PUBLIC FUNDING FOR PRIVATE MEDIA IN THE MENA REGION

By Sarah Zaarour

1. Introduction

Under international law, states are required to create an enabling legal and regulatory environment that supports a free, diverse and pluralistic media sector. Financial support provided by public authorities to private media organisations can help protect and promote pluralism and diversity in the media, provided that effective safeguards are put in place to prevent governments from interfering in editorial policy and independence.

Challenges posed by media globalisation and digitisation combined with falling audiences and advertising revenues are the key reasons behind the creation of public funding schemes to support the press in the MENA region. Monolithic media landscapes and poor journalistic content has driven the public away, with old and young audiences alike turning to regional satellite channels, social media platforms and foreign media.

Various models have been developed by governments and professional organisations to support the media sector and promote sustainable journalism in the region. The foremost examples can be found in Morocco, Tunisia and Mauritania. Attempts to launch public funding schemes in Jordan and Palestine have been hindered by an absence of regulations and employers' associations capable of negotiating them but, nevertheless, a number of interesting initiatives to support private media have been launched there.

This research paper was commissioned by BBC Media Action to support discussions in a national conference in Sierra Leone in April 2022 aimed at fostering an enabling environment for media investment and at exploring new ways of supporting independent media. Combining desk research and interviews, it examines national funding mechanisms for private media in the five selected countries, and gives a general assessment of their role in promoting viable, independent, and diverse media.

2. Morocco: a substantial fund under government supervision

2.1. Context and legal framework

An independent, free and critical Moroccan media sector rose in the early 2000s from the ruins of an autocratic regime. The revision of the press law in 2002 offered media outlets greater protection against suspension and closure. Even if television remained a state monopoly, tens of new independent titles emerged, gaining ground over government-controlled publications.

Morocco's Constitution (revised in 2011) guarantees press freedom, unrestricted *"by any form of prior censorship",* stipulating in the same Article 28 that public authorities should "*support the organisation of the press sector*", "*determine legal and ethical rules related to it*", and establish in law "*rules of organisation and control of public means of communication*."

Moroccan news publications derive their revenues from advertising, sales, private contributions and public subsidies. In 2005, after several years of negotiation between the government and publishers, a public fund to support the press sector was set up. It was created against the backdrop of a global media crisis and digital transformation in order to support a struggling sector and prevent the collapse of legacy newspapers.

Launched in the form of three-year programme contracts between the Ministry of Culture and Communication and the Fédération marocaine des éditeurs de journaux (FMEJ), the newspaper publishers' association, the scheme was primarily aimed at supporting press outlets by helping them bridge the gap between low income and high production costs. It also set out to build capacity, improve diversity, quality, and outreach within the sector. Two programme contracts were signed between the Ministry of Communication and the FMEJ. The first, which covered the period from 2005 to 2009, was prolonged until 2014; then a second contract spanned the period from 2014 to 2019.

The 2016 revised press law held that *"the State pledges to guarantee the freedom of the press, the consecration of democracy and the plurality of the media",* but fell short of removing prison sentences for journalists, maintaining the courts' ability to impose jail terms of up to five years for the publication of comments deemed defamatory to Islam or the monarchy, based on the Penal Code (Articles 104 and 106).

Article 7 of this law provides a legal basis for public funding for the press: *"The press, publishing, printing and distribution sectors benefit from public aid in accordance with the principles of transparency, equal opportunity and neutrality, in order to promote reading, to reinforce pluralism and to support the human resources of the said sectors. The terms and conditions for benefiting from the aforementioned aid are set by regulation according to objective criteria with absolute respect for the independence of the press companies benefiting from the aid."*

The regulation was issued three years later, with the adoption of Decree No. 2.18.136 in March, 2019[1], which set conditions and criteria for benefiting from subsidies, stipulating that methods and means for allocating funds would be decided by a joint decision of the Ministry of Communication and the Ministry of Finance (Article 1). The system is largely inspired by programme contracts between the Ministry of Communication and the newspaper publishers' association (the FMEJ).

Since its launch in 2005, the fund offered the written press much-needed support, as advertising revenues plummeted. In 2016, revenues for the press were less than a quarter of those received by the broadcasting sector ($219 million for TV and radio combined), and its advertising market share was just 13%. In its 2021 report titled "*The Moroccan press and the impact of the Covid-19 pandemic*", the Moroccan National Press Council (CNP) stated that, according to Imperium Media, the total value of advertising in the country was around MAD 3.24 billion in October 2020, with only 9% or MAD 29.6 million going to print newspapers.

2.2. Mechanisms

2.2.1. Selection criteria

Decree No 2.18.136 (2019) includes references to constitutional and legal provisions and defines the key objectives of public funding for the press as:

- Increasing reading and audiences;
- Fostering pluralism;
- Supporting professional training and capacity building;
- Creating enabling conditions for enterprise and investment in the media sector.

The funding scheme includes core funding to help outlets to cover production costs, modernise and broaden distribution; as well as complementary funding that can cover the costs of capacity-building, including training on marketing and information technologies. Both print and online news outlets can apply. Access to funds is conditioned on applicants reaching certain thresholds in terms of size and distribution, and respecting legal, conventional and ethical obligations.

Article 2 of the Decree lists common conditions for accessing funding for press, printing and distribution companies in Morocco. They are:

- Newspapers must have been in operation for two years (except for online publications where it is just one year).
- They must abide by the press and publications law 88.13.

[1] Decret appui à la presse 6 March 2018.pdf

- They must pay social contributions.
- They should be solvent and up-to-date with their debt, tax and salary payments.
- Conditions specific to the press sector include the application of journalists' collective agreements signed by the FMEJ and the SNPM (the journalists' union) and observance of the journalistic code of conduct.
- Print newspapers must employ an editor-in-chief and a minimum of 11 journalists for national dailies, six journalists for weeklies, five journalists for regional dailies, and two journalists for bi-weeklies, monthlies, and regional weeklies.
- Online publications must have a publishing manager and a minimum of three permanent journalists.
- Advertising space cannot exceed 50% of the entire print publication or 30% of the online publication.

