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Monitoring Media Pluralism in the Digital Era: Application of the Media Pluralism Monitor in the European Union, Albania and Turkey in the years 2018-2019

Country report: Luxembourg

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Centre for Media Pluralism and Media Freedom
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TABLE OF CONTENT

Monitoring Media Pluralism in the Digital Era: Application of the Media Pluralism Monitor in the European Union, Albania and Turkey in the years 2018-2019

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1. About the project

1.1. Overview of the Project

The Media Pluralism Monitor (MPM) is a research tool designed to identify potential risks to media pluralism in the Member States and Candidate Countries of the European Union, and considering both online and offline news environments. This narrative report has been produced within the framework of the implementation of the MPM carried out in 2019, under a project financed by a preparatory action of the European Parliament. The implementation was conducted in 28 EU Member States, Albania and Turkey with the support of a grant awarded by the European Union to the Centre for Media Pluralism and Media Freedom (CMPF) at the European University Institute.

1.2. Methodological note

The CMPF partners with experienced, independent national researchers to carry out the data collection and to author the narrative reports, except in the case of Italy where data collection was carried out centrally by the CMPF team. The research is based on a standardised questionnaire and apposite guidelines that were developed by the CMPF.

In Luxembourg *the CMPF partnered with* Raphael Kies, Mohamed Hamdi (University of Luxembourg)*, who conducted the data collection, scored and commented the variables in the questionnaire and interviewed relevant experts. The report was reviewed by CMPF staff. Moreover, to ensure accurate and reliable findings, a group of national experts in each country reviewed the answers to particularly evaluative questions (see Annexe II for the list of experts).*

Risks to media pluralism are examined in four main thematic areas, which are considered to capture the main areas of risk for media pluralism and media freedom: Basic Protection, Market Plurality, Political Independence and Social Inclusiveness. The results are based on the assessment of a number of indicators for each thematic area (see Table 1 below).

Basic Protection	**Market Plurality**	**Political Independence**	**Social Inclusiveness**
Protection of freedom of expression	Transparency of media ownership	Political independence of media	Access to media for minorities
Protection of right to information	News media concentration	Editorial autonomy	Access to media for local/regional communities and for community media
Journalistic profession, standards and protection	Online platforms concentration and competition enforcement	Audiovisual media, online platforms and elections	Access to media for people with disabilities
Independence and effectiveness of the media authority	Media viability	State regulation of resources and support to media sector	Access to media for women
Universal reach of traditional media and access to the Internet	Commercial & owner influence over editorial content	Independence of PSM governance and funding	Media literacy

Table 1: Areas and Indicators of the Media Pluralism Monitor

The Monitor does not consider the digital dimension to be an isolated area but rather as intertwined with traditional media and existing principles of media pluralism and freedom of expression. Nevertheless, the Monitor allows for an extraction of a digital-specific risk score and the report contains a specific analysis of risks related to the digital news environment.

The results for each domain and indicator are presented on a scale from 0 to 100%. Scores between 0 and 33% are considered low risk, 34 to 66% are medium risk, while those between 67 and 100% are high risk.

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On the level of indicators, scores of 0 were rated 3% and scores of 100 were rated 97% by default, to avoid an assessment of total absence or certainty of risk.

Disclaimer: The content of the report does not necessarily reflect the views of the CMPF or the EC, but represents the views of the national country team that carried out the data collection and authored the report. Due to updates and refinements in the questionnaire, the MPM2020 scores may not be fully comparable with MPM2017 ones. For more details, see the CMPF report on MPM2020, soon available on: http://cmpf.eui.eu/media-pluralism-monitor/.

2. Introduction

With 614.000 inhabitants in 2019, Luxembourg is one of the smallest, but also richest and most politically stable countries in Europe. The country is largely dependent on foreign working force (the number of inhabitants being largely insufficient to cover labor requirements) which explains whythat there is a persistently high migration rate (47.5% of foreigners on 1st January 2019) and an increasing number of cross-border workers (around 200.000 in 2019, or 20.000 more that in 2017) - especially from France and Belgium. This demographic feature creates political and social challenges not only in terms of social cohesion, but also of democratic legitimacy.

Linguistic situation

The linguistic situation in Luxembourg is highly complex and peculiar as it is characterized by the practice and the recognition of three official languages (also referred to as administrative languages): French, German, and the national language Luxembourgish, established by law in 1984. Many other languages are spoken, in particular Portuguese (the largest foreign community) and English (essentially spoken by employees of financial institutions and international organisations). While there are several commercial radio channels targeting this multilingual public (*e.g. Radio Latina* for the Portuguese speaking community or *Radio ARA* for the French, English and Italian speaking communities), the PSM (*i.e.* the sociocultural radio, *Radio 100,7*) and *RTL* (the main commercial radio and television company, that has public service missions) broadcast mainly in Luxembourgish.

Minorities

While minorities are not legally recognized, the foreigners living in Luxembourg correspond *de facto* to linguistic minorities. On 1st January 2019, almost half of the resident population did not have Luxembourgish nationality. The largest groups of foreigners are Portuguese (15.6%), French (7.6%), Italian (3.7%), Belgian (3.3%) and Germans (2.1%) (statec 2019). The law does not guarantee access to airtime on PSM channels to these linguistic minorities, but there is a large offer especially in print media as well as in radio broadcasting targeting linguistic minorities.

Media Market

The media market in Luxembourg is surprisingly rich compared to its size and the number of inhabitants. The country exercises an important role in the management of international media concessions. The print sector includes five daily newspapers, one free daily newspaper, and several magazines, weekly and monthly newspapers. The TV market is dominated by *RTL* and there are six TV stations (four local and two national), but residents also have access to channels from the neighboring countries. *RTL* is the biggest broadcaster and has a “public service mission” but is not a “public service medium”. There are about seven private radio stations with national coverage and only one radio broadcaster (*Radio 100,7*) that is officially recognized as a public service medium (PSM). Internet coverage is very good across the country. This apparent diversity, however, should not hide a very large concentration (horizontal and transversal) of the market, since the majority of the national press belongs to two publishing houses while the audiovisual sector is dominated by one group (CLT-UFA).

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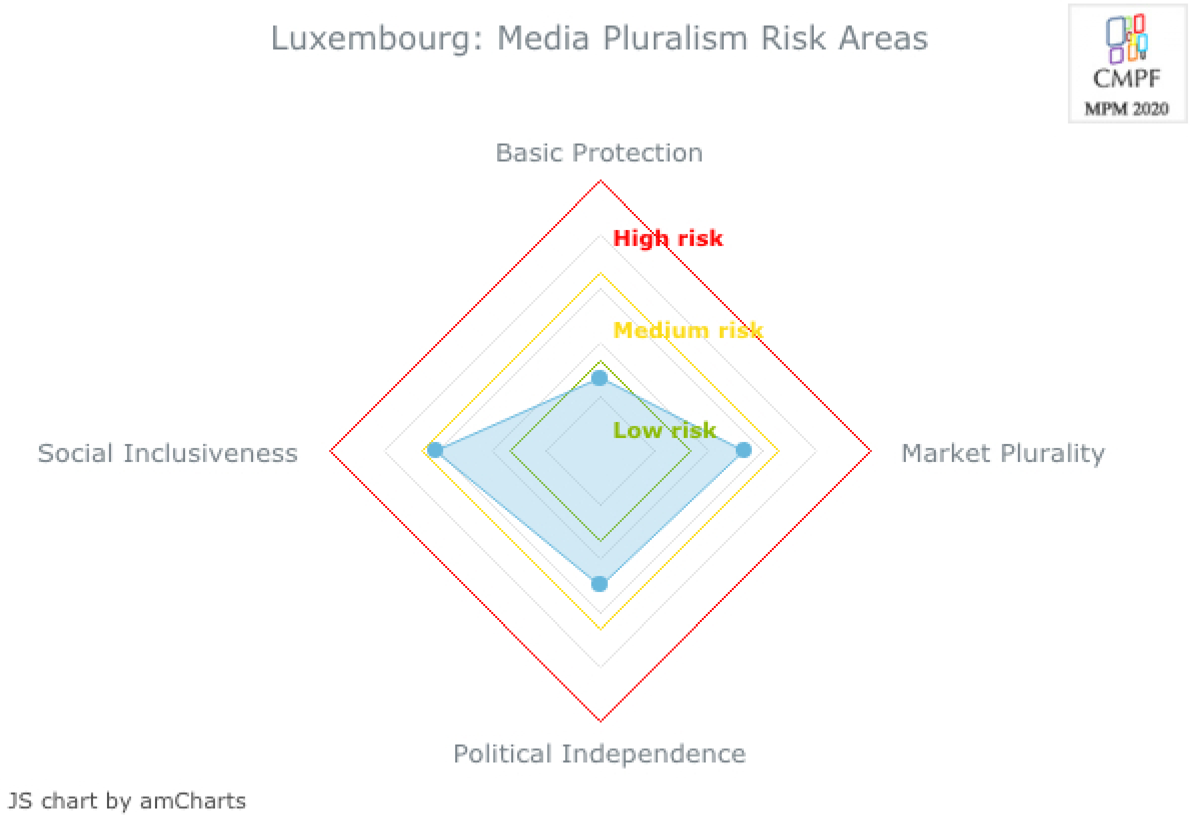
3. Results from the data collection: assessment of the risks to media pluralism



