

Making News Work for Communities: backstop options to rebalance the platform-publisher relationship



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Executive summary

Over the last twenty years, big tech firms have diverted audiences and revenues away from professional journalism, leaving millions of citizens at risk of misinformation and disinformation, and undermining community cohesion. Local news makes value for big tech by supplying trustworthy information generated for and with their users' communities, but big tech firms do not share this value fairly with providers - particularly small independent publishers.

The Digital Markets, Competition and Consumers Act (DMCCA) has the potential to address this imbalance of power by creating a bargaining code for platforms and publishers, but international experience shows that big tech firms will do everything they can to delay and frustrate implementation of the code.

We therefore recommend two backstop measures that must urgently be developed in order to support the objectives of the DMCCA: firstly, a 'must carry' provision to oblige big tech firms to prioritise - and display with reasonable prominence - local news on their platforms; and secondly, a requirement for big tech firms to contribute to a fund to regenerate local news in the UK.

Background

The Competition and Markets Authority's (CMA) work under the Digital Markets, Competition and Consumer Act (DMCCA), which came into effect in 2025, aims to introduce a competitive, level playing field in the UK's digital marketplace by designating and regulating its largest players, including Google and Meta.

During the passage of the bill, the Government was clear that redressing the balance between tech giants and UK news organisations was central to the intention of the Act, which empowers the CMA to designate tech firms with strategic market status, impose conduct requirements to guide negotiations and apply a final offer mechanism imposing a decision where undertakings are unable to agree terms:

‘The Digital Markets, Competition and Consumers Act will help rebalance the relationship between news publishers and dominant online platforms, which has been at the root of many challenges the industry has faced in recent years.’¹

Local news providers reach millions of people in local communities across the UK, but generate little income. Tech platforms keep a lion’s share of the revenue that news generates, while hundreds of local press outlets have been forced to close. Research commissioned by PINF from FehrAdvice estimates that Google generates £2.2 billion in revenue from UK news outlets, almost none of which is shared with publishers.²

Market failure in public interest news was first identified in the 2019 Cairncross Review, which found that in the ten years preceding the Review, 321 local news outlets were forced to close due to declining revenues and the number of journalists dropped by 6,000, to the ultimate detriment of the communities they once served. AI is compounding the problem, with evidence from the US showing that referral traffic from Google search has dropped by 10% per month since May.³

Almost 5 million people in the UK live in ‘news deserts’ with no access to a dedicated news outlet, with misinformation spreading on social media leading to tension and even violence in our communities.⁴

Action is needed urgently to help local news publishers fulfil their valuable role in providing communities with the information they need, before outlets are forced to disappear for good. We must ensure that the new regulatory regime works as well for its small parties as it does for the largest corporations.

Why are backstop options needed?

There is huge uncertainty in the local news sector as to whether the UK’s new bargaining code will come into force quickly and decisively enough to address the immediate issues caused by platform monopolies. The pattern of behaviour demonstrated by big tech firms during bargaining processes around the world suggests that the path to successfully addressing the imbalance between platforms and publishers may not be smooth.

¹ See: [https://hansard.parliament.uk/Lords/2025-04-25/debates/90637C6B-9016-4872-AC00-2861E827C20D/TheFutureOfNews\(CommunicationsAndDigitalCommitteeReport\)](https://hansard.parliament.uk/Lords/2025-04-25/debates/90637C6B-9016-4872-AC00-2861E827C20D/TheFutureOfNews(CommunicationsAndDigitalCommitteeReport))

² Public Interest News Foundation (2025) *£2.2 billion: the true value of news to Google in the UK*. <https://www.publicinterestnews.org.uk/post/2-2-billion-the-value-of-news-to-google-in-the-uk>

³ See: <https://pressgazette.co.uk/media-audience-and-business-data/uk-and-us-publishers-says-google-ai-is-harming-website-traffic/>

⁴ See: https://www.publicinterestnews.org.uk/_files/ugd/cde0e9_31f2ee78fff64c3e8616e7eafdf28f99.pdf

1. Limitations of competition law

The code is ultimately a competition remedy, and competition law does not exist to achieve other legitimate policy objectives such as ensuring the sustainability or plurality of local news.

Competition remedies can directly address economic problems, such as predatory pricing, data hoarding, and lack of consumer choice. But these remedies may not necessarily support a vibrant public interest news ecosystem that provides civic value through the provision of diverse and high-quality journalism that enables people to take part in democracy. The code won't deliver everything that local media needs to survive.

To ensure that competition and IP are protected, businesses are supported and democratic institutions protected, a blend of policy approaches is required.⁵ One intervention will not be able to undo decades of the abuse of monopoly power and resulting devastation of local media.

A more sustainable media for the future will require multiple interventions, with bargaining codes a much-needed first step.

