique
100% digital

0,44€/jour
13,15€/mois

Mixte
digital + 1 jour papier

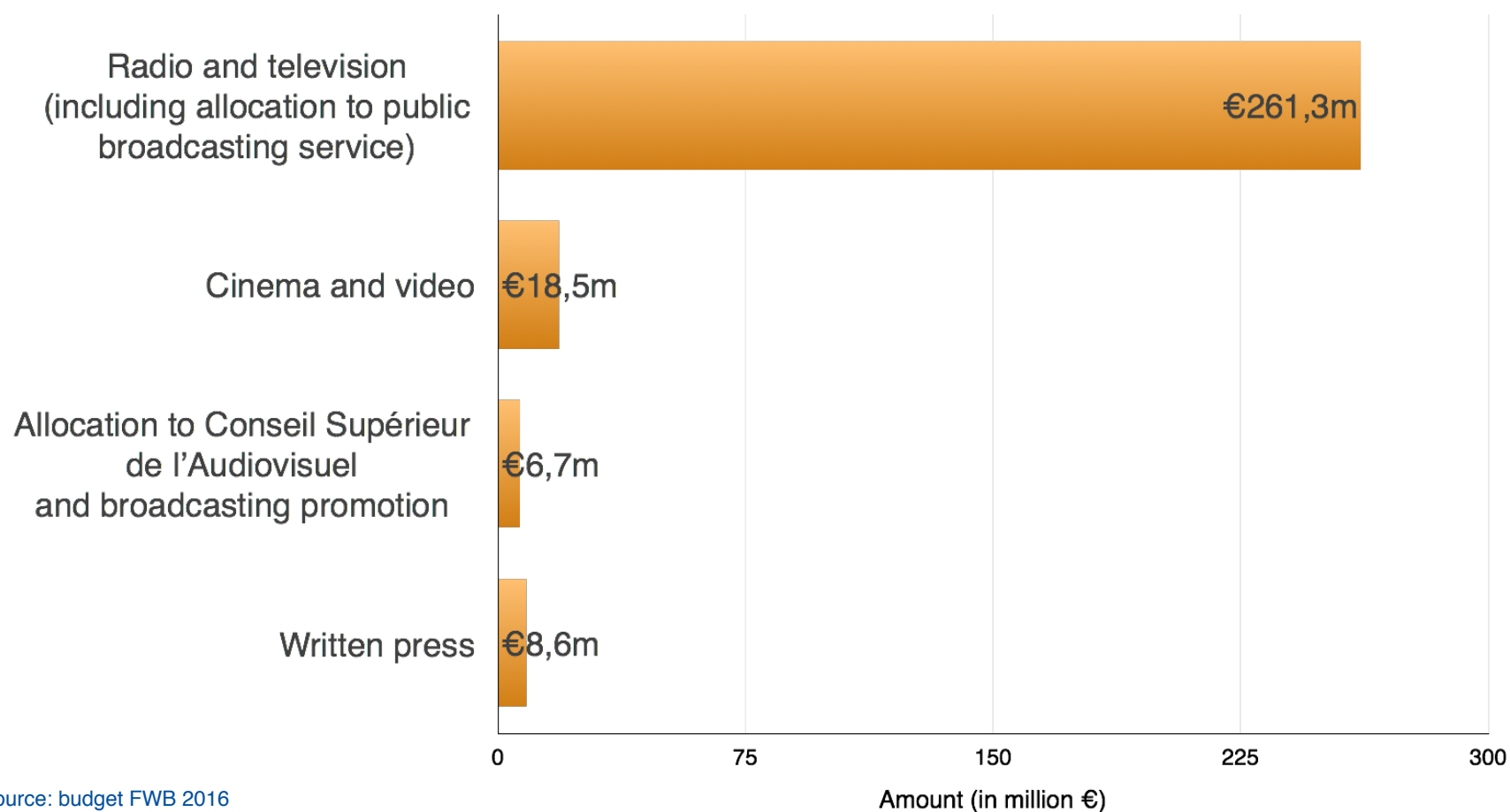
0,50€/jour
14,95€/mois *

Premium
digital + 6 jours papier

1€/jour
29,50€/mois

Sources : www.lesoir.be,
www.lavenir.net

Public spending for media in French-speaking Belgium (2016)