According to MPM2020, Luxembourg presents low risk for Basic Protection (low risk in 2017), a medium risk for Political Independence (medium risk in 2017) and Market Plurality (medium risk in 2017) and for Social Inclusiveness (high risk in 2017). These changes compared to last round (MPM2017), are essentially due to the introduction of new variables and an evolution of the appreciation of certain variables by the national experts.

As we have already explained in previous reports, this mixed performance is mainly due to the small size of the country, its demographic structure, its leading role in the international "concession market" and the lack of critical and independent reports on the national market, legislation and media practices.

3.1. Basic Protection (27% - low risk)

The Basic Protection indicators represent the regulatory backbone of the media sector in every contemporary democracy. They measure a number of potential areas of risk, including the existence and effectiveness of the implementation of regulatory safeguards for freedom of expression and the right to information; the status of journalists in each country, including their protection and ability to work; the independence and effectiveness of the national regulatory bodies that have competence to regulate the media sector, and the reach of traditional media and access to the Internet.

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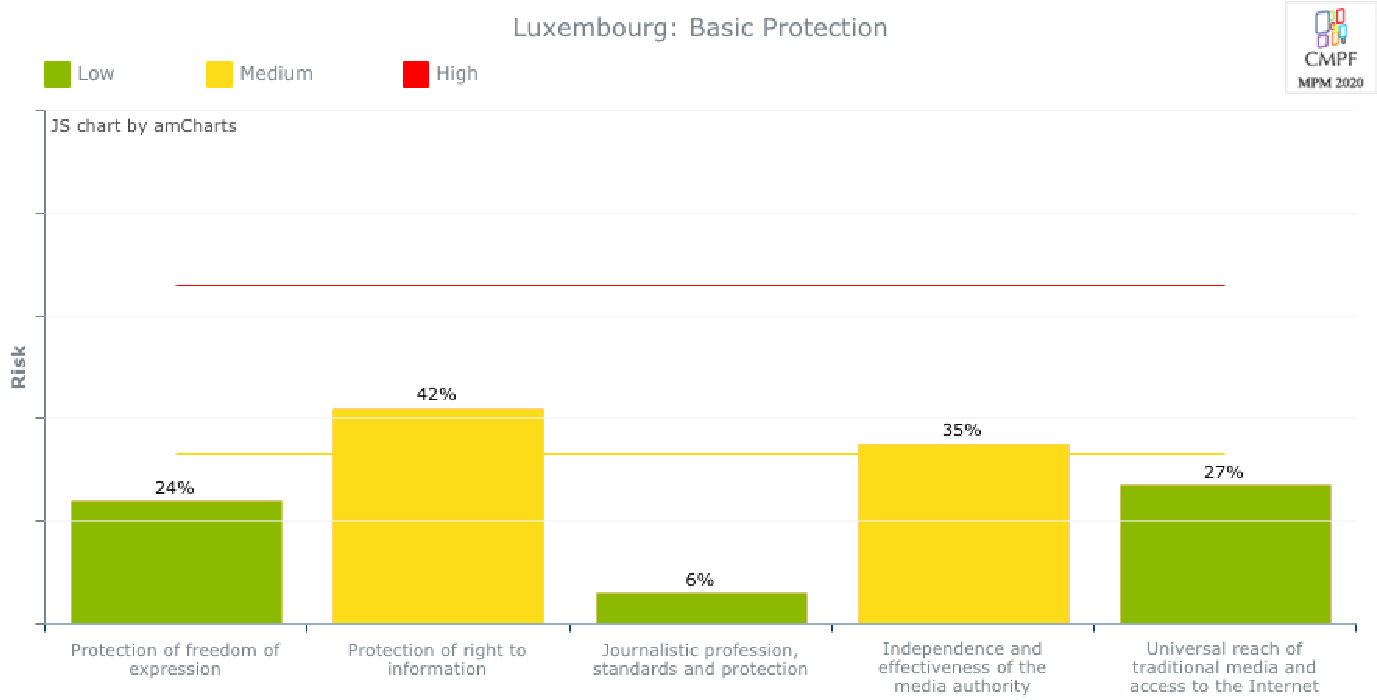

Protection of the expression freedom (24%, low risk)

As in 2017, the indicator Protection of freedom of expression scores a low risk (24% compared 22% in 2017). Freedom of expression is explicitly recognised in the Constitution and protected by national law. Luxembourg has also signed and ratified important international treaties related to this matter. As a consequence, cases of attack to freedom of expression are rare. In 2019, however, the offices of the public service radio 100komma7 were raided by the police following the so-called Chamber-Leaks reports. According to the investigation, confidential documents were publicly accessible on the parliament's website due to security flaws. As a result, the radio was taken to court by the parliament but the charges were dropped in July 2019. The raid and the criminal investigation were criticized by the national union of professional journalists which described the reaction as intimidation measures. Defamation is not decriminalised, but criminal defamation prosecutions against the media are extremely rare, with the exception of the “affaire Lunghi” (see MPM 2017), in which three people have been convicted in 2019. Another recent court case involves businessman Gerard Lopez who brought charges of defamation in three countries against a journalist of the daily Luxemburger Wort as well as its editor-in-chief and director for publishing an article critically covering his business activities. Lopez dropped the charges in Luxembourg in August 2019.

Protection of the right to information (42%, medium risk)

The indicator protection of right to information improved from high risk (see MPM 2016 and 2017) to medium risk 2019. After a long waiting period, and repeated demands from the civil society and journalist organizations, the right to information has been enshrined in Luxembourg’s legislation in September 2018. The law ensures that every natural or legal person has the right to access documents held by the public authorities. Restrictions to freedom of information on privacy grounds provided in national law are clearly defined in accordance with international standards. In case of conflict, the applicant may complain to an independent body in first instance (Commission d’accès aux documents) and to the administrative tribunal in second instance. From the viewpoint of the effectiveness of the law, Luxembourg Union of Journalists (ALJP) observes that there are still cases where information is retained in an arbitrary way. Moreover it regrets the fact that journalists do not benefit from more efficient procedures to access to information. While there is a regulatory framework in place to protect whistleblowers, it is considered to be too restrictive because it is mainly limited to cases of corruption, trading in influence or money laundering, and can concern only employment relationships.

