

[IS] A media support scheme for private media

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On 25 May 2021 the Icelandic Parliament agreed to provide financial state support to private media companies. With amendments made to the Media Act No 38/2011, state funding will provide for *ad hoc* subsidies to private media companies, covering part of their editorial costs for the dissemination of news, and news related content, and also the cost of social issues coverage. All private news media service-providers, tv, radio, print and web media, can apply to receive the media subsidies but will have to fulfil certain criteria put forth in the newly amended Media Act.

The total funding amounts to ISK 400 million (about EUR 2.5million) per year. Applicants can receive support amounting to a maximum of 25% of their salary costs or contract payments to reporters, journalists, editors, assistant editors, photographers, proof-readers, lay-out and camera people. No single applicant can receive more than 25% of the total funding per year.

The overall purpose of the media subsidies is to strengthen the position of Icelandic media facing the challenges of competition from foreign streaming and social media services. The purpose of the original legal proposal of the Minister of Education and Culture was also to provide a fixed, predictable long-term support framework for the private media. However, with the changes made to the proposal by the Parliament, the support scheme will expire 1 January 2023.

The staff of the Icelandic Media Commission (*Fjölmiðlanefnd*) will process applications for the media support. A new commission, consisting of three people, will make decisions on the allocation of the support. The commission members will be nominated by the State Treasurer and appointed by the Minister of Education and Culture. Individual decisions on grants made by the commission will not be subject to an appeal within the public administration system.

Lög um breytingu á lögum um fjölmiðla, nr. 38/2011 (stuðningur við einkarekna fjölmiðla)

<https://www.althingi.is/altext/151/s/1503.html>

Act amending the Media Act, no. 38/2011 (support for private media)

