

Unauthorized translation

Executive Order on distribution subsidies for certain periodicals and magazines, as well as publications similar to newspapers.

EXECUTIVE ORDER no. 636 of 24/06/2008 (In force)

Legislation affected by the Regulation

[ACT No. 1214 of 27/12/2003](#)

[ACT No. 271 of 31/03/2006](#)

Subsequent amendments to the Regulation

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Full text of the Regulation

Executive Order on distribution subsidies for certain periodicals and magazines, as well as publications similar to newspapers.

Pursuant to Sections 1 (2), Section 2 and Section 3 (1) in Act no. 1214 of 27 December 2003 on distribution subsidies for certain periodicals and magazines, as well as Section 1 a (2) in Act no. 271 of 31 March 2006 on amending the Act on distribution subsidies for certain periodicals and magazines, the following is laid down:

Chapter 1

Periodicals and magazines

Criteria for subsidies

1. Subsidies are granted for distribution in Denmark and from Denmark to the Faroe Islands and Greenland to publishers of periodicals and magazines, on condition that the publication is published at least twice each calendar year and consists primarily of information about:

- 1) Topics of *general interest or general benefit*, primarily general information about society and the surrounding world, social matters, health and illness.
- 2) The work of *humanitarian* organisations.
- 3) *Education* and schooling matters, including individual subjects.
- 4) *Sport*, primarily information on individual sports and associations relating to them.
- 5) *Art and culture*, primarily information on pictorial art, literature, music, film and theatre, as well as the dissemination and preservation of culture.
- 6) *The environment*, primarily information on nature conservation and improvement, alternative energy, environmental protection and the establishment of environments.

7) *Religious matters*, i.e. magazines published by religious communities, an association of religious communities or an organisation formed by one or more religious communities or a group of members of a religious community. A religious community is taken to mean an organisation/association that is recognised or accepted as a religious community in accordance with Ministry of Justice practice.

(2) Notwithstanding the provision in Subsection (1), subsidies are not awarded to the publisher of a publication that falls within one of the following categories:

- 1) *Governmental/regional/municipal information*, i.e. publications published by governmental or municipal authorities, boards or institutions, or in connection with work being undertaken in or by such institutions. These institutions are defined in this context as follows: institutions that form a part of public administration as actual governmental, regional or municipal institutions, or institutions of a comparable nature, such as private institutions, associations etc., the ongoing operation of which is financed solely by public funds.
- 2) *Weekly newspapers and magazines*, i.e. publications of any kind that are published by professional publishing houses/publishers for commercial purposes. This also includes magazines published for the purpose of marketing or branding companies, products or services, unless this involves magazines issued to holders of season tickets, association membership cards, etc. for cultural institutions, etc.
- 3) *Professional publications*, i.e. publications published for a specific professional group, members of a specific profession or to provide information about a specific profession, as well as publications aimed at specific interest groups that have a significant common interest of a financial nature, such as homeowners' associations or tenants' associations.
- 4) *Trade union publications*, i.e. publications published by trade unions and professional associations that have a significant common interest of a financial nature.
- 5) *Hobby-related publications*, i.e. publications published by associations, organisations, etc. with a view to presenting or informing about hobby-related activities, apart from actual sports.
- 6) *Scientific publications*, i.e. publications published by public or private research institutions with a view to presenting or informing about their research.
- 7) *Political publications*, i.e. publications published by political parties, coalitions and associations, including their local associations.

(3) Section 1 (2) no. 3 and 4, do not apply to publications published for the purpose of purely professional information for a specific profession that do not deal with subjects of a specific political or financial nature.

Allocation

2. It is a condition for the publisher of a publication to be able to receive a subsidy in a given financial year that the publisher provides the information required for allocation and payment on an application form, which is available from the Danish Agency for Libraries and Media. It is also a condition that the form is received by the Agency within a deadline that is specified each year.

(2) The correctness of the information on the application form is confirmed by the publisher's signature. It is the responsibility of the applicants to notify the Danish Agency for Libraries and Media immediately of any changes.

(3) Applicants and recipients of subsidies must moreover submit the information requested by the Agency for Library and Media in connection with the processing of applications for subsidies and the administration of the regulations in this Executive Order.

(4) An allocation committee decides, on the basis of the information submitted, whether a publisher of a publication is eligible for a subsidy under the provisions in Section 1. The committee has the ultimate administrative authority.

(5) The allocation committee is appointed for a term of four years at a time by the Minister for Culture and has three members:

- 1) A chairman, who must have legal expertise and insight into the information business,
- 2) a member who must have an insight into the categorisation of periodicals and
- 3) a member who must have an insight into the publication business.

(6) The member described in Subsection 5,(2) is appointed at the recommendation of The Royal Library. The member described in Subsection 5, (3) is appointed at the recommendation of the Association of the Danish Specialised Press.