The size of funding is based on a ranking system for applicants that is managed jointly by the ministries of Communication and Finance. Calculations are based on circulation, wages, and production costs for print newspapers; and on wages and hosting costs as well as the traffic levels for electronic publications (Article 3). Grants are awarded by a Joint Committee which examines applications and determines percentages and maximum levels of support, based on the above criteria (Article 4).

The Committee, which meets twice a year, comprises 17 members (Article 5 of the Decree) defined as:

- Five representatives from the Communication Ministry, including the president of the Committee.
- One representative of the Ministry of Finance.
- One representative of the Ministry of Culture.
- The head of media development committee under the National Press Council.
- Six representatives from the newspaper associations with the largest representation.
- Another two publishers not affiliated with the association (in June 2020 a second association representing news publishers was established, l'Association nationale des médias et des éditeurs).
- One representative of the newspaper printing and distribution sector.

Representatives of professional associations' are nominated for a period of four years which can be renewed.

In summary, the 17 members comprise seven from the government, eight publishers, a representative of the National Press Council and a representative of the printing and distribution companies.

Article 8 stipulates that members of the Joint Committee should refrain from participating in meetings where decisions are taken on applications in which they have a direct or indirect stake.

2.2.2. Fund for private radio stations

In December 2020, a Finance Law restored the access previously enjoyed by private radio stations to the Audio-visual Development Fund. This overturned a 2008 ruling which had restricted the fund to public broadcasters, excluding private radios. The amendment was the result of long-standing calls to support private radios led by the Association of Independent Radios and Televisions (ARTI), the Moroccan Media Federation (FMM) and the National Association of Media and Publishers (ANME).

The level of funding available to this sector and the mechanism for managing the fund are unclear. In statements welcoming the support, the professional associations declared that this move "*committed private radio stations to provide even greater efforts to carry out their various missions, in particular the defence of the national project and its sacred causes*"[2]. In a separate statement, ARTI pledged "*continuous commitment to defend national causes, the most important being the kingdom's territorial integrity*"[3].

[2] Le Fonds de développement audiovisuel (re)bénéficie aux radios privées (lobservateur.info)
[3] Le Fonds de développement audiovisuel englobe désormais les radios privées (lopinion.ma)

2.2.3. Size of funding

In the period from 2005 to 2020, the Moroccan Government awarded more than €100 million to the press sector including digital media.

In the period from 2005 to 2019, over €80 million was distributed to newspapers and digital media through the mechanism and the number of press outlets receiving support soared from 35 in 2005 to 160 in 2020. In 2016, the size of grants for media organisations ranged between €240,000 and €5,000 for newspapers[4], and between €60,000 and €17,000 for digital media[5].

In a report published in August 2018 and entitled "*Evaluation of Aid to the Press Sector*[6]", Morocco's Court of Accounts stated that, between 2005 and 2016, public support for the press sector totalled 659 million MDH (around €60 million). According to the Ministry of Communication[7], around €12 million was granted in 2017-2018 and approximately €8 million in 2019.

The Covid-19 pandemic dealt a serious blow to the press industry, with many publications stopping their operations altogether. In June 2020, the government approved an emergency package of around €12 million. The aid covered wages and suppliers' costs, and extended to 160 media outlets, including newspapers with a circulation higher than 500,000 copies per year as well as radio stations and the national distribution company Sapress[8].

According to the National Press Council (CNP), €22.6 million had been allocated to the press by the end of 2020, a figure that reached €32.7 million in the first half of 2021[9]. The CNP commented, "*The grants, though not negligable, constituted less than 10% of the sector's turnover.*"

2.3. Conclusions

In its 2018 report evaluating aid to the sector, the Court of Accounts expressed some scepticism with regard to the fund's efficacy. Access to the fund and the size of grants were based on unclear ranking criteria and a calculation of running costs. They were linked to circulation rather than sales, which represented, the Court said, a small fraction of printed copies in the period from 2010 to 2015.

The report stressed that, in 2015, almost a quarter of the aid benefited four major publishing companies (which have several titles), in a sector that numbered nearly 500 papers and over 250 online publications. It concluded that, despite years of support, the press sector had been severely weakened, due to declining advertising revenues, lower circulation, and increasing financial pressures related to arrears in tax and social contributions as well as the cost of court litigation.

It also noted that:

- There was a lack of sectoral research before launching the public fund and publishing a document from the Ministry of Communication setting out its "*long-term strategy for the media sector, with clear objectives, a defined timetable and quantified indicators to allow monitoring, assessment and corrective measures*".
- The aid was used to cover operating expenses (paper, telephone, internet, web hosting costs, distribution costs and, in some cases, taxes and social contributions), instead of building capacity and promoting viable economic models.
- Unclear criteria were used to calculate running costs, circulation and to rank beneficiaries according to their needs.

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[4] Court of Accounts 2016 support for print newspapers : Subvention_pub_presse_2016.pdf (mincom.gov.ma)
[5] Court of Accounts 2016 support for digital media sub_pub_electro_2016.pdf (mincom.gov.ma)
[6] Volume 1_CDC_2016-2017_AR.pdf (courdescomptes.ma) (Arabic, p 570) & 30. Presse écrite.pdf (courdescomptes.ma) (French)
[7] 76 organes de presse écrite et électronique ont bénéficié de subventions en 2018 – Ministère de la Jeunesse, de la Culture et de la Communication - Département de la Communication (mincom.gov.ma)
[8] Un plan d'urgence de 205 MDH pour sauver la presse écrite - Médias24 (medias24.com), 26/06/2020.
[9] Maroc : la presse victime de la pandémie - IFJ , International Federation of Journalists 15/12/2021.

