

# Moscow fast-tracks law limiting foreign media ownership to 20%

The Russian Duma has passed the final reading of a law forbidding holders of foreign passports from controlling or owning more than 20 percent of any media outlet. The law, proposed just ten days ago, will extensively affect Russia's publishing sector.

*"The freedom of the press is guaranteed by our Constitution, and won't be affected,"* said Mikhail Margelov, one of the 430 deputies who voted to support the law, with only two voting against.

*"The law is designed to protect our national interests, to safeguard the sovereignty of our media, and our country."*

"The information war against Russia has its own laws, and has forced our hand," said Vadim Dengin, one of the authors of the new legislation, which was proposed by the three minority parties in the Russian parliament.

If, as expected, the law ratified by the upper chamber of the Russian parliament and Vladimir Putin, it will come into force in January 2016, though existing foreign-owned companies will have until 2017 to re-organize their ownership structure. Media that violate the law can be shut down, although not without a court order.

While all terrestrial TV channels in the country are owned either by the state or large Russian media holding companies, numerous cable channels and more than 60 percent of the print media have significant foreign shareholders. Many others are held by Russian businessmen, who hold dual citizenship, which will also make them ineligible to continue as owners.

The legislation will affect leading political talk radio Ekho Moskvyy, business daily Vedomosti, which is jointly owned by Finnish magazine publisher Sanoma, The Financial Times and the Wall Street Journal, Forbes magazine, published by German media giant Axel Springer, and the vast majority of franchised Russian-language version of glossy magazines, including Cosmopolitan, Men's Health, National Geographic and GQ.

Several deputies also noted that foreign companies including the US publisher Hearst, have recently bought up more than 50 regional Russian publishers, including local news websites, which have often been influential in regional politics.

Communist MP Oleg Smolin tried to introduce an amendment that would exclude lifestyle and other non-political publications from the restrictions, but the Duma committee responsible for the draft law rebuffed the proposal.

*"We are establishing fundamental relations between citizens and non-residents in the media sphere, and here no compromises are acceptable,"* said Roman Chuychenko, from the ruling United Russia Party.

*"Any loophole would open the door to machinations."*



RIA Novosti / Konstantin Rodikov

The only exceptions have been made for media that have resulted from state-level international treaties, which are currently encompassed by the joint Russia-Belarus Mir television. One of the sponsors of the law, Leonid Levin, said that cooperation with China – which incidentally forbids all foreign media ownership – could spawn Chinese-owned media in Russia.

Previous legislation only forbade foreign companies from holding a majority stake in TV and radio outlets.

In the West, France has similar restrictions on print news media ownership, while the US considers foreign bids for majority stakes in TV and radio stations on a case-by-case basis.

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