2. Inequality of arms

The code will have uncertain results because it relies on publishers to negotiate with platforms, and even with the CMA's oversight, the inequality of arms between parties is very likely to have an impact. There hasn't yet been legislation globally that has satisfactorily addressed the imbalance of power between big tech and local outlets in particular. It is possible that despite the conduct requirements that the CMA will impose to enable good faith bargaining in the UK, local outlets still may not walk away with a good deal.

Looking to other countries for signs of what may be to come, so far, the Australian and Canadian bargaining codes haven't benefitted local or hyperlocal media outlets. When Australia introduced its bargaining code in 2021, it failed to take account of small publishers and has subsequently exacerbated existing competitive struggles between publishers.⁶ Publishers that needed it most were left behind, with money directed to powerful legacy and corporate publishers.

In Canada, Google has offered a \$100 million dollar deal to publishers for exemption from the 2024 Online News Act, to be distributed by The Canadian Journalism Collective. It is expected that small publishers will receive a payment of \$17,000 per

⁵ Picard, R. (2023) *Bargaining for Digital Platform Compensation*, pp.14-16: https://cde0e94b-1765-4ed4-b952-25b60d52f69a.usrfiles.com/ugd/cde0e9_d7a05ca4f4374e63bf7803912ead3868.pdf

⁶ See: https://piji.com.au/wp-content/uploads/2023/05/nmbc-review_piji-submission_may-2022.pdf

journalist that they employ, which will do little to ensure the long-term sustainability of struggling local newsrooms.

The Canadian deal is essentially at Google's discretion, and the firm has previously withdrawn from discretionary forms of compensation or used such schemes as a bargaining chip. For example, in Indonesia, Google threatened to close its programmes supporting journalism in the country should bargaining codes pass into law.⁷ These actions harm local news outlets, who due to failing business models, may be dependent on a small number of revenue streams.

3. Delaying tactics

Designated firms are likely to seek to delay and frustrate the code by removing news, including local news, from their platforms. During the lengthy period of negotiation, it is important that big tech is not allowed to simply shut off news, as it has done or threatened to do in many territories that have attempted to introduce fair bargaining codes.

This trend began in Germany in 2013, when the country attempted to make amendments to its copyright law to give more power to news publishers, making search engines and aggregators pay for the use of news content, including snippets of news. Google retaliated by removing German news providers from search, demanding that they 'opt-in' and waive the new licensing agreements.⁸

In 2014, Spain attempted to make a similar move, but this time removed news publishers' ability to waive their fees. In this case, Google completely withdrew from Spain, delisting all Spanish outlets.⁹

Emboldened by these wins, Google has repeated the tactic in several countries and states. In January 2021, Google 'experimented' with removing local news sites from search results in Australia, before swerving negotiation altogether. Meta similarly blocked all news until its demands to change aspects of the code were implemented.

In Canada, Meta blocked Canadian news links on Facebook and Instagram in summer 2023 – at a time when many people were dependent on social media for news during severe wildfires - they remain blocked as of August 2025, with mis- and disinformation

⁷ See: <https://www.fortuneidn.com/news/bayu/google-perpres-publisher-rights-ancam-masa-depan-jurnalisme-indonesia>

⁸ UCLA ITLP April 2023 *Sustaining Journalism, Sustaining Democracy: A Policy Guide on Platforms and the Press* p.24:

https://itlp.law.ucla.edu/wp-content/uploads/2023/04/UCLA_ITLP_PlatformsPress_Final.pdf

⁹ Ibid. p24

allowed to thrive in its place.¹⁰ Google again threatened to block news until its changes were made to the draft regulation.

Despite remaining quite far away from the introduction of a bargaining code in the state, Google trialled cutting off news for Californian users in April 2024, derailing the proposed code and instead offering a discretionary fund that has not yet come to pass.

4. Side deals

Another way in which big tech firms have frustrated bargaining efforts is by offering side deals to publishers to sidestep transparent and accountable regulation. In 2023, Google pledged around \$9.8 million over three years to the Taiwan News Digital Co-Prosperity Fund. The fund was established to support Taiwan's local news outlets with digital transformation.

In South Africa, Google entered into a deal with the Association of Independent Publishers to establish the Digital News Transformation Fund.¹¹ Announced in 2024, the deal is worth R114-million (£4.8 million) and will run for 3 years. The fund is open only to small, local and independent publishers or collectives with a commitment to public interest journalism and digital transformation and beneficiaries must be members of the Press Council of South Africa. The Fund will be administered by an independent social investment organisation.

Given the urgent need for support to sustain outlets facing extraordinary financial pressure, it is understandable that publishers would accept side deals with big tech rather than await uncertain outcomes from potentially lengthy and likely highly disruptive bargaining processes.

5. Regulatory drag

Finally, the timeline set out by the CMA to develop a bargaining code, impose conduct requirements and proceed to a final offer mechanism will take a considerable length time to conclude, time that many local news outlets don't have.