- There was a lack of working rules and an ethical code of conduct for the committee managing the fund (which it should have adopted as per Article 6), and a lack of settlement mechanisms in case of any conflict of interest, provided for in Article 8.
- There was a lack of agreements with beneficiaries on the use of the aid and a lack of any evaluation by the Ministry of Communication to assess its impact on the sector or the concrete achievements of programme contracts (despite Article 7 stipulating that annual evaluation reports should be submitted to the Prime Minister).

According to the CNP's 2021 report , the number of daily newspaper sales dropped from around 480,000 in 2014 to around 200,000 in 2018. The value of these sales, said the report, dropped by two thirds (62%) from 170 million dirhams in 2019 to 64 million dirhams in 2020. These figures show a spectacular failure in achieving the fund's first goal which was to increase readership.

Many observers share the Court of Accounts' scepticism regarding the criteria applied by the fund and the its ability to meet its declared goals of strengthening independent media and expanding freedom of expression.

Interviewed for this report, Said Essoulami, president of the Centre for Media Freedom in the MENA region, said, "*The fund offered important economic support to the sector. Media organisations were not concerned with being barred from the fund due to their editorial line, and there was progress in terms of the ability of the press to cover local corruption and religious matters, the last two frontiers being the monarchy and the Western Sahara, which were still absolute red lines."* In conclusion, Essoulami stated, *"Self-censorship was still strong, due to other factors such as fear of marginalisation and prosecution, and generally, the news industry today offers flat content with no significant differences in the treatment of information or editorial diversity*."

These elements, added to the Court's warning on the concentration of the aid, indicate that the fund failed to achieve its second and third goals which were to increase pluralism in the media and improve the quality of content through training and capacity-building.

The national fund has provided a lifeline to the Moroccan press sector for the last 15 years. It has saved jobs and protected the sector from collapsing – which has been the fate of the press in most MENA countries. However, recent data and reports show that the sector is shrinking as sales, readership and advertising income continue to plummet. The sector is still unable to survive on its own and will increasingly be reliant on public funds for its survival.

This indicates a failure in achieving the fund's fourth goal, which was to increase its contribution to the economy and attract new investment.

2.4. Lessons learned

- In a sector that numbers hundreds of online publications[10] and that sees their rapid emergence and decline, it is easy to understand the rationale for prioritising established media enterprises that have a large circulation, create jobs and make the biggest contribution to the economy. But a closer look at the criteria used shows how the aid may have distorted the level playing field, giving big players advantages over smaller ones, regardless of their commitment to innovation, quality and performance.

- Establishing a national fund for media can be expected to lead to a temporary spike in the number of newly established media hoping to access the fund. This is not necessarily a negative

[10] In its 2018 report, the Court of Accounts stated that the press sector numbered 243 newspapers, including 15 partisan papers; 59 regional and 169 independent titles; and 500 news sites. In a July 2019 statement, Communication Minister M. Laaraj declared, "*The number of declared online newspapers reached 784 in May, including 365 brought into compliance*". The National Press Council's 2021 report reported a similar trend indicating that "*the number of electronic newspapers had largely quadrupled between December 2017 and September 2020, increasing from 121 to 546 in this period*."

aspect and calls to impose stricter regulations on establishing new media (most of which are likely to come from within the media sector) should be resisted.

- In-depth research and analysis of the state of the media as well as anticipating professional and technological developments and citizens' needs are preconditions to establishing an effective media support fund. The classical policy planning mistake is to favour and enforce the status quo rather than to work towards a brighter future. The national fund should be able to support innovative content and formats rather than promoting obsolete business models.

- Government control over such funds means they will inevitably be suspected of acting as a tool to control the press and influence their editorial line. The government should not be involved beyond setting up the fund and establishing its working rules. It should not be allowed to determine which media should receive support, decisions that can only be made by the profession and independent bodies.

- A one-year funding cycle is not the optimal way to provide support for independent media, since it consumes unnecessary time and resources, and impedes long-term planning process within beneficiary outlets as well as their chances of development.

3. Tunisia: Under-funded initiatives driven by media stakeholders

3.1. Context and legal framework

Tunisia is the birthplace of the Arab Spring, the wave of pro-democracy uprisings that started at the end of 2010 and changed the course of history in the Middle East and North Africa. With protective regulations and a bold media community strongly backed by unions and civil society, it is generally considered to be the country where media enjoy the greatest freedom in the region.

Two key regulations adopted in 2011 provide important guarantees for media freedom: Decree-law 115 on the freedom of the press, printing and publishing, and Decree-law 116 on the freedom of broadcasting and the creation of an Independent Authority for Audio-visual Communication (HAICA), the national regulator.

The Constitution was reviewed in 2014. Article 31 guarantees freedoms of opinion, thought, expression, information and publishing, and bans censorship. Article 32 stipulates that the state guarantees the right of access to information and communication networks, while Article 127 enshrines HAICA's role as the audio-visual regulatory authority, responsible for the development of a pluralistic broadcasting sector.

Before 2011, under the Ben Ali regime, the media landscape was largely dominated by state-owned and pro-government media. Only a handful of broadcasters were in existence, all owned by close associates of the regime. Opposition papers relied on private funding and covert distribution systems. The regime was also able to control private media through the Tunisian External Communication Agency (ATCE), which distributed public advertising and gifts to loyal media outlets and journalists in Tunisia and abroad. This funding disappeared overnight, affecting the sector as a whole, particularly the regional press which ceased to exist after the collapse of the regime.

The combined daily circulation of the five daily Tunisian newspaper is around 100,000 copies. The audio-visual sector consist of two public television networks (Al Wataniya 1 and 2), a dozen private TV stations[11], and some 50 radios (10 public, 20 private and 20 community radios). There is no registry for digital media organisations, but dozens have emerged and have seen their audiences increase in recent years. The most popular of these belong to commercial radio stations.

