

Response to the COVID-19 impact on the press sector

Sector Specific measures to support the press sector in the EU + UK

Country - page	Measures Press sector	Details
Austria - (pg 2)	yes	€12,1 million for daily newspapers and €2,7 million for weekly newspapers
Belgium -	yes	Gov will purchase advertising space in the press sector, among others. A fund has been dedicated to freelance journalists
Bulgaria	unknown	
Croatia	no	
Cyprus	unknown	
Czech Republic	no	
Denmark - (pg 2)	yes	Refund proportionate to ad revenue loss
Estonia	no	
Finland - (pg 3)	unknown	Proposed reimbursement of VAT paid in the first part of 2020
France - (pg 3)	yes	Compensation for partial unemployment in the press sector
Germany - (pg 3)	no	Measures aimed at the media sector yet to be concretized
Greece - (pg 4)	yes	Compulsory for businesses deemed essential to sell newspapers
Hungary	no	
Ireland- (pg 4)	unknown	
Italy - (pg 4)	yes	Advertisement bonus
Latvia - (pg 5)	unknown	Latvian Culture Minister announced measures for the culture and mass media industry
Lithuania	unknown	
Luxembourg - (pg. 5)	yes	Regulation adopted to promote online journalism (not directly linked to the coronavirus crisis but still available)
Malta	unknown	
Netherlands - (pg 5)	yes	Temporary emergency media fund for local journalism of €11 million adopted
Poland	unknown	
Portugal	unknown	
Romania	no	
Slovakia	unknown	
Slovenia	no	
Spain - (pg 5)	yes	Reduced VAT to 4% for digital publications
Sweden	unknown	
United Kingdom - pg. 6	yes	VAT deferred, 0 rate for e-publications. Gov to spend in advertising.

AUSTRIA

- The government has proposed measures to help the media sector which have been passed by the parliament on 1 April:
 - A total of around €32 million are to be distributed to commercial private channels (€15 mn), daily newspapers (€12.1 mn), weekly newspapers (€2.7 mn) and non-commercial private channels (€2 mn)
 - Special funding for printed copies for daily newspapers
 - Special sales promotion for daily and weekly newspapers
- On 17 April, Austria adopted guarantee schemes to support affected SMEs

BELGIUM

Media and press sector:

- €3 million are to be distributed to media which require a support
- The government will purchase advertising space in all the national media. It's meant to be a supportive measure.
- €550 000 are to be distributed to freelance journalists
- The government is going to start a study how to make media more independent from advertising revenues.

Belgium created a guarantee scheme mobilising €50 billion support for companies affected by coronavirus outbreak.

DENMARK

Support scheme for media will cover the period from 9 March until 8 July:

- Standard annual subsidiaries (DKK 360mn) are paid in full immediately and not in rates
- Media with ad revenue loss of 30-50% receive a 60% refund
- Media with ad revenue loss above 50% receive a 80% refund
- The support plan covers **all media companies which are registered at the Press Council**
- The package is without limit but estimated to cost DKK 180 mill.
- Some political parties also agreed to pay the media support a total of DKK 368 million. However, this is money that the media had already budgeted for.

Taxation and VAT measures (first quartiles of the year):

- Delayed VAT payments and labour contributions, increased tax account limit, automatic extension of tax deadlines, salary guarantees and sick leave payments for employees, cash flow assistance and loan guarantees.
- Companies will get back some VAT payments they made last year as zero-interest loans and that companies which pay out dividends, buy back own shares or are registered in tax havens won't be eligible for any of the aid programs.

SMEs: the EC approved three state aid guarantee schemes worth € 130 mn to support SMEs, plus an additional €5.4 billion aid scheme to compensate affected companies.