Without additional measures to prevent big tech from overriding or undermining legislation designed to regulate their conduct, firms will retaliate in ways that seriously harm the provision of public interest news, with the local communities that depend on their output ultimately paying the price.

¹⁰ See: <https://www.nytimes.com/2025/04/21/technology/canada-election-facebook-instagram-meta.html> and <https://www.aljazeera.com/news/2023/8/29/stupid-and-dangerous-metas-news-ban-fuels-anger-amid-canada-wildfires>

¹¹ See: <https://aip.org.za/2024/11/25/aip-google-launch-major-local-news-support-fund/>

Backstop measures to support the underlying policy objectives and specifically mitigate these risks must be put in place to rebalance the hugely uneven relationship between big tech and independent local media providers.

Decision-makers should be ready to start looking seriously at the backstop options presented in this paper to preserve local news for generations to come.

Backstop Option One: platforms ‘must carry’ local public interest news

A helpful model comes from France’s experience passing the European Union 2019 Directive on Copyright and Related Rights in the Digital Single Market into national law. Per tradition, Google initially failed to comply with the new legislation and withdrew snippets from search services in the country. The French competition authority swiftly implemented a new measure that during negotiations, Google cannot withdraw or deprioritise news from search.¹²

The French experience shows that it is possible to protect publishers’ content and ensure that citizens don’t miss out on access to vital information as a result of bargaining.

There are two recent illustrative examples where must carry provisions have been used in the UK to protect journalistic content. Firstly, section 19 of the Online Safety Act (2023) sets out a temporary must carry provision to ensure that news content isn’t interrupted by content moderation required by the legislation. The provision requires platforms to notify publishers who are registered in the UK before removing their content, giving them a chance to appeal the action.

Secondly, The Media Act (2024) created a new regime requiring that digital TV streaming platforms must carry and prominently feature UK public service broadcasting (PSB) services (e.g. BBC iPlayer, ITVX and other PSB apps and content).¹³ The Act ensures that PSB programming is afforded equal protection to that provided under the existing linear regime,¹⁴ empowering Ofcom to regulate digital streamers accordingly.¹⁵

The CMA should therefore enter a must carry provision into Conduct Requirements under the DMCCA, ensuring that platforms cannot withdraw news from search services as retaliation against publishers during compensation negotiations.

¹² See: <https://www.clearyantitrustwatch.com/2020/10/the-paris-court-of-appeals-confirms-the-french-competition-authority-decision-imposing-interim-measures-on-google-to-protect-copyright-related-rights-of-online-news-publishers/>

¹³ See: <https://www.hoganlovells.com/en/publications/media-act-2024-implementing-psb-prominence>

¹⁴ See: <https://www.hoganlovells.com/en/publications/uk-draft-media-bill-series-part-2-psb-prominence>

¹⁵ See: <https://www.ofcom.org.uk/tv-radio-and-on-demand/Media-Act-Implementation>

Backstop Option Two: require designated firms to contribute to the Local News Fund

As set out above, there are many examples in which big tech firms have entered into deals with multiple news outlets around the world, either as a result of impending regulation as in Australia and Canada, or through their own News Initiative. However, these have all been essentially voluntary, private and unaccountable and not geared towards the long-term regeneration of local news.

One option to mitigate the risk of platforms side-stepping bargaining codes in the UK is to compel firms that have been designated with strategic markets status to contribute to the Local News Fund.

A recent recommendation of the Local News Commission, the Local News Fund, currently being established by PINF, would support the research and development of local news models that meet a certain standard of journalism. Benefitting outlets would need to demonstrably provide journalism that is accountable, sustainable, in the public interest, innovative, representative and engaging (ASPIRE).

We recommend that the CMA compel platforms to contribute to the Local News Fund to provide a publicly accountable resource to support local news in a fair and sustainable way.

Conclusion

While the new UK's new bargaining codes are a much-needed step towards addressing the imbalance of power between platforms and publishers, they alone will not solve the problems caused by years of entrenched monopoly.

More must be done to prevent tech giants from exploiting these dominant positions, including introduction of a 'must carry' provision for public interest news and contributions to the Local News Fund to ensure communities retain access to essential information.

About PINF

The Public Interest News Foundation (PINF) is working to regenerate local news across the UK. By 2035, we want every local community to be served by news that is Accountable, Sustainable, in the Public interest, Innovative, Representative and Engaging (ASPIRE). We believe that everyone should benefit from local news that speaks to them, for them and with them.

Local journalism plays an essential role in informing local communities, holding power to account, boosting local economies, creating a forum for debate and debunking the myths and rumours that lead to polarisation. PINF's advocacy and research is shaped by our network of over 100 local public interest news providers from all corners of the UK: from Devon to Shetland, Newry to Caerphilly.

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