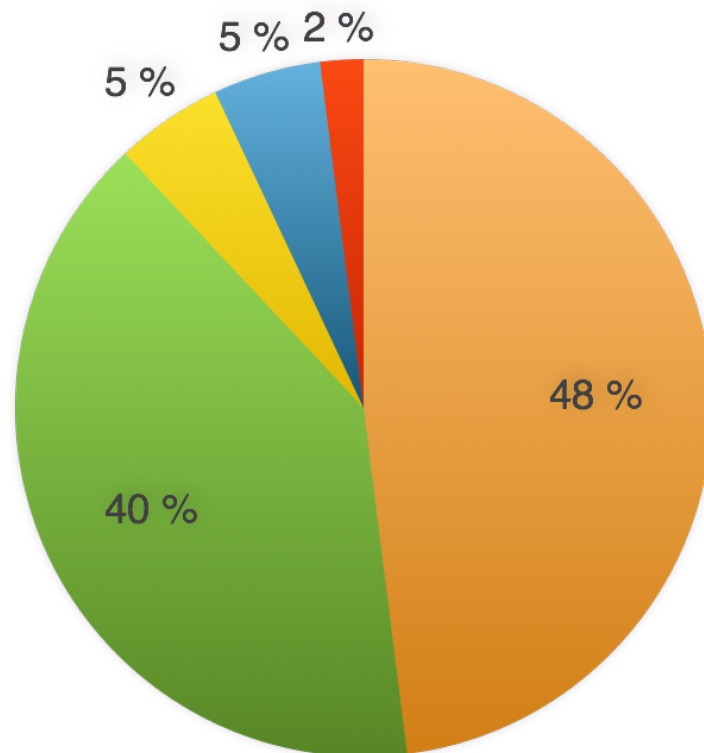
Direct subsidies to written press (2016)

91 % of the amount dedicated to the print press goes to the “Centre d’aide pour la presse écrite” (€ 7.754.000)

The rest goes to:

- Direct subsidies to opinion press and periodical press (€ 272.000)
- Professional Journalists Association (€ 184.000)
- Deontological Board (€ 90.000)
- Funds to investigative journalism (€ 250.000)