The Tunisian media sector was not able to capitalise on the positive legal and regulatory gains made after the revolution. One of the biggest issues facing the sector in general and newspapers in particular is the collapse of the advertising market due to economic hardship and the changing habits

[11] RSF and Al Khatt, 2017Media Ownership Monitor-Tunisia,

of readers and viewers. The economy stalled after the revolution and has never really picked up momentum again. Falling revenues combined with a heavy burden of public finance have led to rising debt and high unemployment rates (18% in 2021[12]).

Three key schemes to support private and community media set up by national stakeholders in recent years have enjoyed varying degrees of success, but are generally considered insufficient. They consisted mainly of (1) indirect support through public advertising; (2) support to community radio stations; and (3) tax breaks and reductions of social contributions for the press.

3.2. Funding mechanisms

3.2.1. Public advertising

Advertising revenues for the Tunisian press sector have steadily declined in recent years. Estimated at around €80 million in 2017 (60% of which went to TV), [13] they barely exceeded €60 million (203 million TND) in 2020, according to SIGMA Conseil[14]. Digital advertising increased by 31% between 2019 and 2020 to reach 16 million TND (around €5 million), but it dropped by nearly 40% in print newspapers, with revenue hitting an all-time low of TND 5 million (€1.5 million) during the same period.

Public advertising was estimated to be around TND 18 million in 2020 and TND 20 million (around €7 million) in 2021[15]. Public advertising – a form of indirect support to the press – is a highly sensitive matter in Tunisia, since it was used by the Ben Ali regime to buy allegiance and control the media. But since the fall of the regime in 2011, it continued to be distributed according to opaque conditions, with no legal framework or clear procedures and no allocation criteria. Pro-government media had easier access to these shrinking funds, with public authorities increasingly using social media platforms to advertise public campaigns and legal and administrative notices.

In 2018, following lengthy negotiations, the government, the publishers' association and the national journalists' union (Syndicat national des journalistes tunisiens – SNJT) reached an agreement to create a national agency responsible for collecting public advertising and newspaper subscriptions for public institutions and redistributing them to print and online newspapers. In March 2019, a draft law 03/2019[16] on the creation of a national agency to manage public advertising and subscriptions was submitted for parliamentary review. Its preamble states that the legislation aims to support the print and electronic press and guarantee the proper use of public funds, as per Article 10 and 15 of the Tunisian Constitution.

The agency is an "*autonomous legal entity enjoying administrative and financial independence, supervised by the Prime Minister*", according to Article 1. Its tasks, listed in Article 2, include "*collecting and classifying advertising requests issued by the public institutions; securing and updating the list of national newspapers and electronic press outlets that meet attribution criteria; distributing advertisements and paying amounts due to the beneficiaries in the specified time; organising annual subscriptions by public bodies with newspapers, based on fair and objective criteria set out in Article 5*".

Article 3 describes public advertising, which aims to raise awareness of issues of public interest, and public institutions covered by the bill (the Presidency of the Republic, the parliament, government ministries, administrative and commercial public establishments and local authorities).

Under Article 4, a Special Committee at the agency is tasked with setting standards for distributing public advertisements to the press and digital media, and offering advice on the list of outlets that meet the standards. Its composition is fixed by governmental decree, but must include representatives of the media and journalists.

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[12] The World Bank, June 2021 Tunisia Overview: Development news, research, data | World Bank
[13] SIGMA Conseil, February 2018 : TVs control the advertising market in Tunisia
[14] January 2021 Revenus publicitaires en Tunisie: tout le monde est au rouge, sauf sur Internet - Managers
[15] Interview of Fahem Boukaddous, Director SNJT 7 April 2022.
[16] مشروع قانون عدد 2019/03 يتعلق بإحداث الوكالة الوطنية للتصرف في الإشهار العمومي والاشتراكات | DCAF تونس (legislation-securite.tn)

Under Article 5, when setting criteria, the Special Committee shall consider the extent to which outlets respect the regulations and ethical rules governing the profession; have honoured the payment of taxes and social contributions; and respect the principles of competition, equal opportunity and transparency. It should also consider the audiences they target as well as their periodicity, resources and distribution at national, regional and local levels. The criteria are approved by the government after consulting the competition board.

The agency's director general and administrative and financial organisation are determined by government decree (Article 6). Its agents are subject to Law No. 1985-78 on the general statute of public agents working in institutions of an industrial and commercial nature, and companies whose capital is directly and completely owned by the state or local authorities (Article 7).

In a legal analysis[17] published in 2020, the UK-based organisation ARTICLE 19 welcomed the draft as a step in the right direction, but underscored a number of shortcomings. It said the agency should be enabled to act independently and impartially in the public interest, and should be accountable to Parliament and not subject to governmental interference. It recommended :

- Clarifying the procedure, the role of the Special Committee and the nature of its consultation;
- Banning political advertising (which should be subject to separate legislation) and suspending public advertising in election periods unless commissioned or approved by the independent electoral authority;
- Ensuring the Committee's independence by handing the power to appoint members to a multi-stakeholder group, including the government, the parliament, civil society and other stakeholders;
- Stating clearly that the provision of public support must be based on fair and impartial criteria, not on preferences or the media's editorial line;
- Introducing institutional, organisational, and functional safeguards that allow the agency to operate independently, including sustainable funding that ensures its financial independence;
- Publishing decisions to allocate funds and ensuring a right to appeal against the agency's decisions or to challenge them in court.

There was no progress on the draft law at the time of writing this report. Relaunching this process was one of the key demands made by the SNJT, which, on 2 April 2022, organised a strike in all public media, including national television and radio; the national newspaper, La Presse; the SNIPE printing house; and the national news agency, TAP, calling for the payment of wages and the adoption of urgent structural reforms.

3.2.2. Funding for community radio stations and high-quality content for the broadcasting sector

The HAICA, the country's media regulatory agency, enjoys high levels of public credibility and widespread support from the media sector. Established in 2013, it is composed of nine members who serve for one six-year term. It has regulatory powers and must be consulted on all legislation within its remit (Article 127 of the 2014 Constitution). It also has the responsibility to strengthen broadcast community media (Article 16 of Decree Law 2011-116). Community radio stations in Tunisia play a key role and serve diverse social groups including women, disabled people, etc. Funding is scarce and the outlets operate on very low budgets, broadcasting through the internet and relying on networks of volunteers and a limited number of full-time staff.