(7) The Danish Agency for Libraries and Media provides secretarial assistance for the committee.

Calculation and payment

3. Administration of the subsidy scheme is undertaken by the Danish Agency for Libraries and Media.

4. The subsidy is paid for a calendar year.

5. The subsidy is calculated using a system of points on the basis of the information on the application form about a publication's number of pages and number of copies distributed per annum.

(2) The individual publications are awarded points as follows:

- 1) Publications with 32 pages or fewer are awarded 2 points per copy distributed.
- 2) Publications with more than 32 pages are awarded 3 points per copy distributed.
- 3) Within both categories, copies distributed over and above 100,000 units per annum are only awarded 1 point.

(3) The total number of points awarded is set in proportion to the appropriation for the year under the Danish Finance Act. The Danish Agency for Libraries and Media then calculates the amount to be paid for the year in question for each point. The publisher receives a subsidy corresponding to the number of points awarded to the publisher in question's publication, although cf. Section 5 (6).

(4) In the period 2005-2008 publications of which fewer than 3,000 copies per issue are distributed are awarded, in addition to the allocation described in Section 5 (1)-(4), a special subsidy of DKK 5 million per annum. The special subsidy is awarded in accordance with the prevailing criteria, cf. Section 1. The special subsidy is calculated in the same way as the basic subsidy, cf. Section 5 (1)-(3), and when paid to the magazines in question is added to their proportion of the basic subsidy.

(5) The subsidy is calculated solely in relation to that part of the print run that in printed form is distributed via subscription, cf. Section 8 (4) or to paying members of associations or others of a comparable nature.

(6) The subsidy is calculated solely in relation to that part of the print run that is distributed by dispatch and cannot exceed the actual costs involved in this.

(7) The total costs in relation to distribution may include direct and indirect documentable expenses, for the distribution of copies which are covered by the subsidy scheme.

6. Payment of subsidies is undertaken jointly, once the allocation committee has completed its review of the applications for the year and the calculation of points has been completed.

(2) If changes in the individual publications' circumstances support it, or if the publisher does not undertake the envisaged activity, any subsidies already paid out or parts thereof must be repaid if the subsidy paid exceeds DKK 500 in respect of the subsidy for which the documented activity is eligible.

(3) The annual subsidy, cf. Section 5 (6) may not exceed the actual distribution costs incurred. If it is evident from the documentation submitted, cf. Section 7, that the subsidy for the previous year exceeds the costs actually incurred by more than DKK 500-, the amount overpaid is repaid or set off against the following year's subsidy.

Documentation

7. Before 31 May of the year after the subsidy year, the publisher must submit documentation of the number of copies distributed, including copies distributed from Denmark to the Faroe Islands and Greenland, and the number of pages in the eligible publication, as well as information about the costs incurred in distributing the publication.

(2) In cases where the publisher is unable to document the number of copies distributed, or the costs incurred in distributing the publication, the subsidy may be claimed back in the form of a full or partial repayment.

(3) More detailed rules on documentation, including audit requirements, are laid down by the Danish Agency for Libraries and Media.

Chapter 2

Publications similar to daily newspapers

Criteria for subsidy

8. Subsidies are awarded for distribution in Denmark and from Denmark to the Faroe Islands and Greenland to publishers of certain commercially published publications that in terms of their content correspond to actual daily newspapers, but that are published less frequently than daily newspapers.

(2) In order to be eligible for a subsidy under Subsection (1):

- 1) The publication must be issued between one and four times a week for at least 36 weeks a year or at least twice a month for at least 10 months a year.
- 2) The publication must be aimed at a broad range of readers and must not be aimed at specific sectors or groups of specialists, members of individual political parties or associations.
- 3) The publication must have national coverage, which is interpreted as meaning that the newspaper, in at least six of the eleven publication districts, cf. Dansk Oplagskontrol's division of Denmark into geographical regions, has a coverage rate (i.e. circulation in relation to number of households) of at least 0.1 per cent.

4) At least half of the publication's content must consist of editorial material (i.e. not advertisements) in the form of articles, etc. within a broad range of subject matter and including reporting on current affairs, such that at least half of the editorial content must deal with political, socially related and cultural topics. At least one third of the editorial content must be produced independently by journalists with a view to being published in the publication in question.

(3) The subsidy is calculated solely in relation to the part of the print run that is distributed by subscription in printed form.

(4) A subscription is covered by the subsidy scheme if an agreement exists between a publisher and an end user to the effect that the end user has the copy delivered to his home address. An agreement to the effect that the publisher delivers a copy to a recipient with a view to the copy being forwarded to an end user, e.g. in the form of resale, is not covered by the subsidy scheme. It must be possible for the subscriber freely to cancel the subscription, and a subscription may thus not be linked in a compulsory way to other relations such as, e.g. membership of an association or an employment arrangement, between publisher and subscriber. For a subscription arrangement to be covered by the subsidy scheme it is a condition that the subscriber actively renews his subscription at least once a year, e.g. by means of payment. As far as free newspapers covered by the subsidy scheme are concerned, confirmation must be made in writing.