Journalist profession, norms and protection (6%, low risk)

The indicator on Journalistic profession, standards and protection scores a low risk (6% compared to 8% in 2017). In practice, the journalistic profession is very open. Journalists are legally protected in cases of editorial change, and their sources are well protected as well. In recent years, no cases of physical threats against journalists has been reported. In order to further reinforce the protection of the interests of journalists the *Association Luxembourgeoise des journalistes professionnels* has been created in October 2017 (see MPM 2017). However the association works only on a benevolent basis. Its defense of the editorial independence and/or respect for professional standards could be improved if they would benefit from more financial and human resources.

Concerning the working conditions of journalists in Luxembourg, there is a wide disparity of salaries and working conditions. Some journalists receive a very good wage and have very good conditions of employment security (secure job and good social security), with very good social guarantees. Other journalists receive the minimum wage, with precarious security conditions of employment. It is impossible, however, in the present state of our knowledge, to know the proportion of the first and second situation. However, some journalists interviewed in 2017 and 2019 underline that conditions are deteriorating in the sense that the press is doing badly and that the editorial staff are therefore increasingly reduced. This involves more work per journalist and therefore less time to perform each of his/her tasks. The profession becomes more and more that of a "pages filler". The president of the Luxembourg Union of Journalists (ALJP) also points to the problem of media concentration and limited access to information; while the president of a press group observes that journalists have been put under political pressure from shareholders and directors. As a consequence, self-censorship seems to be a widely spread state of mind.

Independence and effectiveness of the media authority (35%, medium risk).

The indicator on independence and effectiveness of the media authority (ALIA) went up from low risk (10% in 2017) to medium risk in 2019. While the independence of the authority is legally recognized, the authors estimate that nomination procedure does not provide sufficient guarantees of independence, as the government is ultimately responsible for the nomination and dismiss of the members of the board of governors (Conseil d'administration) and its director (after consultation of the board). This fear clearly emerged in 2019, when the mandate of the first director of the media authority, Romain Kohn has not been confirmed. Several journalists have argued that the non-renewal of the ex-director's mandate and the nomination of the new one Paul H. Lorenz, were related to the more critical attitude of the former towards RTL group. While such suspicions may sound plausible, there is no proof supporting them. The nomination of an ex-employee of RTL Group as a new director, may also result from the scarcity of competent people able and willing to assume such a position. A second problem concerns the capacity of ALIA to fulfill its missions. As for the past evaluation (MPM 2016 and 2017) the evaluation team considered that the annual budget of the media authority and its workforces are insufficient to perform its numerous and growing missions adequately. In particular, it cannot efficiently supervise the numerous broadcasters from different countries that have a Luxembourgish license.

Universal reach of traditional media and access to the Internet (27%, low risk)

As indicated in the precedent reports there is no obligation (in law or in conventions) for universal coverage of public service media. Nevertheless, after receiving a second radio frequency on July 2017, the national public service radio (*Radio 100.7*) reached almost an universal coverage. As far as the Internet access is concerned, 97.6% of the population is connected to broadband in Luxembourg in 2018. The average internet speed is 42 in 2019. The market share of the Internet Service Providers (ISPs) is however strongly concentrated. In 2018, the Luxemburg Institute of Regulation (ILR) warned that there is a "strong presumption of dominance" for Post in the retail broadband market. Accordingly, the company enjoys a 63% market share, the largest in Europe. After Post, the market share of the five alternative operators – Tango, Luxembourg Online, Coditel, Orange and Eletrona – range from 13% and to 2%. This means that the two first operator share 76% of the market. The watchdog also noted that Post Telecom's relative importance in the market was accentuated by the fact its technology branch – Post Technologies – was the main wholesale supplier for the majority of alternative operators. Indeed only 10% of the residential and non-residential broadband access services

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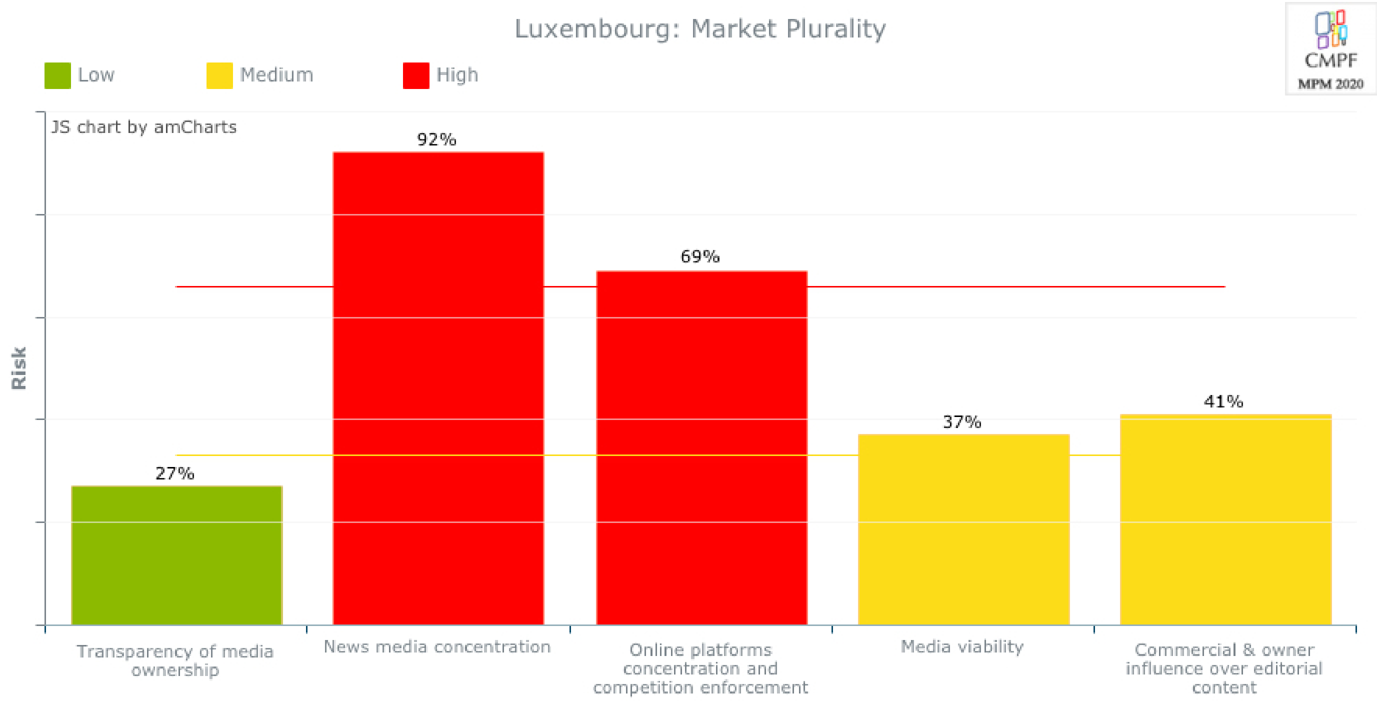
offered on the market in 2017 were based on infrastructure that was not owned by the incumbent operator. Equal treatment of internet communication (net neutrality) is also supervised by the Luxemburg Institute of Regulation (ILR). ILR is responsible for monitoring compliance with the obligations arising from the application of EU Regulation 2015/21201 and prepares since 2017 an annual report on Internet neutrality activities.

3.2. Market Plurality (53% - medium risk)

The Market Plurality indicators examine the existence and effectiveness of provisions on transparency of media ownership and the existence and effectiveness of regulation or self-regulation against commercial & owner influence on editorial content. In addition, they assess the risks related to market concentration in the production as well as in distribution of news: as for production, considering separately horizontal concentration in each sector and cross-media concentration; as for distribution, assessing the role of online platforms as gateways to news, the concentration of online advertising market , and the role of competition enforcement and regulatory safeguards in protecting information pluralism. Moreover, they seek to evaluate the viability of the news media market.