As part of its mandate, the HAICA launched a programme to support these stations in 2016. It was jointly funded by the HAICA and the French Institute in Tunisia, following a cooperation agreement signed in September 2015. Grants were allocated by a committee chaired by the head of the HAICA, another HAICA board member, a representative of the SNJT, a member of the General Union for Media (under the umbrella of the Union générale des travailleurs tunisiens), a civil society representative, a member of the Tunisian union of associative radios (Syndicat tunisien des radios associatives – SRTA), and a member of the National Federation of Community Radio Stations.

[17] Tunisia-Draft-Law-on-the-National-Agency-to-Manage-Public-Advertisements-and-Subscriptions.pdf (article19.org), 17 August 2020

Launched in 2017, the €50,000 fund was distributed to radios applying under one of the five following categories: production; quality development; the work of journalists and technicians; training; and launch grants. The size of the fund meant that very limited amounts of money were distributed to a small group of beneficiaries, with 10 community radios receiving around €5,000 each.

In 2017, the HAICA signed an agreement with UNESCO and Tunisian National Radio to promote self-regulation in community radio stations and offer their journalists professional training. In August 2020, a partnership with the Council of Europe[18] offered equipment to 15 newly licensed stations, which was purchased with EU funds.

And, at the end of 2020, a government emergency package offered some funding to broadcast media, including private and community radio stations, and a reduction on broadcasting fees due to the Office national de télédiffusion (ONT), ranging from 25% to 50%.

But no public fund has yet been created to support community journalism in Tunisia, and the HAICA has had to rely on international funding to implement its legal mandate. Its calls on the government to create a fund to support the production of high quality audio-visual content also failed to bear fruit, and the regulator is now looking to support this work through the Programme d'appui aux médias tunisiens (PAMT-2), an EU-funded programme awarded in 2020 but whose implementation has been delayed due to the Covid-19 pandemic[19].

3.2.3. Tax breaks and reductions of fees and social contributions

Since 2015, newspapers are exempt from paying the 18% VAT tax on paper and pay minimal import tax to purchase it. Practically this only benefits major publications that import large quantities of paper and comply with complex audit procedures to ensure that the paper is only used to print newspapers.

Regarding social contributions, the 2018 finance law (Law 66-2017 adopted on 18 December 2017) provides that the State will cover the employer's contribution in print and digital media. The measures followed long negotiations between the government, the newspapers publishers' association and the journalists' union. The aid, which amounts to a reduction of 16.3% of the total social contributions due, is allocated on condition that the companies have paid their taxes and social contributions; respect labour regulations; employ a minimum number of journalists; and maintain jobs during the duration of the scheme (five years).

Few outlets have taken advantage of the measure, and companies such as SNIPE, Le Maghreb, Echaab, and Réalités were unable to access it, according to the SNJT[20], which also claims that numerous agreements were blocked and no application texts were adopted to distribute subsidies to the press, as part of a general stalemate between the government and the press sector.

3.2.4. Other initiatives

Other initiatives to support the press include a national digital subscription scheme; the establishment of a fund to support the digital transition of newspapers; and steps towards the collective management of reprographic rights. Details are given below:

- Initiatives by Tunisia Telecommunications to increase newspaper circulation through subscription apps in 2013 and 2018 have failed to meet expectations. The apps, which offered access to all Tunisian newspapers and a few international ones (mainly French), attracted few subscribers, who mostly read the French newspapers, rather than the Tunisian ones.

- A 2018 plan to develop a digital transition fund for newspapers was resuscitated in 2020 when a Covid-related emergency package was made available to the sector. Decree Law n°30 of 10 June 2020 was adopted, providing for the creation of a fund to help newspapers succeed in their digital

[18] As part of the EU-funded « Projet d'Appui aux Instances Indépendantes en Tunisie » (PAII-T) (2019-2021)
[19] Interview with Soukeina Abdessamad, HAICA board member, 8 April 2022.
[20] Interview with Fahem Boukaddous, SNJT Director on 12 April 2022.

transition. A budget totalling TND 5 million (approximately €1.5 million) was allocated but there has been no progress since, and no funds have been disbursed[21].

- In 2018, the Tunisian Copyright Office, OTDAV, took steps to implement the collective management of reprographic rights in the country[22] and discussions involving journalists[23] explored ways to collect and redistribute rights from news publications. In 2021, the OTDAV and representative groups in the media sector (journalists' unions, the publishers' association and TV and radio management associations) discussed various reforms of regulations governing authors' rights, neighbouring rights and reprographic rights. There was also an agreement that OTDAV would develop a proposal to add a tax for authors' rights on electronic appliances that would give users free access to creative content[24].

3.3. Conclusions

The Tunisian media sector, print and digital media in particular, suffers from serious financial hardship due to the shrinking advertising market. Many media organisations now operating in Tunisia owe their existence to international funding, mainly from the EU and European countries', which is channelled through bilateral agreements or direct funding mechanisms. This international funding is one of the key reasons why Tunisia's successive governments may not have appreciated the urgent need to establish their own funding mechanisms.

At the same time, overstaffed state-owned media (TV, radio, the TAP news agency and La Presse) continue to absorb substantial financial resources, in the absence of long-awaited sectoral reforms that could have allowed the government to allocate a fair share of these funds to support the private media sector.

In an interview published in the French newspaper Le Monde on 21 November 2018[25], Malek Khadraoui, director of Inkyfada, an investigative journalism web magazine and one of the most popular publications in Tunisia, stated, "*The Tunisian press sector is struggling to find an economic model, torn between classic advertising emanating from crooked businessmen, and European aid. The training funded by these donors is a good thing, but sustainability beyond these funds is questionable. Seven years after the revolution, there are very few new media players. The biggest are still the biggest, while alternative experiments only find funding from foreign institutions. And not always with a clear vision for their future beyond these funds*."