(5) If a subscription is taken out by a subscriber on behalf of another person as the end user, a copy covered by the subscription may be included in the scheme if the following conditions are satisfied:

- 1) the publisher sends the copy to the end user
- 2) the end user makes an independent decision to maintain the subscription, and
- 3) the end user confirms this at least once a year to the party that took out the subscription or the publisher.

(6) A publication that is distributed door-to-door anywhere, regardless of whether an agreement has been concluded between publisher and end user, is not covered by the subsidy scheme.

(7) Subsection 6 does not apply where copies are distributed door-to-door as part of temporary campaigns, regardless of whether an agreement has been concluded between publisher and end user.

(8) Evaluation of a publication's content is performed in the form of an overall evaluation based on a number of issues each year. The evaluation is performed in connection with application and possibly during the subsidy year.

Allocation

9. It is a condition for the publisher of a publication to be able to receive a subsidy in a given financial year that the publisher provides the information required for allocation and payment on an application form, which is available from the Danish Agency for Libraries and Media. It is also a condition that the form is received by the Agency within a deadline that is specified each year.

(2) The correctness of the information on the application form is confirmed by the publisher's signature. It is the responsibility of the applicants to notify the Danish Agency for Libraries and Media immediately of any changes. If it is a desire that the subsidy be paid to someone other than the publisher, the publisher must declare this to the Danish Agency for Libraries and Media.

(3) Applicants and recipients of subsidies must moreover submit any information that the Danish Agency for Libraries and Media requests in connection with the processing of applications for subsidies and the administration of the regulations in this Executive Order.

(4) An allocation committee decides, on the basis of the information submitted, whether a publisher of a publication is eligible for a subsidy under the provisions in Section 8. The committee has the ultimate administrative authority.

(5) The allocation committee is appointed for a term of four years at a time by the Minister for Culture, and consists not only of the chairman of the allocation committee and the member of the committee mentioned in Section 2 (4), who is appointed at the recommendation of the Association of the Danish Specialised Press, but also of two other members who have a special insight into the newspaper business, who are appointed at the recommendation of the Danish Union of Journalists and the Danish Newspaper Publishers' Association respectively.

(6) The Danish Agency for Libraries and Media provides secretarial assistance for the committee.

Calculation and payment

10. Administration of the subsidy scheme is undertaken by the Danish Agency for Libraries and Media.

11. The subsidy is paid for a calendar year.

12. The subsidy is calculated using a system of points on the basis of the information on the application form about the number of copies distributed per annum.

(2) The individual publications are awarded one point for each copy distributed.

(3) The total number of points awarded is calculated in proportion to the appropriation for the year under the Danish Finance Act. The Danish Agency for Libraries and Media then calculates the amount to be paid for each point for the year in question. The publisher receives a subsidy corresponding to the number of points allocated to the publisher in question's publication, although cf. Section 13 (3).

13. Payment of subsidies is undertaken jointly, once the allocation committee has completed its review of the applications for the year and the calculation of points has been completed.

(2) If changes in the individual publications' circumstances support it, or if the publisher does not undertake the envisaged activity, any subsidies already paid out or parts thereof must be repaid if the subsidy paid exceeds DKK 500,- in respect of the subsidy for which the documented activity is eligible.

(3) The annual subsidy paid to a publication may not exceed 50% of the distribution costs actually incurred. If it is evident from the documentation submitted, cf. Section 14 (1), that the subsidy for the previous year exceeds the defined limit by more than DKK 500,-, the amount overpaid is repaid or set off against the following year's subsidy.

(4) The total costs for distribution may include documentable direct or indirect expenses for distribution of copies covered by the subsidy scheme.

14. Before 31 May of the year after the subsidy year, the publisher must submit documentation of the number of subscribers and copies distributed in Denmark, including copies distributed from Denmark to the Faroe Islands and Greenland, and documentation

of the total distribution costs incurred. This documentation must be undersigned by the publisher's auditor.

(2) In cases where the publisher is unable to document the number of copies distributed, or the costs associated with distribution, the subsidy will be claimed back in the form of a full or partial repayment.

(3) More detailed rules on documentation are laid down by the Danish Agency for Libraries and Media.

Chapter 3

Commencement

15. This Executive Order shall come into force on 1 July 2008.

(2) Executive Order no. 1509 of 14 December 2006 on distribution subsidies for certain periodicals and magazines and for publications similar to newspapers is repealed, however so that it continues to apply to applications received during the period between 1 January 2007 and 1 July 2008.

Ministry of Culture, 24 June 2008

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/Lars M. Banke