Transparency of media ownership (27%, low risk)

The indicator on transparency of media ownership scores a low risk at 27%. This assessment, which shows an improvement in comparison with MPM2017, is mostly due to the fact that in January 2019 a law was passed which created a register of beneficial owners in accordance with European directives. The law, which came into force on 1 March 2019, requires all Luxembourg entities registered in the Luxembourg Business Register, including the media companies, to provide detailed information on their ultimate beneficial owners. The law stipulates that all this information has to be publically accessible. Therefore, the sub-indicator on Ultimate ownership marks a low risk, while the basic legal provisions (and their effectiveness) remain problematic. This is because there is limited transparency in terms of media ownership in the print media sector, as the law obliges the latter to publish their ownership structures only when one shareholder holds more than 25% of the company, and it has the obligation to publish it only once a year, in the first edition or the first delivery. But national media law does not provide for sanctions in case of not reporting ownership information.

Concentration of media ownership (92%, high risk).

As in 2017, the indicators on concentration of media ownership scores a very high risk (92%). Luxembourg is with Liechtenstein the only country of the EU/EEA Member States that does not have a national merger control law. The

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media market is one of the most concentrated in Europe: three media companies clearly dominate the media market (one for the audiovisual sector – RTL Group –, two for the press sector – Editpress and Saint-Paul Group –) while one site largely dominates the Internet content intermediaries' sector (Google.com). Cross-media concentration is also particularly high as majors groups (Editpress, Saint-Paul and RTL Group) are also present in several media sectors (print media, radio, television and the Internet). This high level of concentration can be explained by the very limited size of the market and the absence of specific legal provisions aimed at controlling media concentration. The role of the Competition Authority is to control mergers in the event of abuse of a dominant position, but this concerns the economic market in general, and there are no specific provisions concerning the media sector. To date there has been no investigation concerning such types of abuse in the media sector. This however does not mean that there have been no complaints, as complaints are not public. Media concentration is generally seen as an inevitable fact due to the very small size of the market and its linguistic fragmentation. That said, it must be considered that the majority of the population also consumes the media of neighboring countries (especially television).

Online platforms concentration and competition enforcement (69%, high risk)

The indicator on online platforms concentration and competition enforcement assesses the risks to media plurality in the digital sector and the role played by online news platforms, such as social networks and aggregators, in this new media environment. Luxembourg scores a high risk in this indicator for two reasons. The first reason pertains to the lack of data concerning online news consumption. Despite the growing importance of the online news environment, Luxembourg lags behind in quantitative and qualitative research on the matter. No publicly available studies shed light on audience and advertising concentration online. While there is no doubt in the growing importance of online platforms in the way news are accessed and consumed, it is impossible to assess the degree of online news consumption and online platform concentration due again to the lack of data. The second reason why Luxembourg scores a high risk in this indicator is due to the lack of legal means to prevent concentrations in the online media and advertising market. Though there is a Council of Competition, it does not have competence in these matters. Furthermore, regulatory safeguards are not effective enough to ensure that money allocated to media with a public service mission do not cause disproportionate effects on (online) competition.

Viability of the media (37%, medium risk)

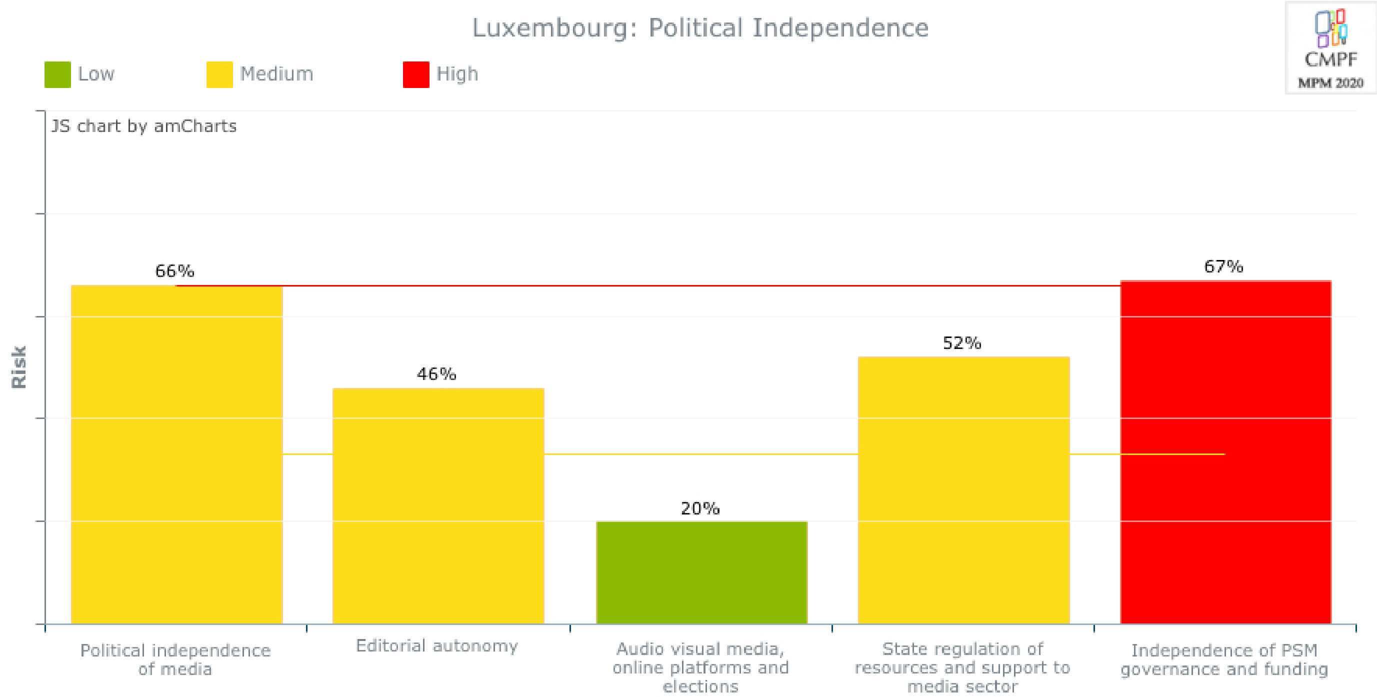
The indicator on Media viability scores medium risk (37% compared to 18% in 2017). The journalistic profession faces serious challenges in face of the changing reading habits and the rise of digital media. With regards, to the audiovisual sector, the advertisement income has decreased, and the number of journalists down from 81 in 2017 to 66 in 2019. Similarly revenues of daily newspapers and periodicals decreases from 2017 to 2018 and subscriptions went down for the two biggest daily newspapers from 51.737 to 50.092 for Luxemburger Wort and from 9.009 to 8.391 for Tageblatt. The number of journalists employed in the newspapers went from 302 in 2017 to 239 in 2019. On the other hand, the radio benefited from an increased advertisement income and the number of journalists went up 68 in 2017 to 72 in 2019. State subsidies for the press were first introduced in 1976 as an answer to financial difficulties that hit the written press all over Europe in the 70s. The subsidies were meant to protect media pluralism in Luxembourg. At the time, the different newspapers were strongly affiliated to political parties and the subsidies were introduced mainly to protect the party press. The law on the promotion of print media was amended in 1998 and is currently undergoing a new reform. According to the law of 1998 currently in force, each newspaper receives a basic amount of subsidies. On top of that, an additional amount is added proportional to the published number of editorial pages. Only print media in French and German employing at least five full-time professional journalists and offering general coverage of national as well as international topics are eligible for these direct subsidies. In addition a state subsidy for online journalism was introduced in 2017 (see below). In the audiovisual sector, only RTL Télé Lëtzebuerg benefits from state subsidies. CLT-UFA (RTL group) obtained in April 2017 an advantageous new concession contract (for the years 2021 to 2023) for continuing broadcasting in Luxembourg and providing their public service missions. Accordingly, the State undertakes to reimburse the financial deficit of the Luxembourg TV channel up to 10 million euros per annum. Recently, a funding scheme for so-called community media such as Radio Ara and Nordliicht TV has also been introduced. Even if it is challenging to provide an overall evaluation of the public support schemes since they differ according to the sector, we consider that they overall contribute to maintain diversity in the media landscape, especially in print media. Finally, it should be underlined that there is a limited number of media organizations developing alternative source of revenues. In particular, Maison Moderne that also supports business companies and animates the largest national business club in the country and, since 2017, the newly founded online news media called *Reporter* is based on crowdfunding (which means no advertising).