Interviewed for this study[26], Néji Bghouri, former president of the SNJT and currently Communication and Information Programme Manager at UNESCO, criticised the lack of long-term government strategy for the press sector: "*Despite years of campaigns, the authorities and the political elite in general don't believe in the value of free media or that independent journalism is a public good that should be supported. Schemes to support the press have been formulated but have not been approved or funded. As a result, the written press and independent media are dying*."

3.4. Lessons learned

- Tunisia's media sector is the most vibrant in the region, with its independent regulator, journalists' and media representative groups and national press council. It benefits from strong financial and political support from the international community which share an interest in advancing progressive media laws and regulations that empower independent and public service media. However, without appropriate national funding from the Tunisian state to cover the cost of these reforms, media continue to rely on international donors. This is illustrated by the example of the

[21] Interview with Néji Bghouri, UNESCO Programme Manager, 7 April 2022.
[22] IFRRO, March 2018 ARTICLE DETAIL COLLECTIVE MANAGEMENT OF REPROGRAPHY SET TO START IN TUNISIA 3214 (ifrro.org)
[23] SNJT, 8 March 2018نقابة الصحفيين تبحث دعم حقوق الملكية الفكرية مع منظمات دولية عاملة في المجال - النقابة الوطنية للصحفيين التونسيين (snjt.org)
[24] Source : SNJT.
[25] « Le péril de la presse en Tunisie, c'est la servitude volontaire » (lemonde.fr)
[26] Interview with Néji Bghouri, 7 April 2022.

new 15 community radio stations which were established in 2019 but have yet to start operating as they wait for international funds to arrive.

- The public advertising fund is an important scheme, but the government lacks the will and resources to launch it anytime soon. This has given rise to false hopes and has caused much frustration in the private media sector.
- Much of the international funding for the Tunisian media sector since 2011 has lacked vision and coordination. Significant resources have been spent on unnecessary media development programmes with high management fees. With the benefit of hindsight, these funds could have been used more effectively.
- Community and regional radio stations offer an important service to local communities and specific identity groups. But with no other opportunities for financial assistance beyond the funds managed by HAICA, they are in danger of disappearing. Funding to support their core operations and content production should be significantly increased.
- Ongoing discussions between Tunisian media representative groups and the OTDAV are a sign of maturity, and potentially a source of sustainable income for the media sector. Initiatives from the HAICA and other national actors to develop specific funds should be pursued and supported.
- The media and media support institutions must be creative in generating funding, and the government should support their efforts. Although not yet effective, Tunisian models are diverse and the fact that they are not concentrated or government controlled is a positive sign.

4. Mauritania: a state-controlled fund

4.1. Context and legal framework

Mauritania has five main privately-owned newspapers, and several radio and television stations which emerged after the liberalisation of broadcasting in December 2010, providing alternative programming to the state's Télédiffusion de Mauritanie (TDM). Over 200 digital media currently operate in the country[27], offering a more diverse media landscape, despite a poor literacy rate (53.5%)[28] and poor Internet access which left two thirds of the population offline at the start of 2022[29].

In 2011, a *Fund to support the private press* was established, based on Law 024/2011 and implementing Decree 156/2011. It offered modest support to a wide range of media outlets, which had previously relied mainly on advertising revenues. However, in 2016, a governmental circular barred public bodies from advertising in the private press[30], withdrawing this revenue from the sector and offering state-owned media a monopoly on public advertising. A regulator, the Autorité nationale de regulation de la publicité, was set up three years later to monitor the sector, following the adoption of Law N° 017/2018 on advertising.

Financial instability is the greatest threat facing journalism and the media in Mauritania. In October 2017, the national regulatory body Haute autorité de la presse et de l'audiovisuel took the five private TV channels off air after they failed to pay their licence fee debts which had accumulated over five years and amounted to over \$3 million[31]. Only Elmourabiton TV managed to reschedule payments and was back on-air a few months later. Some representatives from the sector accused the government of deliberately restricting access to information to state media alone[32].

The 2016 circular on advertising impacted private newspapers whose poor quality and irregular publishing cycles drove both readers and private advertisers away. In January 2018, private

[27] https://rimnow.com/site.html

[28] UNESCO Institute for Statistics, Mauritania 2017, Mauritania | UNESCO UIS

[29] Internet penetration in Mauritania : 35.8% Digital 2022: Mauritania — DataReportal – Global Digital Insights

[31] Middle East Newspaper report, 27th November 2017, "Debt is the final nail in the private TVs coffin"

[32] Mauritania private newspapers return after month's absence | CGTN Africa

newspapers stopped appearing for more than a month, after a paper shortage forced them off the stands.

In 2021, a Covid-19 emergency package for the media sector excluded the private press, with no reasons offered by the authorities as to why only state-owned outlets would benefit. This created further discontent in the sector.

On the other hand, the fund to support the press continued to operate and the Covid-19 emergency package included an 85% subsidy of printing costs for all newspapers which fulfilled a series of technical criteria and respected the press sector's ethical code of conduct.

4.2. Mechanism and size of funding

The Fund to support the private press started operating in 2012. It is open to a wide range of media outlets and institutions, including privately-owned newspapers, online publications, audiovisual outlets, press associations and companies from the newspaper printing industry. Much like the Moroccan fund for the press sector, it helps outlets cover various operating costs, mainly salaries, paper and printing costs.

