

PORTUGAL'S MEDIA CHALLENGE

Challenges, Changes, and Future Directions

The Portuguese case illustrates the shortcomings of national legislation in addressing the challenge posed by the EU-designated gatekeepers and the need for harmonization at the EU level. The sector expects the enforcement of existing EU regulations and the adoption of a new EU-wide framework that protects and sustains media plurality and journalism standards.

Portugal's national market-based media is threatened by systemic disruption from extra-territorial operators sapping their economic and financial foundations, **challenging financial sustainability, media plurality, and imperiling democracy itself** ("We are not the gatekeepers anymore, democracy is at stake"). Inadequate and outdated national legislation (the law still classifies the Internet as print) allows for gatekeeper ad sales intrusion into journalism and unfair competition of anything labelled "news".

It is estimated that 80% of the online ad revenue is captured by the EU-designated gatekeepers, denting the balance sheets of heritage and digital-native operators alike. Layoffs, bankruptcies, mergers, and opportunistic anonymous investors have **revealed the impossibility of present-day national regulation to address all challenges** and to re-establish a predictable and sustainable market-based level playing field.

Political pressure on journalism is not a professional concern but rather the financial pressure that is holding back the development of quality products (e.g., investigative journalism). Harsh working conditions nudge professionals to leave the profession because of persistent financial precarity and mental health hazards.

Media professionals do not blame excessive State interference in the profession ("we do our journalism in peace"), but rather **the inaction of successive governments to address the financial crisis of the ad-supported media**. Public service media operates a mixed and protected business model. Its financing is assured by a tax in the electricity bill and by a quota of ad expenditure. The public TV broadcaster is the most trusted news source, closely followed by the private TV broadcasters, albeit not the most watched.

The government's Action Plan for Social Communication (2024) established 30 measures related to State subsidies for technological modernization, hiring of journalists, AI training, and support of 50% of media subscriptions. Measure 13 commends the integration of public policies at the EU level recognizing **the inability of the State to negotiate the extraterritorial challenge at the national level**.

Influential voices advocate that the media financing crisis in the EU should not be addressed with more public subsidies but rather with **EU-led negotiations with the large digital platforms**.

Nuno Cintra Torres, Tatiana Chervyakova & Manuel José Damásio
Lusófona University