Direct subsidies: distribution criteria

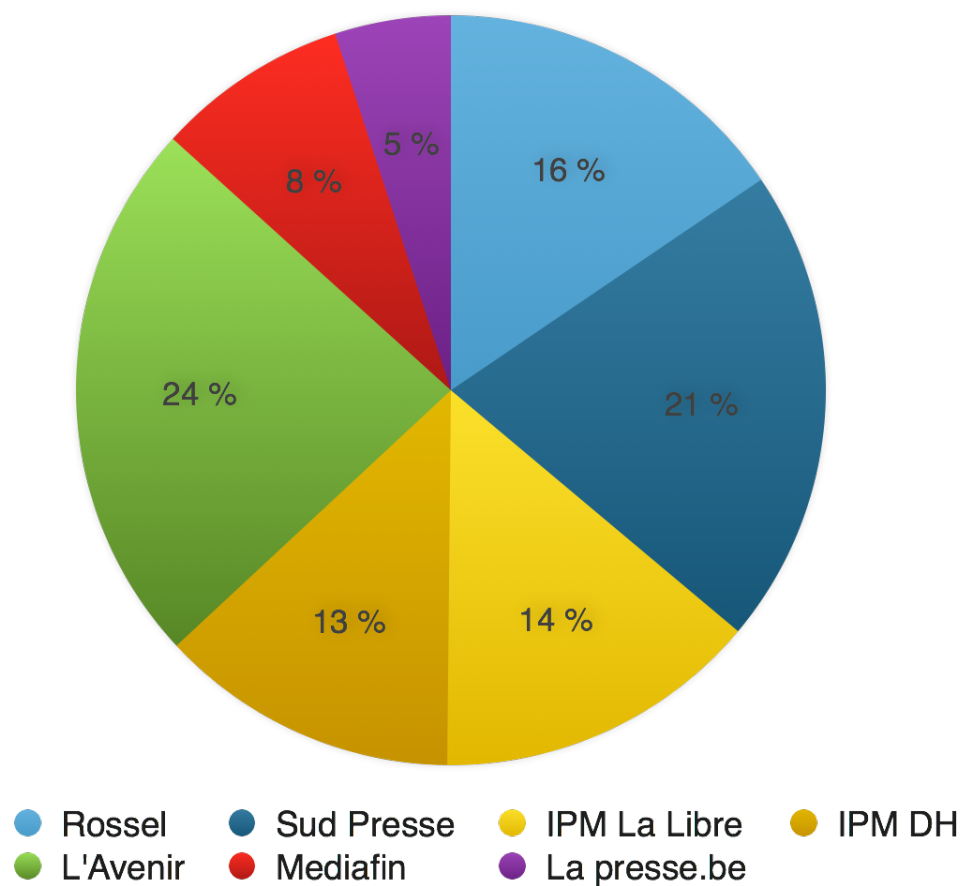


A system replacing two federal laws:

- Protect diversity by helping small actors
- Offset publishers' losses of advertising revenues after allowing advertising on private and public broadcasting by helping big actors

- Journalists employment
- Support to pluralism
- Support to daily newspaper creation
- Reading incentives
- Adaptation to modern communication technologies

Direct subsidies: distribution among publishers (2016)



Journalists employment (48%)

- This criteria is perceived as healthy, but with caution:
it should not include journalists copy-pasting news items

“It really is at the heart of the profession, because a publisher’s job is to produce information.” (La Presse.be)

“This criteria is essential. But we have to stop including everything and anything. It becomes very dangerous: people copy-pasting briefs are included.” (Éditions de l’Avenir)

“It remains adapted to digital, even if you can do 7sur7 with three journalists. It is content aggregation. You don’t produce much.” (Rossel)

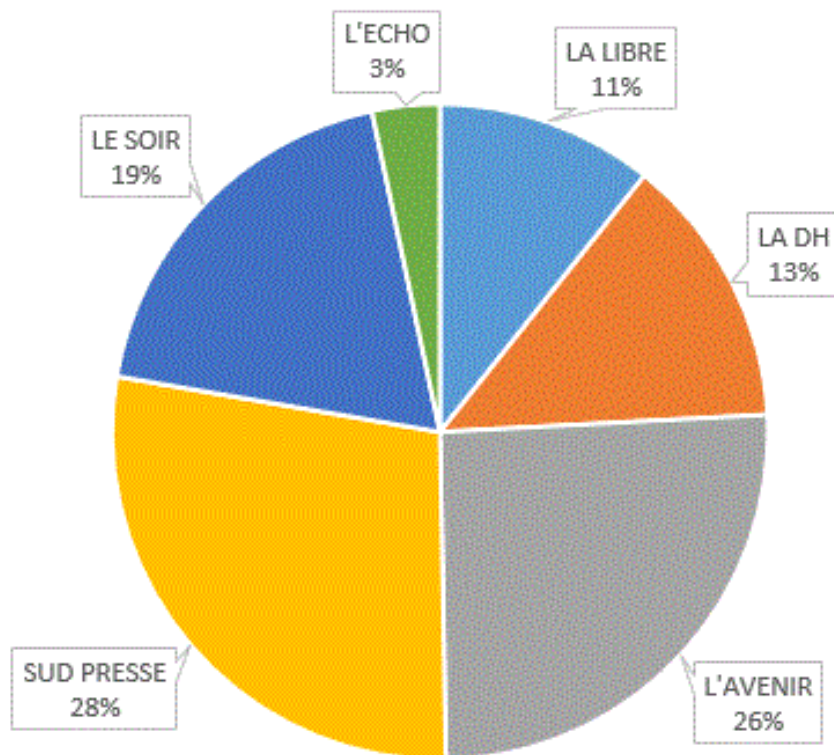
Support to diversity (40%)