Commercial influence and owner influence on editorial content (41%, medium risk)

This remains at medium risk (CMPF2017: 38%). In case of changes of ownership or editorial line, journalists are granted social protection by law. If a new editorial line conflicts with the personal convictions of the journalists, the latter may put an end to his contract without prior notice. In this specific case the executive board cannot contest the full unemployment benefits of the journalist. The deontological code for journalists requires journalists and editors to be independent of any commercial interest and to not accept any benefits or promises that could limit their independence and the expression of their own opinion. However, there are no national laws or self-regulatory instruments ensuring that the decisions regarding appointments and dismissals of editors-in-chief are not influenced by commercial interests. Advertorials (*i.e.* advertising that could be confused with editorial content) are regulated by the consumer code, but are still widely published in a misleading way. There are no national laws or self-regulatory instruments ensuring that decisions regarding appointments and dismissals of editors-in-chief are not influenced by commercial interests. Journalists who were interviewed for this study estimate that commercial pressure is frequent, but does not prevent them from doing their work in an independent way. Some journalists however observed that self-censorship has become a recurring phenomenon. This implies that journalists may be reluctant to write negative articles about a commercial company if they know that this company is placing ads in the media company they work for.

3.3. Political Independence (50% - medium risk)

The Political Independence indicators assess the existence and effectiveness of regulatory and self-regulatory safeguards against political bias and political influences over news production, distribution and access. More specifically, the area seeks to evaluate the influence of the State and, more generally, of political power over the functioning of the media market and the independence of public service media. Furthermore, the area concerns with the existence and effectiveness of (self)regulation in ensuring editorial independence and availability of plural political information and viewpoints, in particular during electoral periods.



Political independence of the media (66%, medium risk).

Political control over media outlets scores went from high risk in 2017 (72%) to medium risk in 2019 (66%). The law does not regulate conflict of interests between owners of media and ruling parties, partisan groups or politicians. There is no distribution group, TV or radio channel that belongs to a political party. In contrast to the audiovisual sector, most newspapers are ideologically close to a political party or interest group (see report MPM2016 and MPM2017).

Editorial autonomy (46%, medium risk)

The indicator on editorial autonomy scores a medium risk (46%). Political influence on the editorial line of the newspapers is still present. Two examples may serve as illustrations. Ever since its opening in 2014, the Luxembourg Freeport - a storage facility for luxurious goods situated next to the Findel airport - came under criticism by journalists and civil society for alleged cases of money laundering. According to a source, a journalist of the daily newspaper Tageblatt - affiliated to the socialist party LSAP - came under pressure for writing a critical article on the Freeport because one of the veteran LSAP politicians was now serving in the board of managers of the Freeport. The second example concerns the daily newspaper Luxemburger Wort. In 2017, the chief editor, Jean-Lou Siweck had to resign after allegedly clashing with the board of owners of Saint-Paul Luxembourg over the newspaper's editorial line. Reports suggest that - among other factors - members of the board of managers who are closely affiliated to the Luxembourgish banking sector did not approve of the critical business coverage.

Audio-visual media, online platforms and elections (20%, low risk)

This scores a low risk (20%). The conventions between the State and the media covering public service missions stipulates that they have a duty to impartiality, pluralism and objectivity. It should however be noted that outside the electoral period, there is no institutional or non-institutional body that actively checks whether the PSM channels and/or private channel – both audiovisual and radio - provide fair representation of political actors and political viewpoints in news and informative programs in practice. Complaints concerning the non-respect of pluralism can be directed to independent national supervision agency (ALIA), but most of the citizens are not aware of its existence. Moreover ALIA does not have sufficient means to actively control the presence of a fair and plural media coverage.

During elections, an agreement is reached before each election between the media and the political parties. According to these agreements, each party will receive fair and impartial access to the media during the official campaign period in RTL (radio and television) and in radio 100komma7. Up until 2019, the Service Information et Presse (SIP) was in

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charge of supervising agreement. Starting from 2019, ALIA took over in order to assure an impartial realization of the task. During the election, ALIA measured the speaking time allotted to politicians on RTL television during the European election campaign and wrote a first independent report on the matter. This report is however undisclosed, which implies that we cannot measure whether airtime was correctly distributed.

Finally political advertisement is subject to no regulation what so ever, be it in traditional (newspapers, TV, radio) or online media. There used to be a self-restraining obligation by the political parties, but such an agreement was not found for the last European elections in 2019. During the last European elections During the elections of 2019, only two parties purchased airing time for political ads on RTL Tele - the Pirates and the Green party. Both on the private media and on the PSM the advertising slots are introduced by a short jingle announcing to the listeners/viewers that they are about to hear/watch political ads.

State regulation of resources and support of the media sector (52%, medium risk)

The indicator on State regulation of resources and support to the media sector remains at a medium risk level (50% in 2017 and 52 % in 2019). The legislation provides transparent rules on spectrum allocation and on the distribution of direct subsidies to print media outlets (see MPM2016). The media Authority (ALIA) is in charge of the permissions for the regional radios (with emission network) and local radios. The other spectrum allocations - for national and international diffusion, for radio and television - are granted by the government after consultation of the Authority (ALIA). However, the decisions of ALIA are not always uncontroversial. When in 2016 a free spectrum was given to L'essentiel - partly owned by RTL - some commentators argued that this would strengthen the dominant position of RTL and harm media pluralism. The fact that the new director used to work for CLT-UFA - the parent company of RTL - have raised further concerns regarding the fairness of decision-making and the risk of bias in favour of RTL.

The legislation on state subsidies for the press are in the process of being amended and modernized. It is therefore likely to change in the near future. As things stand, subsidies for the print press still fall under the law on the promotion of print media of 1998. Print media receives a basic amount plus an additional amount proportional to the published number of pages with editorial content. Only print media employing at least five full-time professional journalists and offering general coverage of national as well as international topics are eligible for these direct subsidies. Only newspapers in French or German are eligible. Contacto - the most-read weekly newspaper of the country - is for instance excluded since it is written in Portuguese. .

With regards to audiovisual media, the new concession contract between RTL and the state provides for the first time a direct subsidy to RTL Télé Lëtzebuerg for the realization of a public service TV program. Accordingly, the State undertakes to reimburse the financial deficit of the Luxembourg TV channel up to 10 million euros per year. In addition, RTL will retain the right to use national frequencies until 2030. Frequencies estimated to be worth some € 5 million, up from 10 to 15 previously. Officially, the increase of the State subsidy should compensate for the loss of values of national frequencies.

While the rule for direct subsidies in favor of the printed press are transparent they are not necessarily fair as they essentially benefit two editorial groups: Editpress and Saint-Paul. The new and transitory online press subsidies did not contribute to attenuate this concentration, as most of the online news outlets that benefit from it belong to these two editorial groups (see Hamdi, Kies 2019).

There is no legislation on the distribution of state advertising to media outlets, there are moreover No complete information on indirect subsidies. Upon request, the ministries in charge have refused to share the data of some such indirect aid as f. ex. postal distribution subsidies (the so-called Messagerie Postale). It is however clear that they constitute an important source of revenue for many publishers. In 2014, the government had announced that it would abolish the publication of official notices in the printed press and instead publish them on its own website. This measure has caused a general uproar in the press given that the media companies would lose a considerable amount of money. The government has back-tracked on its decision even though it still aims to reduce the publication of official notices.