To apply for funding, media outlets must have been in operation for a least one year and must provide documentation with commercial registry and tax roll numbers, the list of employees and official copies of their contracts as well as proof of a social contributions plan. Press associations must have been in operation for at least six months and must provide a copy of the minutes of meetings and the last general assembly as well as a list of their members, preferably with copies of their ID cards[33]. All applications must include a request for support addressed to the head of the committee[34]

The fund is operated by a Management and Distribution Committee, under the Haute autorité de la presse et de l'audiovisuel[35] (HAPA), the press and broadcasting regulator. The committee includes seven members[36], namely:

- A representative from the HAPA who presides over the Committee;
- A representative of the Ministry of Finance;
- A representative of the Ministry of Communication;
- A representative of the association of independent newspapers' directors;
- A representative of the private broadcasting sector;
- A representative of the digital media;
- A representative of the private press unions.

In its launch year (2012), the fund supported 62 media institutions, distributing close to MRU 9 million or €225,000 to private outlets, media support institutions and to the national printing house. The fund was increased in the following years, reaching MRU 20 million (around €500,000) per year.

The Committee announced last year that, in 2020, 385 outlets had applied for support[37]: 245 news sites, 105 newspapers, eight broadcasting outlets (TV and radio) and 27 press associations. A total of 312 applications were approved and received MRU 21,3 million (over € 500,000). A further 73 were rejected for non-compliance, which generated widespread discontent among unsuccessful candidates.

4.3. Conclusions and lessons learned

The government has a clear stranglehold over the distribution of public funds in the country. The HAPA's governing board includes six members who are appointed by the country's president, the National Assembly and the Senate. The fund is considered by some to serve as a tool for repressing

[33] بيان لجنة توزيع موارد صندوق دعم الصحافة الخاصة – الزمان (azzaman.info)
[34] El Mohit net 20/01/2022 بيان لجنة صندوق دعم الصحافة في موريتانيا | المحيط نت (elmohit.net)
[35] HAPA's internal regulations (4 articles) النظام الداخلي | السلطة العليا للصحافة و السمعيات البصرية (hapa.mr)
[36] عاجل: الإعلان عن تشكيلة لجنة دعم الصحافة | نواكشوط 24 (nouakchott24.info)
[37] Media Foundation for West Africa, 15/02/2021 Sinistrée par COVID-19 La Presse Privée Lutte pour sa Survie - La Fondation des Média pour l'Afrique de l'Ouest. (mfwa.org)

the media[38]. The Committee itself includes one representative from the HAPA and two from the government. Strong criticism of the way in which the funds are distributed has been voiced in recent years[39]. Critics say the government should not be allowed to sit on a committee that determines which media will receive support – decisions that should rest with the profession and independent bodies.

- Observers say the fund spreads itself too thin, supporting the proliferation of newspapers and news websites. The number of organisations supported in 2020 (312) was more than double the number benefiting from support in Morocco, although the fund had a far lower budget. The funding, as a result, only helps media to pay urgent bills, not to invest or plan for the future.

- In addition, 30% of the state subsidy goes directly to the state-owned Imprimerie Nationale where all the newspapers are printed. This directly undermines the independence of media outlets and their ability to criticise the government.

- Recognising the structural weakness of the media sector in Mauritania, a National Commission for Media Reform was appointed in 2020 by President Mohamed Ould El-Ghazaouani. It delivered a report in 2021 with 64 recommendations, including increasing financial support for the media sector and ensuring the stability of the fund. Other recommendations covered the regulation of the digital media sector; reforming state-owned media into public service media; establishing a national press council; and developing telecommunications infrastructures. The government approved the report and its recommendations in a meeting held in March 2021; it should now take concrete measures to implement them.

5. Palestine: a joint production scheme under the national public broadcaster

5.1. Context

The state of Palestine's media sector is closely intertwined with the ups and mostly downs of the Israeli-Palestinian conflict. Journalists and media operate under multiple legal and regulatory systems managed by the Israeli Civil Administration governing the West Bank, the Palestinian Authority (State of Palestine) operating in the West Bank, and the Hamas movement, which is the de facto ruler of the geographically and politically detached Gaza Strip.

Media organisations are conditioned by conflicting laws, demands and expectations from each of these powers. Extensive coverage of the frequent uprisings against the Israeli occupation and military confrontations between the Israeli army and Palestinian militants elevate the status of Palestinian media within the general population. However, the conflict is the source of multiple and serious threats that undermine the physical existence of the media (including the bombing of media houses by Israeli forces)[40], and their finances due to the frequent shutting down of the economy and its detrimental effect on the advertising market. The size of the market in 2017 was estimated at around $40 million, most of which is absorbed by traditional media and tech giants (Facebook and Google)[41]

The absence of representative groups in the media sector (publishers' associations, radio and TV management groups etc) and independent media regulators has exposed the media to further political and economic pressures. Print and digital media in particular struggle to produce and protect original content.

There are four daily newspapers, three published in the West Bank and one in the Gaza Strip, as well as dozens of private and community radios, which, despite their small size and limited means, constitute vital platforms of information and communication for local communities in the West Bank and the Gaza Strip. Private and community radio stations and their online platforms are now the

[38] 11 December 2020, Breathe New Life into Freedom of Expression: MFWA Urges New Media Regulator in Mauritania - Media Foundation For West Africa
[39] موريتانيا: اتحاد الصحف المستقلة يتهم وزارة الثقافة بالزبونية ويلوح بمقاضاتها | ميثاق .. موريتانيا والعالم بين يديك (mithak.com)
[40] Israeli strike destroys Gaza tower housing media organisations, the Guardian, May 2021. That was the second strike on media houses in Gaza in May 2021.
[41] Al Iqtisadi, Palestine الاقتصادي | أخبار اقتصاد فلسطين (aliqtisadi.ps)

backbone of the private media sector in Palestine. In addition to the national public broadcaster, the Palestine Broadcasting Corporation (PBC), there are three national TV stations affiliated to political parties. However, the most watched TV channels are the pan-Arab networks operating from UAE, Qatar, Saudi Arabia and Lebanon.

5.2. Palestine Broadcasting Corporation's joint production scheme

The Palestine Broadcasting Corporation offers production and co-production opportunities to local filmmakers and producers, who can apply for full grants or joint funding schemes to produce documentaries on current affairs, and a variety of journalistic, cultural, or educational films.