- Promote newspapers less profitable
- Formula: paid circulation / (Net revenues from advertising + net revenues from paid circulation)
- Only print criteria
- The difficulties to introduce of digital audience

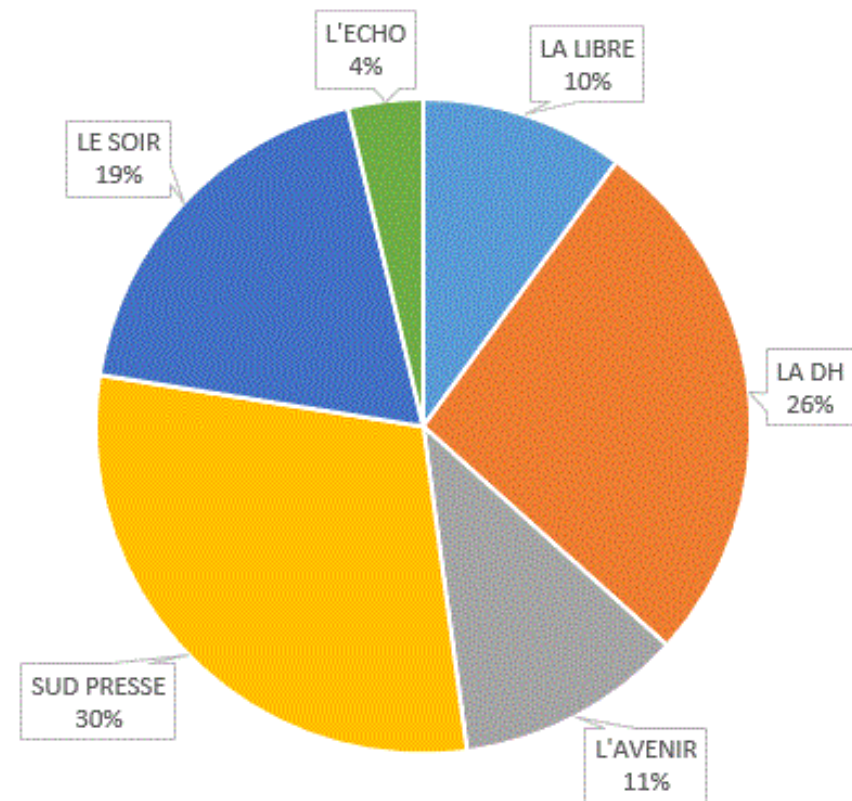
“The criteria is obsolete but it will be difficult to put into consideration the digital audience. In the digital area, the audience must be analyzed : which measurements? I don’t know if it will be very pertinent because French-Speaking newspapers have a paper audience which corresponds to digital audience.” (Mediafin)

Support to diversity (40%)

Average paid circulation of newspapers by day (2015)



Average page views of newspapers websites by month (2015)



Adaptation to modern technologies

- This criteria weighs only 2 % of the direct subsidies distribution.

“It is obsolete. Our costs in next years won’t be close to 2 % on digital platforms.” (Éditions de l’Avenir)

- But there is not a real call for change: any subsidies received are targeted to digital investments anyway.
- Publishers do not submit specific application for it: if not allocated, the amount goes back to the “common pot”.

“Given the low amounts, publishers prefer to submit a global application. It is a loss of time. Whatever happens, these subsidies are used to adapt to new technologies.” (La Presse.be)

Other subsidies

- **Complementary aid for publishers:**
 - € 635.000 in 2012-2013, € 1.635.000 since 2014
 - In 2016, complementary subsidies were granted under the condition that print media publishers found a solution to moderate comments on their websites

“The print media publishers worked together to find a common company to moderate comments. We mutualized costs. It was less expansive than if each publisher had taken agreements with a specific company.” (IPM)

- **Support to digital journalism training courses (€ 150.000):** Multilateral agreement (2016-2018) between FWB government, AJP, Lapresse.be and magazine associations
- **Launching freelance.be (€ 60.000):** in 2014

→ Relatively low amounts comparing to the global budget

Other subsidies



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Journalistefreelance.be est le site de référence des journalistes indépendants belges francophones. Il a été réalisé par l'Association des journalistes professionnels.