Indirect subsidy is also very relevant for CLT-UFA (RTL Group) as it received from the Government permission for a radio program in high power transmitter, pursuant to Article 13 of the media law. CLT-UFA receives permission to

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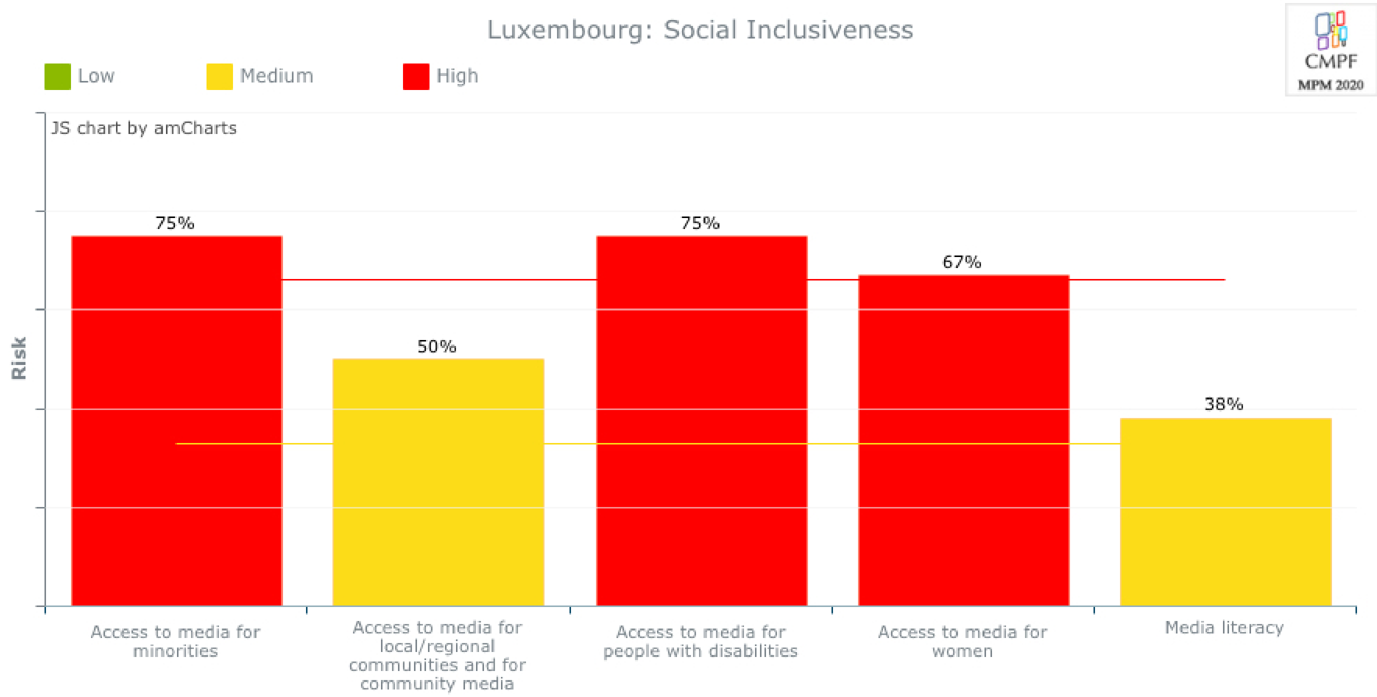
transmit the FM frequency 92.5 and 88.9. Moreover, RTL-group that has its headquarter in Luxembourg also benefits from advantageous real estate conditions aiming at stabilizing their presence in Luxembourg.

Independence of governance and public service funding (67%, high risk)

The indicator on Independence of PSM governance and funding was downgraded from medium risk (50%) to high risk (67%). The country has only one public service (*Radio 100,7*) fully financed by the state. While appointment procedures both for the management and the board are transparent, they do not guarantee for independence from political and economic influence. In fact, all members of the board are chosen by the executive. In 2017, the government decided unilaterally and against all expectations not to extend the office of the then-president of the board. The director of the radio later described the modus operandi of the government as a breach of confidence. When the government decided to designate Laurent Loschetter - a close friend of the Prime Minister (who is at the same time the Minister of Media and Communications) as the new president of the board, the editors-in-chief expressed their concerns in a public statement and the director decided to resign. In early 2018 the PSM was peer-reviewed by the European Broadcasting Union (EBU) which found that "the current system of governance underlies a risk of politicization, which could be a threat to [the radio's] independence". On May 2018 a new agreement was signed between the state and the radio covering the 5-year-period of 2019-2013. The pluriannual system was first introduced in 2015 and contributes to the autonomy and flexibility of the PSM. Given that the law is clear about the procedure one could argue that funding is transparent and fair. However, it is not transparent how the amount is fixed.

3.4. Social Inclusiveness (61% - medium risk)

The Social Inclusiveness indicators are concerned with access to media by various groups in society. The indicators assess regulatory and policy safeguards for community media, and for access to media by minorities, local and regional communities, women and people with disabilities. In addition to access to media by specific groups, the media literacy context is important for the state of media pluralism. The Social Inclusiveness area therefore also examines the country's media literacy environment, as well as the digital skills of the overall population.



Access to media for minorities (75%, high risk)

The indicator on access to media for minorities remains at high risk with 75% (from 69% in 2017). While Luxembourg does not have any minorities in the sense of the Council of Europe's definition (which implies that such minorities

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should have Luxembourgish nationality), it has important linguistic minorities as almost half of the resident population are foreigners – among them a large number does not speak Luxembourgish. Luxembourg presents the very paradoxical situation in which the sum of its linguistic minority groups will soon become the "majority". In January 2019, 47% foreigners were living in Luxembourg and the ratio of foreigners is steadily increasing. The main foreigners minorities are: The Portuguese 15,6% - The French: 7,6% - The Italian: 3,7% - The Belgian: 3,3% - The German: 2,1%. A recent study (Heinz, Fehlen, 2016) based on data of 2011 shows indeed that for the immigrants that were born outside Luxembourg, Luxembourgish is the primary language for only 3.8% and for the foreigners who were born in Luxembourg, Luxembourgish is the primary language for 24.1% of them. Another survey (ifop, May 2017), reveals that French is considered to be the national language of integration by 55% of the population (41% for Luxembourgers and 70% for foreigners), while Luxembourgish is considered to be the integration language for 35% of the population (49% for Luxembourgers and 20% for foreigners). Moreover, only 15% of the foreigners usually speak Luxembourgish with relatives (while this is the case for 94% for Luxembourgers). Foreigners more often speak with family and relatives, Portuguese (41%) and French (32%). Despite this obvious multi-lingual diversity, the law does not guarantee access to airtime on PSM channels to minorities. The law on electronic media of 1991, states that the socio-cultural radio (the only PSM channel of the country) is supposed to offer “a broad access to social and cultural organisations in Luxembourgish” (art. 14, al.4). In practice, the socio-cultural radio, is essentially in Luxembourgish and does therefore not provide proportional access to airtime to the linguistic minorities. The same goes for RTL Télé Lëtzebuerg . Its public mission obligations state that it has to provide a daily program that is essentially in Luxembourgish and that it has a limited obligation to provide news with French subtitles for the evening replays and half an hour weekly program in one of the minority languages of the country. As for the radio sector, the offer is more proportional as several radios target the linguistic minorities. Relating to the print sector, the minority press, *i.e.* the press targeting foreign residents in Luxembourg, is considered to be rather proportionate, even if the weekly French Journal, Le Jeudi, is no longer produced since June 2019 for financial reasons.