FINLAND

- Finnish media asked for temporary VAT returns on subscription sales or, as an alternative, zero VAT rates
- The government suggested a plan whereby the value-added tax paid in the first part of 2020 could be reimbursed to businesses. The reimbursed VAT would become a loan to businesses, the already paid value-added tax of which can be borrowed back. The loan should be paid back to the state in two years.
- The government also planned for grants to SMEs and the EC approved two state aid schemes of public guarantees and subsidised loans to support companies suffering the effects of the pandemic for a total of € 5 bn

FRANCE

- On March 18 the Minister of Culture announced an aid of 22 Million Euros for the cultural sector with further " specific measures" to be added to the first support measures. It foresees:
 - guarantee of up to 70% for loans granted by banks
 - the establishment of a capital repayment franchise on its own loans
 - Reimbursement of receivables linked to tax credits may also be accelerated
- On 16 April a decree has been adopted on partial unemployment in the press sector, among others:
 - Freelance journalist may benefit of a compensation if they could not work normally

On 15 April, the "Fonds de solidarité scheme" was prolonged and modified for small enterprises in temporary financial difficulties due to coronavirus. On 20 April, a €7 billion "umbrella" scheme to support the economy was adopted as well.

GERMANY

- Economic aid package for the cultural, media and creative industry of 50 billion euro:
 - Immediate relief (i.e. grants) for self-employed and small businesses and social security (including unemployment insurance) made available to freelancers for a period of six month
 - Loan deferral and tax reduction facilitated
 - Measures aimed at the media sector yet to be concretized
- Germany adopted schemes to support the economy. On 11 April, Germany made amendments to its previously approved schemes to further support the economy.

GREECE

- On 21 March, the government made compulsory for businesses deemed essential, such as supermarkets and mini-markets, to sell newspapers. Non-compliance can be punished with a fine.
- Freelancer, sole proprietors and self-employed have been granted access to the ERGANI platform, where affected taxpayers can apply for a compensation of 800 Euro. It also specifically applies to those working for newspapers, magazines and other publishing activities.
- [Guarantees on loans](#), implemented through the issuance of guarantees by the Hellenic Development Bank (HDB) to financial intermediaries open to all Greek undertakings; [Repayable advances scheme](#) amounting to an estimated €1 billion open to companies active in all sectors and targeted at companies having temporary financial difficulties.
- Three support schemes for a total of € 4.2 billion to support the economy and SMEs

IRELAND

- Relief on the interest on late payments of January/February and March/April VAT and February, March and April PAYE liabilities are to be suspended for SMEs (turnover < €3mn); tax returns must be sent on time; however, Irish Revenue committed to working with taxpayers where they have difficulty in meeting payment obligations and will waive interest for certain taxes.
- COVID-19 Wage Subsidy scheme: refunds employers up to 70% of an employee's wage; there is no obligation on employers to top up the 70% payment and it is available to employers from all sectors.
- The EC approved two € 200 mn schemes to support struggling businesses

ITALY

Advertising bonus: tax credit for incremental investment in advertisement on daily and periodical press (including online, both local and national) corresponding to 30% of the whole investment in advertising for 2020

- Firms with less than 5000 employees and a turnover of less than € 1.5 billion will receive a coverage of 90% of the requested amount; coverage decreases for bigger firms or firms with a higher turnover
- € 30 billion are reserved to SMEs of any size; the protection fund for SMEs has been reinforced both in capital and in financing capabilities
- Suspension or postponement of VAT and taxation payments and contributions for turnovers under € 50 million that experienced a drop in revenues of at least 33%; tax credits for companies that suffer a 25% drop in revenues.
- Debt moratorium for affected SMEs plus two guarantee schemes for a total value over €200 billion to support SMEs and the economy as a whole.

LATVIA

- On 26 March Puntulis, the Latvian Culture Minister, promised that no one working in the culture and mass media industry will be forgotten during the COVID-19 crisis. The Latvian Government has been postponing decision-making for Culture Ministry's prepared offers to support the culture and the mass media industry. Though no measures have been adopted yet
- €250 million subsidised loan scheme and loan guarantee scheme.

LUXEMBOURG

- The government wants to support online journalism. That is why the government adopted a regulation on 11 March 2020 in order to promote online journalism. The beneficiaries will receive 100 000 € if they comply to the requirements for at least 6 months:
 - To be published by a publisher based in Luxembourg
 - To employ at least 2 journalists
 - To provide information of general interest
- This initiative is not directly related to the coronavirus pandemic, but journalists can receive this support.
- Adoption of €300 million scheme to support affected companies.