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05/04/2017

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Tweets de @ajpjournalistes

AJP a retweeté



Philippe Baldelli
@philbaldelli

Ceci pourrait intéresser des membres @ajpjournalistes
@EFJEUROPE @abellanger49
@Molenews1 @IFJGlobal



3 h



AJP
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.@CanalC_TV engage un
#journaliste (M/F/X) #journalisme
#emploi ajp.be/journaliste-te...



4 h



AJP

Regional support

- Digital Wallonia: project Infotelligence (now Smart Content)
- Objective: better digital personalized news for consumers
- Innoviris funds of Brussels Capital region is dedicated to innovations and digital projects.
- These subsidies are not specific to the press sector, any company can apply for it.

“We financed two digital projects with the Innoviris fund. Each project was supported by an amount of € 300.000. The first project consisted of developing our IT infrastructure and renovate our website design (2012). The second project aimed to set up a new service for online payments, to develop our customer relationship management system (CRM) and finally to improve our computer network.” (IPM)



A paradox: the system is not adapted but...

- On some aspects, the system was obsolete (2% for the adaptation of new technologies or criteria supporting diversity)
- But public authorities measures have a positive impact on the general economic situation of print publishers

“A daily newspaper can allocate all amounts received from press aids for the digital transition.” (AJP)

“ In my business model, I count on direct subsidies each year: digital transition or not. These aids do not especially help us for the digital transition. It helps us. That’s all.” (IPM)

A system evolution for the next years?

- Not from the legacy players

“A revision implies opening new debates between the protagonists. Potentially, it can disrupt the equilibrium between print media publishers in French-speaking Belgium.” (La presse.be)

“We are satisfied by the system. I do not want to change it. If you adopt a new measure or a new criteria, it will create tensions. It is not necessary to change a system which has been working here for ten years.” (IPM)

A system evolution for the next years?

- Claims to adapt the system on some aspects (AJP)
- Will new entrants call for a change?

“Public authorities spend almost nothing in the innovation digital sector. At the same time, the state is allocating enormous amounts to the old sector of print media. Each year, public authorities spend almost one billion euros in a dying sector. We absolutely need to change the system”. (Newsmonkey)

“We are in schools. We have the youngest audience amongst newspapers in French-Speaking Belgium. Teachers use Metro to teach French to immigrants or young people who are in a socially disadvantaged environment.” (Métro)

The real stake is regulation

- This is particularly true in a small state.
- On two levels:
 - National: public vs private actors both on sales and advertising markets.
 - International

“Direct subsidies are nice, but don’t change our ecosystem. Regulating the market is much more important. The smaller the market, the more regulated. Why? A small country’s ecosystem does not allow diversity without regulation. We need to regulate the advertising market and the market between private and public operators so that they complement and not destroy each other.” (Rossel)

GAFA

- International players disrupt the media ecosystem
- Value is transferred away from the place it is produced
- This battle takes place at the European level
- Linked to copyright issues and ancillary rights
 - Publishers are asking for ancillary rights to strengthen their position towards Google
 - AJP: journalists should be paid for these rights

“We need means at the European level against Google’s mighty power. It is essential. I ask that a Minister of Media, instead of direct subsidies, would carry this battle loudly at the European level.” (IPM)

“The digital economy’s problem is not a lack of funds. It is a problem of distribution of value. The state should not invest a euro in this economy. It should regulate.” (Rossel)

Initiating debate: suggestions

- “An Internet license fee” on subscriptions to access the Web or on devices

“With two euros a month from every 4G subscription, we can pay for all newsrooms in the country.” (IPM)

- Mutualizing tools, especially in smaller countries: software development, printing, sport newsrooms. It still allows to produce unique content.

“It’s a confetti market. We’ll need the same tools. Mutualizing them and be helped in that development, it makes sense. It is what our public partner needs to ask from us.” (Éditions de l’Avenir)

Initiating debate: suggestions

- Building a sense of citizenship and encourage news reading in schools, whether on paper or on digital platforms.
- Replacing direct subsidies with advertising space for government communications.
- Directing all direct subsidies to journalists training on digital platforms.



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