

Action Group 2 – 2021 Terms of Reference (ToR)	
Name of Action Group (AG)	Action Group on the economic effects of the COVID-19 crisis
AG Chair, NRA	Carla Martins, ERC (Portugal)
Background	<p>The Action Group (AG) on the economic effects of the COVID-19 crisis was created in April 2020, following the adoption of the ERGA note on initiatives to address the COVID-19 situation, entitled “The systemic importance of the media in times of crisis”. In light of the unprecedented developments caused by the COVID-19 pandemic, the note acknowledged the vital importance of the media sector in providing reliable information to citizens.</p> <p>It should be highlighted that the adverse impact of the COVID-19 crisis aggravated the conditions of many broadcasters, publishers and radio stations already under financial strain in a rapidly changing market. In spite of the societal need for reliable information, media outlets were affected by the economic effects of the coronavirus crisis, especially, but not only, the decrease of advertising revenues.</p> <p>The creation of the AG enabled the constitution of a forum within ERGA to exchange experiences between the Member States. According to the mentioned ERGA note “with a view to the different scopes and competences NRAs might have in this regard, such an exchange can be helpful and fruitful to collect economic and regulatory measures already put in place in the Member States, planned actions and envisaged tools to support the national media sector”. The note also foresees the possibility of drafting “recommendations that could inspire the European Commission and/ or Member States to take into account the media sector”.</p> <p>Following the creation of the AG, a survey was undertaken with a view to help collecting information related to the pandemic’s impact on economic conditions for the media sector and on the capacity of media players to keep complying with their regulatory obligations. The first part of the survey was addressed to ERGA Members and was related to the measures taken by the public bodies and some basic economic indicators. Seventeen ERGA Members filled in the surveys aimed at regulators. The second part, dealing with more comprehensive economic indicators, was sent to European trade associations.</p> <p>This initiative made it possible to collect fundamental information on the concrete impacts of the pandemic crisis, gathered in a first</p>

	<p>report to be submitted to the European Commission in early 2021. The continuation of ERGA's work on this topic in 2021 will build on this report and the work of the AG in 2020.</p>
<p>Action Group scope and purpose</p>	<p>Given the continued impact of the pandemic, the AG will continue ERGA's work on the topic from 2020.</p> <p>Indeed, the preliminary results from 2020 confirmed that the media sector as a whole has been severely hit by the crisis with very serious economic losses. Those who relied mainly on advertising revenues – in particular commercial TV and radio broadcasters – have been the most affected with a worsening of their situation over time. The high level analysis points out that the impact caused by the pandemic will endure which could accelerate and amplify previous negative trends.</p> <p>In view of the preliminary analysis of the information collected in 2020, three focus areas which guided the discussion among the members of the AG remain fully relevant and merit further analysis:</p> <ul style="list-style-type: none"> a) Assessment of the differentiated impact of the crisis among media players, depending on the size of the geographic zone where they are active and the scope of their business. b) Assessment of the sufficiency of the measures adopted to help the recovery from the crisis. c) Assessment of the potential impact of the crisis on sector trends and media pluralism. <p>Therefore, the AG will continue, on the basis of all contributions – both from the regulators and the Industry – to feed an economic barometer for media players which can be updated.</p> <p>To this end, it is foreseen to re-apply the instruments devised to collect information at a national level, allowing a comprehensive perspective of the year 2020 and the first months of 2021. The structure of the survey will follow the one conducted in 2020 based on three axes:</p> <ul style="list-style-type: none"> a) Existing or planned support for the media sector; b) Implications on compliance & organization; c) Impact on the sector economic conditions. <p>The questionnaire will be updated in line with the experience of members in 2020.</p> <p>Besides the economic indicators, it will be relevant to follow general and sectorial measures and actions planned and implemented by Member States to support media players, as well as their effects and efficiency.</p> <p>Also, as far as possible, the AG will aim to assess to what extent European media players transformed their business models in response to the COVID-19 crisis, e.g. by switching from</p>