Access to media for local/regional communities and for community media (50%, medium risk)

The indicator on access to media for local/regional communities and for community media scores medium risk with 50% (from 63% in 2017). There are no specific provisions granting legal recognition to community media as a distinct group (alongside commercial and public media). There is only one radio (*Radio ARA*) that offers services largely corresponding to what one might expect from community media. Until 2017, there were no subsidies or particular policy measures in support of local/regional media. In May 2017, the Prime Minister announced during a speech at the parliament on the future of media and press, that its ministry is working on an action plan aiming at promoting a more qualitative, plural and integrated media policy. One of its measures is to financially support the local media (in which he also includes the community media). Since 2018, such media have been financed. For example, Nordliicht TV received some funding as “community media”. Radio Ara received a grant of 50.000 Euro in 2018 and 2019 based on a newly created budget article to promote media pluralism - but without any other legal basis. According to a longtime collaborator of Radio ARA, the radio pointed out in a meeting with Prime/Media Minister in July 2019 that the financial needs are much bigger and that these grants need to be based on a law fixing objectives, procedures for obtention and withdrawal of grants to assure operational independence of the local and community media.

Access to media for people with disabilities (75%, high risk)

The indicator on access to media for people with disabilities scores high risk with 75% (from 83% in 2017). While Luxembourg has elaborated action plans to achieve several objectives of the United Convention on the Rights of Persons with Disabilities ratified in 2011, the outcomes are still insufficient because the objectives defined in the convention are not transposed into specific national laws. The government has decided to implement the convention through several action plans. The first action plan that was adopted in 2012 should help gradually achieve the objectives of the Convention by introducing targeted measures. The 2018 report assessing the Sustainable Development Action Plan confirms that there is no significant progress concerning the accessibility of people with disabilities tothe national news (TV and Press) ". The new action plan that covers 2019-2024 was supposed to be published during the second semester of 2019. In parallel, the Independent National Authority (ALIA) has the mission “to encourage audiovisual media service providers under its jurisdiction to ensure that their services are gradually made accessible to people with visual or hearing impairments”. It does however not have any binding power, which means that ALIA cannot impose any measure and does not have any budget for promoting such initiatives. This “soft approach” probably explains that progresses to promote a greater media accessibility for the people with disabilities tend to be very slow and unequal (see MPM2016 and 2017).

Access to media for women (67%, high risk)

The indicator on access to media remains at high risk (93% in 2017). Luxembourg is particularly weak in the presence of women in key positions. Accordingly, the PSM does not have a gender equality policy. There is however an increase in the presence of women in the PSM management board – from 33% in 2016 to 63% in 2019–, but no women in the executive board. In the audiovisual sector (*i.e.* RTL television) the result is even worse as its management board (Clt-Ufa) is composed of only 10% of women (*i.e.* 2 women out of 20 members) and there are no women in the executive committee. Finally there are no women in the executive board of the 8 leading news media companies in the country that is calculated on the bases of the 2 most relevant (based on readership and/or impact) news media per type (audiovisual, radio, newspapers, digital native).

Media literacy (38%, medium risk)

The indicator on media literacy scores medium risk, with a score of 38% (from 33% in 2017). The policy on media literacy is still nascent and policy measures are fragmented. Media literacy is present in the 2009 law on the organisation of primary school that states that media education should be integrated at different levels of the teaching and in many initiatives aiming at promoting some aspects on media literacy within and outside the formal education system. However, the teaching concerning media literacy is not, unlike in other countries, embedded in the educational national curricula but is embraced throughout different kinds of activities inside and outside classrooms. Most of them depend on the individual efforts of dedicated teachers. In secondary education, the ministry of education is finalizing a bill aiming at reforming the entire educational curriculum. This bill plans to integrate in the curricula of different courses a certain number of sessions dedicated to media literacy. The recent exchange we had with the ministry of education however suggest that, similarly to the fundamental curriculum, the lessons would not be binding. Finally, media literacy initiatives are numerous and widespread but are however not centralized and are therefore difficult to find. To mention some there is: - The Day of the media organized by the Ministry of education that is addressed to teachers of fundamental and high schools: - The campaign Bee Secure (www.beesecure.lu) aiming at educating young people about the dangers on the Internet; - the week for the media education during which several events are organized by the ALIA, the Zentrum fir politesch (ZPB) and l'lnstitut de formation de l'Éducation nationale. The director of ALIA and the person in charge of the media literacy program at the governmental agency SCRIPT however recognized the necessity to promote a more centralized, coherent and binding media literacy program in formal and non-formal education (see MPM2017).

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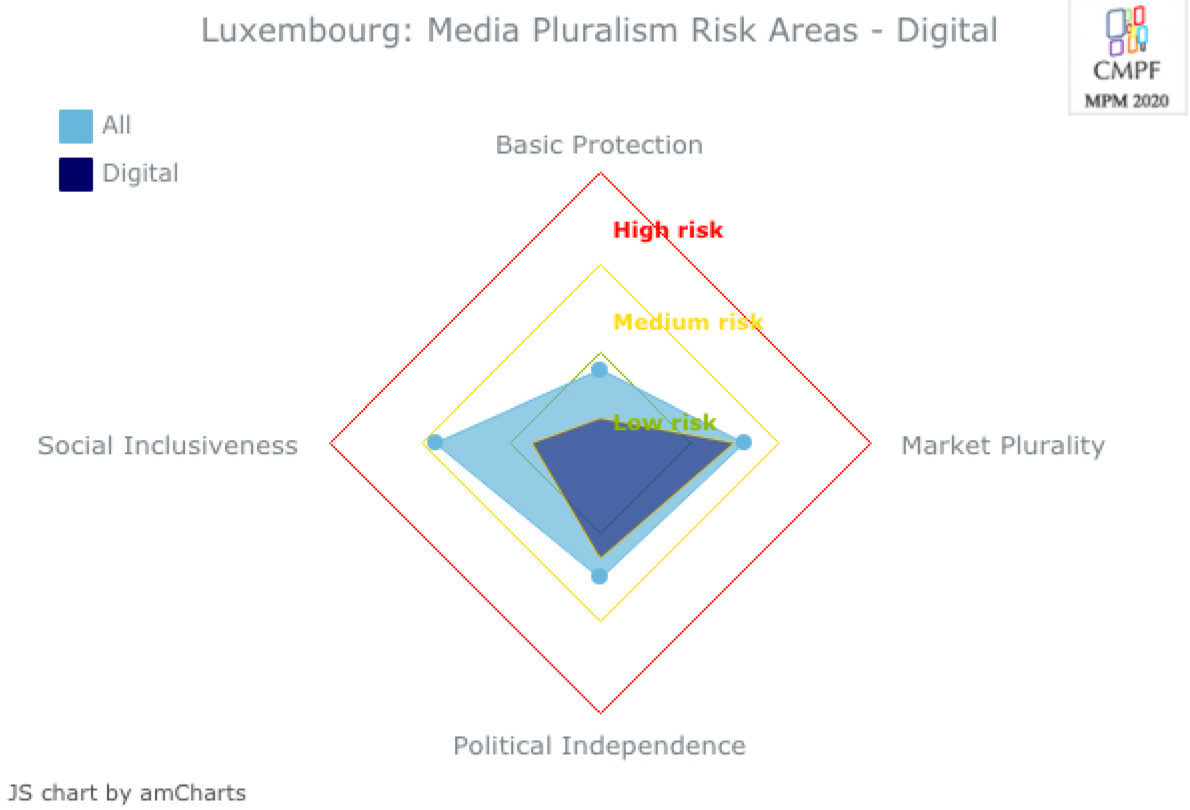
4. Pluralism in the online environment: assessment of the risks



Freedom of expression online is clearly protected in Luxembourg as the Law on Freedom of Expression applies both offline and online. Furthermore, the code of ethics drawn up by the Press Council explicitly states that freedom of expression covers information disseminated by "all professionals" online or by other electronic means.