NETHERLANDS

- The Netherlands have created a temporary emergency media fund for local journalism of €11 million. Under this scheme both local public broadcasters and local news outlets can apply for this aid
- Adoption of €100 million subsidised loan scheme to support SMEs

SPAIN

- Reduction of VAT rates from 21 to 4% for all digital publications (books, magazines and online newspapers (€24 million)
- Possibility for the press sector to use ERTes (temporary work arrangements)
- Tax payment deferrals for SMEs for six months (€14 billion); exemptions of social contributions by impacted companies that maintain employment under the ERTE; tax payment deferrals for small and medium enterprises and self-employed for six months (€14 billion); extension of the deadlines for filing tax returns and self-assessment to May 30 for SMEs and self-employed; flexibility for SMEs and self-employed to calculate their income tax and VAT installment payment based on the actual profit in 2020 (€1.1 billion).
- Two umbrella schemes of state aid + two guarantee schemes for companies and self-employed workers with a total budget of €20 billion

UNITED KINGDOM

- The Director for Media and Creative Industries [answered](#) in a letter to PPA giving some reassurance regarding the exceptional support measures; however, from the letter it is not clear whether the press is included in the “leisure services”.
- VAT payments will be deferred between now and June and a zero rate is being applied to e-publications. The government committed to support through spending in advertising, saying that they are preparing a heavy use of print advertising.
- The deferral does not apply to VAT payments under the Mini One Stop Shop (MOSS) scheme under which VAT is reported and paid on sales of digital services to consumers in the EU. The deferral is available for UK-VAT registered businesses.
- Coronavirus Business Interruption Loan Scheme, with access to government-backed loans of up to £5 million for UK businesses with no interest for the first six months and 80% guarantee provided by the government
- Joint HM Treasury—Bank of England Covid Corporate Financing Facility which makes £330bn of loans and guarantees available to businesses
- Two separate UK State aid schemes to support SMEs: the first will cover 80% of loan facilities for SMEs, the second sets GBP 600 million for direct support to SMEs directly affected by the outbreak + a £50 billion UK “umbrella” scheme.

42 MEPs CALL FOR IMMEDIATE SUPPORT TO NEWS MEDIA SECTOR

The Latvian MEP and vice-chairman of the EP Culture and Education Committee, Dace Melbārde, asked the EU to form an emergency fund to support media and journalism. She and 41 MEPs sent an open letter to chairmen of all EU institutions. They point out the state of media sector, which is “being decimated by the crisis”. Indeed, in some member states the sector is being hit with a drop of as much as 80% of advertising revenues despite the key role played by the media and press sector during the crisis. The MEPs state that the situation is “particularly grim” in smaller countries, where the advertising revenues were already limited before the current outbreak. That is why they are asking the EC:

- to launch an emergency fund to support the media and press sectors. A NEWS grant programme in order to directly support “news media and quality journalism”. A special attention should be paid to local and regional media as well as for news media operating in small markets.

- to consider redirecting from the ongoing programmes some of the unused funding due to COVID-19 outbreak to fund such a programme.
- to redirect communication budgets to national news media instead of big platforms.

They are also encouraging governments of the member states to provide direct and indirect support to the media sector.

EMMA - ENPA LETTER FOR THE EUROPEAN COMMISSION

Following the meetings of the ENPA Executive Committee and the EMMA Board, we shared a letter with the president of the European Commission, Ms Ursula von der Leyen, and a selected group of relevant Commissioners. The letter asks for sector specific aid to the press in view of the current Covid-19 crisis. We stressed the important role of the press as a reliable source of information during the crisis and asked for appropriate support to ensure the sustainability of the sector. We stressed that any prospective aid scheme should benefit the press as a whole, including newspapers and magazines, as well as the B2B and B2C press. The full text of the letter is available upon request.