	<p>advertising-based business models to subscription/donation-based business models and/or explore case studies illustrating such transformation or others that might have occurred.</p> <p>This diagnosis and monitoring could be undertaken in coordination with the European Audiovisual Observatory (EAO) and European media industry organizations. A special attention should be given to the update of the European database “COVID-19 Measures Tracker” recording measures taken in the film & audiovisual sectors in the EAO member states.</p> <p>In the same way, it is relevant to follow the application and impact of the current support and recovery plans of the European Commission, in particular the Media and Audiovisual Action Plan.</p> <p>The continued exchange of experiences and information between the Members of the AG, regarding the media players under the NRAs respective jurisdiction, as well as the possibility to comment on the preliminary practical recommendations, will be another core activity of the AG.</p>
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Action Group 2 Deliverables (2021)

Deliverable 1

Deliverable type	Questionnaire
Deliverable title	To be determined
Due date	April / May 2021
Public consultation	Yes
Publication	No

Deliverable 2

Deliverable type	Report
Deliverable title	Action Group on the economic effects of the COVID-19 crisis – Final Report
Due date	December 2021
Public consultation	No
Publication	Yes

Allocated Resources AG 2

<p>Drafters</p> <p>Members</p> <p>Observers</p>	<p><u>Chair:</u> Carla Martins, ERC (Portugal)</p>
<p>NCRTV (Greece) AGCOM (Italy)</p>	
<p>KommAustria (Austria) CSA / VRM (Belgium) CEM (Bulgaria) DLM (Germany) TTJA (Estonia) CNMC (Spain) CSA (France) AEM (Croatia) NMHH (Hungary) BAI (Ireland) AGCOM (Italy) ALIA (Luxembourg) NEPLP (Latvia) BA (Malta) CvdM (Netherlands) KRRiT (Poland) RVR (Slovakia) MPRT (Sweden) AKOS (Slovenia)</p>	
<p>CRA (Bosnia and Herzegovina) AAAVMS (North Macedonia) RTUK (Turkey)</p>	

Workflow for Action Group 2 (internal and external milestones)

Date	Action/deliverable	Internal Action Group only	External Contact Network (CN), Plenary, Publication
2021			
February/March	ToR: written adoption procedure (1 st step: consultation)		
March	ToR: written adoption procedure (2 nd step: electronic vote)		
End of March / Early April	1st AG meeting (online) Kick-off meeting for introduction and welcome; exchange between the members concerning the outline of the AG2 structure and deliverables; discussion on the method, workflow, deliverables, timeline, next steps and tasks	All members	
Early April	Completion of the workflow, deliverables and timeline. Agreement on next steps and tasks	All members	
April	Meeting with Commission gather common understanding (if needed)	Chair	
Mid-April	Draft of the survey. Kick-off of other actions defined as next steps in the 1 st AG meeting	Chair and drafters	
Mid-April	Circulation of the draft survey for comments	All members	
End April	Completion of the survey	Chair and drafters	
End April/ early May	Distribution of the questionnaire by the NRAs	All members	
6 May	CN meeting Presentation and discussion of the ongoing collection of information and other actions undertaken	Chair	CN
May/ June	Reception of the responses to the questionnaire; first treatment and exploratory outputs	Chair and drafters	
1 June	ERGA plenary meeting Presentation of a brief interim report on the ongoing actions	Chair	Plenary

Date	Action/deliverable	Internal Action Group only	External Contact Network (CN), Plenary, Publication
Mid-June	2nd AG2 meeting Presentation and discussion of the exploratory outputs of the questionnaire	All members	
September	Survey updates and collection of additional data	All members	
Early October	3rd AG2 meeting Presentation of the consolidated outcomes. Discussion of the final draft report structure and recommendations	All members	
October	Completion of the final draft report	Chair and drafters	
10 November	CN meeting. Presentation and discussion of the draft deliverable	Chair	CN
2 December	ERGA plenary meeting. Presentation, discussion and adoption of the deliverable	Chair	Plenary