



WARSAW RESOLUTION adopted at ENPA General Assembly, 20th May 2011.

ENPA calls for a VAT system that promotes rather than hinders access to information in democratic society

European newspaper publishers provide an incredibly diverse palette of news, views and analysis to citizens every day, at national, regional and local level. In doing so, the news media sector plays a unique role in democracy in Europe, stimulating debate about the “Grand Challenges” facing Europe today and promoting engaged citizenship. As the European Commission undertakes a review of the EU VAT System, ENPA calls on legislators to ensure that the VAT system serves to promote, rather than hinder, access to authoritative news and information which is central to democratic society.

Jacques Toubon, the former Minister and special envoy for France on taxation of cultural goods and services, spoke of the “absurd” distortion caused by the current standard rate of VAT applied to digital press, during a VAT Seminar organised by ENPA in Warsaw on 19th May. M. Toubon stressed that taxation is a decisive factor in the competitiveness of the European creative industries compared to the U.S. and Asia. Outlining the position of the French Government, he said: “We must do everything in our power to ensure that, in the promising new market for on-line books and press, wealth and jobs are created and maintained in Europe by existing or future European services that can draw on Europe’s powerful industry of book and press publishers”.

ENPA believes that maintenance of zero VAT on newspapers in Member States where currently permitted is essential. Furthermore, providing the option for Members States to apply zero or the lowest possible VAT on all formats would not result in any loss of revenues to national Treasuries, since the digital market is still in its infancy. On the contrary, it would help to promote the development of a successful and sustainable digital press market.

An extension of the current VAT rates for print to digital newspapers would also help to accomplish the following:

- Ease access to newspapers for all citizens, especially those on lower incomes.
- Enhance the competitiveness of the news media sector and promote jobs in Europe, in line with the Europe 2020 strategy for smart, sustainable and inclusive growth.
- Promote paid for content models in the digital environment and help to achieve the goal of a vibrant European digital content market.
- Promote European languages, media literacy and strengthen the role of newspapers as an indispensable contribution to the education and lifelong learning of citizens.

We therefore call on the EU institutions and national governments to ensure that the VAT system helps to create conditions in which the European news media sector can thrive in the future, as a creator, producer and distributor of professional content on all platforms.