The support capitalised on a UK-funded programme implemented from 2011 to 2016. Produced by BBC Media Action in partnership with PBC, the quarterly TV show *Aswat Min Filesteen* ("Voices From Palestine") responded to strong demand in the Palestinian Territories for trustworthy programming covering local issues. It offered a platform for public debate, enabling people across the Palestinian Territories and the diaspora to question their leaders on various issues of public interest, from unemployment to the stalled peace process[42].

The PBC scheme offers applicants the chance to produce higher quality productions for large audiences in Palestine, with a focus on public interest issues. It does not extend to entertainment, which is commonly funded by broadcasters in the region. However, there is no available information regarding the budget allocated by the government to PBC. The closest estimate for the public media sector (PBC, the public radio and the WAFA news agency) was $37 million in 2018.

Interviewed for this research, Palestinian filmmaker Dima Abu Ghoush said, "*Public funding allocated by the government to the public media sector was higher than that of the cultural sector, and the scheme offered much needed support to many producers and filmmakers in the past decade. Grants to local producers often ranged between $20,000 and $30,000 for documentaries, and between $5,000 and $10,000 for TV programmes, but there was no clarity on the legal framework, the periodicity of the calls, the selection criteria, or the decision-making process*"[43].

Abou Ghoush's film "Amwas", which was co-produced by PBC, was the 2016 winner of the documentary category in the annual competition organised by the Arab States Broadcasting Union (ASBU) for public broadcasters in the region[44]. Most of PBC's winning productions were joint productions with independent filmmakers and private production companies.

5.3. Conclusions and lessons learned

- Today, there are no viable business models which can ensure sustainability for independent media outlets in Palestine. There is also no transparency on available funding and how public advertising and joint-production grants are distributed. Legal and regulatory reforms are key to creating an enabling environment for independent and quality media, and there should be full transparency on available funding, eligibility criteria and selection processes.

- The absence of associations representing private media employers constitutes a real obstacle to creating leverage in negotiations with the government on public funding for the media.

- However, there are no other examples in the region of a scheme which strengthens public private cooperation and local capacity to develop public interest productions. There is a strong rationale to strengthen and extend this co-production model to digital media, which have large audiences but lack the resources to invest in high-quality programmes.

- Israel's retention of tax returns due to Palestinians limits the capacity of the Palestinian authorities to adopt a long-term strategy and offer regular support to the press. There have also been calls in recent years for the government to introduce a tax on digital advertising taken by social media

[42] Providing a platform for Voices From Palestine - Media Action (bbc.co.uk)
[43] Interview with Dima Abu Ghoush, 17/04/2022
[44] PBC makes three successive wins in regional competitions. Alhaya Aljadedah, 06/11/2016.

platforms and to use the revenue to support local media. Tech giants already pay VAT on their sales in Israel and there are ongoing plans to also introduce a tax on their revenues generated there.

6. Jordan: a scheme reserved for the few, not the many

6.1. Context

Jordan was among the first countries in the region to adopt a law on access to information in 2007, but media outlets and institutions are still kept under tight control in the country. The Media Commission which regulates and licenses broadcast, print and digital media is controlled by the government, which is not in line with international standards.

Since the review of the press and publications law in 2012, the government has tightened its grip on the media. Hundreds of online publications have been blocked since 2013, mostly on the grounds that they were operating without a licence. Security grounds are often used to prosecute journalists, and self-censorship is strong on a series of sensitive issues including security, religion and the monarchy.

Jordan has five daily newspapers, dozens of private TV and radio stations, and close to 200 registered news websites. Media tends to be concentrated in Amman, with no significant news platforms for local communities who struggle to make their voices heard.

Jordan has no press council or media employers' or press associations, which undermines the capacity of the media to push for reform and public funding for the sector.

National laws ban media outlets from receiving core funding from foreign governments or agencies, and despite dire needs, no national fund to support the media has been established in the country.

However, advertising generated $190 million in Jordan in 2018, according to Campaign Middle East[45], with an estimated 60% spent on broadcast media, over 30% on digital media (mainly Facebook and Instagram), and negligible amounts on newspapers.

6.2. Advertising and legal announcements

In January 2019, the Parliament amended the 2018 Code of Civil Procedure and restricted legal announcements to the three most widely read newspapers. Citizens are compelled by law to post a wide range of legal and procedural advertisements in the press, from real estate operations, to divorces, to the loss of an ID document.

The amended law imposed posting these mandatory announcements in two out of the three "most widely read" daily newspapers, which the law names as Al Rai, Ad-Dustour and Al Ghad. The move effectively excluded all other publications, some of which closed down. In 2021, this legal advertising market generated an estimated 8 million Jordanian dinars (approximately €10 million)[46] for the three newspapers.

6.3. Conclusions and lessons learned

A 2019 report published by the Centre for Defending Freedom of Journalists (CDFJ) assessing the state of media in Jordan concluded, "*Without real political reform in Jordan, press freedom will continue to be held hostage to the political establishment which has not decided if it will go down the path of change*."

- The government has total control over the distribution of public advertising and legal announcements. Distribution is arbitrary and not intended for independent media or the private

[45] MENA Media Report 2019: Jordan – Campaign Middle East (campaignme.com)
[46] Interview of Khaled El Kudha, board member of the Jordanian Press Association, Al Jazeera Jordan, 14 June 2021 https://bit.ly/37al5o7

sector as a whole, but for a few privileged outlets. This, observers say, is an effective way of weakening and controlling the press.

- The absence of associations representing private media employers means that stakeholders lack leverage in their negotiations with the government to reform regulations and offer fair and transparent access to public funds for the media.
- Despite the economic situation in Jordan, advertising and legal announcements generate high revenues. Establishing mechanisms that can ensure fair distribution to private and community media should have a positive impact on media sustainability and quality, and help involve local communities in the national discourse.

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