EUROPEAN AGENDA FOR CULTURE
WORK PLAN FOR CULTURE 2015-2018

EXECUTIVE SUMMARY

PROMOTING READING IN THE DIGITAL ENVIRONMENT

REPORT OF THE WORKING GROUP OF EU MEMBER STATES' EXPERTS
UNDER THE OPEN METHOD OF COORDINATION (OMC)

1 | Introduction

The European Union's 2015-2018 Work Plan for Culture mandated EU Member States' experts to meet in 2015, on a voluntary basis, to produce a report with case studies on the topic of:

> 'Promoting reading in the digital environment in order to encourage access and audience development. Mapping of the regulatory framework with particular reference to licensing practices, cross-border services and e-lending by public libraries'.

The Work Plan also highlighted reading 'as a tool to spread knowledge, enhance creativity, support access to culture and cultural diversity and develop awareness of a European identity, taking into account the various conditions applied to e-books and physical books'.

Twenty-three Member States participated, as well as Norway (by invitation), each government nominating experts to participate in meeting(s), drafting work and/or the group's collaborative online platform. The topic is clearly timely and relevant to policy developments at national, EU and global levels, including: digitisation of literary heritage; creation of e-lending platforms; reading promotion; pricing policies and subsidies; VAT rates; copyright and lending rights legislation; research and statistics; interoperability of hardware/software; and access to published works for people with print disabilities.

2 | Policy context and definitions

The group chose to focus on the *cultural aspect of 'deep reading',* transcending the educational aspect of reading literacy. Consideration of 'the digital environment' focused on three aspects: *digital/digitised content* of a textual/narrative nature; digital channels through which reading promotion takes place; and *digital literacy* skills required to use hardware and software to read or listen to textual content. Access was considered in two ways: access *to what* (primarily fiction and non-fiction for the purpose of this report); and access *for whom* (in principle for all, but also identifying groups with particular needs, e.g. people with reading impairments, linguistic minorities).

Opportunities and challenges of reading in the digital environment are identified for different actors in the book chain: readers, libraries, booksellers, authors, publishers, educational institutions, reading promotion organisations, cultural institutions, collective rights managers and online platforms. Key opportunities and challenges relate to ease of access, cost, quality, resource use, rights and remuneration, innovation and preserving linguistic heritage.

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Three main public policy contexts are presented: cultural, social-educational and democratic. European policies combine elements of all three, but with different emphases, including in national public library policies. Relevant case studies are presented: Europeana from a cultural framework, Dutch reading promotion policy for the visually impaired from a social framework, and e-textbooks in Bulgaria from an educational framework. Social and psychological aspects of reading in the digital environment are discussed, with research suggesting that reading from screens may pose a challenge to immersive reading.

3 | Mapping the Regulatory Framework

E-book pricing is first explored, with reference to VAT, fixed prices and subsidies.

- On VAT, there are clear concerns about the EU VAT Directive 2006/112/EC, allowing reduced VAT rates only for physical books, and not for electronic books which are considered as services rather than goods. The report refers to President Juncker's May 2015 announcement – that 2016 EU VAT reform would aim to bring e-books in line with print media, and that 'VAT should be technology-neutral'.

- On fixed prices, while many European countries apply these to physical books, only Austria and Norway apply fixed prices to e-books; Germany is preparing draft legislation.

- On subsidies, many EU countries provide these directly or indirectly – for example government funding for literature digitisation, national/public library e-book purchasing, development of e-reading platforms and support for digital literacy.

Interoperability of e-readers and e-books is addressed, with regard to both ease of use and anti-competitive practices, recognising the need for e-book 'portability', to avoid users being tied to a single provider. The European Digital Reading Lab is promoting an open, interoperable publishing and digital reading ecosystem, particularly through the EPUB (e-publication) format. Norway's e-book database solution, connecting all publishers and booksellers, means that there are over 10 internet bookstores in Norway, none of which has a dominant market position.

Cross-border e-reading services offer clear advantages for shared language communities. Two case studies are presented: the Italian Digital Library as an example of cross-border library cooperation in Slovenia, Croatia and Italy, and ELLU in Estonia serving a linguistic diaspora by providing global access to Estonian literature.

A brief **EU regulatory update** is provided on aspects of the 2015 Digital Single Market strategy relevant to e-reading, the 2015 European Accessibility Act's specific requirements for e-books and the 2012 Orphan Works Directive.

Licensing practices are described, in the context of the EU's Information Society Directive 2001/29/EC. There are different approaches to e-lending in European countries, including public licences such as Creative Commons, extended collective licensing (a Norwegian case study is presented) and exceptions to copyright, as well as other forms of copyright limitation (Slovakia's new e-lending copyright act is presented as a unique approach).

Public library e-lending models are very diverse across Europe, in response to country-specific circumstances, including political principles (e.g. public or private ownership), cultural norms and values (e.g. acceptability of membership fees) and economic determinants (e.g. size of language community, competitiveness of national book market). Friction strategies are key, to prevent e-lending from 'cannibalising' the commercial market; examples include embargos, one-copy-one-user, licence renewal and opt-outs. Financial arrangements, policy choices and distribution technologies vary greatly from country to country, and even among local/regional authorities. There is clearly no 'typical' e-lending model in Europe; six different case studies are presented.

4 | Conclusions and Recommendations

Given stagnating market shares for e-books in frontrunner markets like the USA and the UK, it is unlikely that reading and reading promotion will go completely digital in the foreseeable future.

While reading from screens may pose challenges for immersive reading, case studies show that the digital environment can broaden and deepen reading skills and practices, for individuals and specific target groups.

Given the many different issues covered by the report, and the conflicts of interest between actors in the book chain and in reading promotion, it was not easy to reach specific policy recommendations. Ten recommendations are summarised below, for national governments, the EU and stakeholders. These are set out in more detail in the full report.

Recommendations for policy-makers (national governments and/or the EU)

- Promote implementation of the Marrakesh Treaty, for people with print disabilities.
- Produce more and better (comparable) statistics.
- Promote more research on the differences between physical and digital reading.
- Promote reading in both forms with particular efforts to increase the motivation to read.
- Promote work on interoperability, including through EU research funding.
- Stimulate cross-border services, for example with EU funding for collaborative projects.
- Revise EU VAT legislation by lowering VAT on e-books to the same level as print publications.

Recommendations for stakeholders

- Continue to work on e-publication standards and harmonisation.
- Continue and enhance reading promotion, valuing both paper and screen.
- Develop collaborative platforms with others in the sector, including across borders.

Annexes to the report

Two annexes to the report include a full list of group members and contact persons, and a comprehensive summary of questionnaire responses contributed by participating Member States, on four aspects of promoting reading in the digital environment:

- policy objectives (all reading);

- policy measures (e-reading);

- key actors;

- target groups.

[The questionnaire responses were almost all provided in 2015, so some policy aspects, and particularly statistics, are likely to have evolved by the time the report is published.]

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