Specific guidelines for the use of online platforms (f. ex. social media) have been elaborated for journalists. Every newsroom in Luxembourg adheres to the Bee Secure Code of Conduct which sets up a few rules that should be respected when interacting with other people on the Internet. Journalists are also obliged to abide by the Code of Ethics, worked out by the Press Council, which applies to the on- and offline activities of journalists. Media literacy campaigns and educational training are offered by Bee Secure, aimed at promoting safety on the Internet and combating online harassment. Several workshops have also been organised specifically designed to help journalists to better protect themselves against digital threats (f. ex. espionnage).

So far, there has been no case of digital attack against a journalist in Luxembourg, nor have there been, to our knowledge, cases of arbitrary filtering or monitoring of online content by the State. However, no data exists on filtering or monitoring activities of online content by internet service providers (ISPs). Reports of the Institut Luxembourgeois de Régulation (ILR) suggest that net neutrality is guaranteed and that ISPs are managing network traffic without discrimination.
No data exists on the market position of ISPs in Luxembourg but sources indicate that a strong tendency towards concentration exists in this domain. “Post” owns by far the biggest market share in the retail broadband market. The ILR therefore proposes to regulate the wholesale market for broadband access to increase competition in the retail internet market.

Generally speaking, the main issue in the online news market remains that of media concentration. Unfortunately, Luxembourg lacks data on the online news and advertising sectors. This lacuna makes accurate measurements concerning market plurality in the digital sphere and online news consumption very difficult. Despite a lack of data, the risk of online concentration is likely to be high given that 2 media companies - rtl.lu and essentiel.lu - clearly stand out

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when looking at the number of unique browsers. It has to be noted that RTL owns parts of L'Essentiel.

Several online media have complained about the direct aid to RTL Tele Lëtzebuerg. The state funded products are published online by RTL where it attracts consumers and advertisers. Some competing media have argued that the state subsidies put them in a disadvantage against RTL in the online market.

The risk of online concentration is heightened by the lack of juridical means to control and prevent concentration in the media or advertising sector. Though there is a Council of Competition it does not have any competence in these matters. As regards cross-ownership, the Law on Electronic Media of 1991 had introduced an ownership limit of 25% of the shares. However, this paragraph was abrogated in 2010. As a result, there is today no provision in the law limiting cross-media ownership of different media. As stated above, companies have been legally obliged to disclose their ultimate beneficial owners. This also applies to the online news sector. However, ultimate owners for the digital media outlets that are not based in Luxembourg may not be available in Luxembourg. This will depend on whether or not a similar legal provision on ultimate beneficial ownership has been enacted in the country where the digital media outlet is registered.

Two digital native media have been created in the course of the last couple of years. A provisional public support scheme specifically promoting online journalism has been introduced in 2017. At the time of writing this report, a reform of the press aid scheme is being negotiated - including aid directed to online newspapers. As of now, 13 online media receive state aid - including two digital native media as well as online versions of printed media which - for various reasons - have not received press aid offline. For the first time, newspapers in English and Portuguese receive state aid and small and independent newspapers were able to employ additional journalists. In general, the number of online journalists has risen - going from 37 in 2017 to 57 in 2019. Though the online funding scheme mostly benefits the big media companies, there is no doubt that it has had a positive effect on the media landscape as it enhanced pluralism and media viability.

Media viability online is further secured by the fact that online advertising on news media has generally increased over the years. However, there is no detailed data on the online advertising market.
As a result of the lack of data, the role of social media and aggregators in national news consumption remains also largely opaque. No publicly available studies shed light on the use of online platforms in news consumption. Data published by the Eurobarometer in March 2016 give us some indication on the way people in Luxembourg access their news online. While the Eurobarometer survey indicates that a majority of online news consumers still access news sites directly - instead of passing through social media intermediaries - the situation has certainly changed in the meantime. Yet, while there is no doubt in the growing importance of online platforms in the way news are accessed and consumed, it is impossible to assess the degree of online platform concentration due again to the lack of data regarding online news consumption in Luxembourg.

A related issue concerns political advertising online. The last European elections have shown that the monitoring of political ads online is in many ways deficient and rather nebulous in Luxembourg. Though social media, such as Facebook and Twitter, have committed themselves to labelling political ads, they have in many respects failed to do so in Luxembourg as they did not recognize some ads which were clearly political in nature. Blame is also due to political parties which did not identify their ads as being political even. As a result, some parties have spent larger sums on online ads than officially indicated. The problem also arises from the fact that there is no regulation in Luxembourg aiming to ensure transparency and equal opportunities in online political advertising during electoral campaigns.

Given that most online news platforms are linked to a media company operating in the offline world, the risks of political and commercial influence over editorial content online are very similar to the risks encountered offline. Or, to put it differently, pressures on the offline version are likely mirrored in the online version of a news company. The two digital native media on the other hand are more or less free from political or commercial pressure. Reporter.lu has adopted a commercial model based entirely on subscriptions and readers' contributions. It does not recur to advertising revenue. The website provides critical and independent investigative journalism targeting both government and opposition parties.

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5. Conclusions

Since the last study (2017), we can underline several important events in the media landscape:

The events that (could) impact positively on the independence and plurality of the national media landscape, are the following: 1) The right to information has been enshrined in Luxembourg's legislation in September 2018; 2) Transparency concering ultimate beneficial owners has been improved. The law, which came into force on 1 March 2019, requires all Luxembourg entities registered in the Luxembourg Business Register, including the media companies, to provide detailed information on their ultimate beneficial owners.; 3) In 2019, the independent national media authority ALIA was in charge for the first time of overseeing an election campaign in the media. The results are however not transparent; 4) Financial support of community and local media has been introduced. Arguably, these should however be more transparent.

The events that (could) impact negatively on the independence and plurality of the national media landscape, are the following: 1) Luxembourg is still, with Liechtenstein, the only country of the EU/EEA Member States that does not have a national merger control law; 2) the French-language weekly newspaper "Le Jeudi" and the only satirical weekly journal both ceased publishing. Le Jeudi, which was shut down in June 2019 mentioned financial reasons for the cessation; 3) Radio 100komma7 is experiencing an internal crisis concerning its governance. A peer review conducted by the European Broadcasting Union (EBU) found that the current system of governance underlies a risk of politicization, which could be a threat to the radio's independence.; 4) There is a risk that RTL group leaves the country, which could imply changes in the national media landscape (as they would not provide the audiovisual PSM mission anymore) as well as on the international level (due to the numerous concession contracts, and reputation of the country).

The recommendations are the following:

1) Establish a proper national research institute focusing on the Media landscape in Luxembourg.

2) Improve the production and the transparency on media related data. In particular Luxembourg lacks of quantitative and qualitative data on media consumption.

3) Launch a public debate on the introduction of a national merger control law for preventing excessive concentration in the media sector. For recall Luxembourg is still with Liechtenstein the only country of the EU/EEA Member States that does not have a national merger control law

4) Strengthen the position of the PSM in the law.

5) Improve the media education system, at a time when it is still nascent, decentralized and largely based on the goodwill of certain people or institutions.

6) Improve access to media for people with disabilities

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ANNEXE I. COUNTRY TEAM

First name	Last name	Position	Institution	MPM2020 CT Leader
Raphael	Kies		University of Luxembourg	X
Mohamed	Hamdi		University of Luxembourg	

ANNEXE II. GROUP OF EXPERTS

The Group of Experts is composed of specialists with a substantial knowledge and experience in the field of media. The role of the Group of Experts was to review especially sensitive/subjective evaluations drafted by the Country Team in order to maximize the objectivity of the replies given, ensuring the accuracy of the final results.

First name	Last name	Position	Institution
Christian	Lamour	accademic	LISER
Hoscheit	Thierry	President of the Board of Directors	Autorité Luxembourgeois Indépendante de l'Audiovisuel
Guy	Antony		Radio Ara

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