



GFMD Position Paper: Europe's Last Chance to Fix the Broken Digital Markets and Protect Democracy

As the European Commission prepares the European Democracy Shield, the Global Forum for Media Development (GFMD) emphasises that defending democracy must begin with protecting journalism. The survival of independent, public-interest media is no longer guaranteed in Europe's digital environment. Journalism—essential to democratic resilience—has become structurally devalued, financially undermined, and algorithmically marginalised. If the EU is serious about safeguarding democracy, it must act now to correct the systemic failures that continue to erode the media's role in society.

To do so, it is no longer sufficient to nod solemnly at “foreign interference” and “online disinformation” without confronting the digital infrastructure that enables, profits from, and even encourages these threats. Chief among these is the digital business model - a system so broken, so opaque, and so indifferent to its social impact that it has become a silent saboteur of democratic norms.

For years, watchdogs, researchers, and media organisations have warned that the surveillance-based, horizontally and vertically integrated and concentrated programmatic advertising model, where personal data is used in real-time auctions, [has created a financial incentive for misinformation, manipulation, and often harm](#). [The more sensational, controversial, or divisive the content, the higher the engagement](#), and the greater the revenue. Credible journalism, meanwhile, is drowned in a sea of low-quality clickbait and fraud. The current digital business model prioritises virality over veracity.

A staggering portion of [digital ad spending today is not even reaching real people](#). The industry's own insiders now admit that [large swathes of ad inventory are filled with bots, fake traffic, and fraudulent schemes](#).

U.S. Federal Court has confirmed that Google's monopoly in the digital advertising market—acquired through its purchase of DoubleClick—was used to lock in publishers and shut out competition in ad exchanges, [violating antitrust law and placing digital markets and the information environment under its control](#).

The result of this monopolistic behaviour? Billions of euros misallocated, legitimate media suffocated, and European voters targeted by a [misinformation industrial complex hiding behind algorithmic opacity](#). Yet there is little will—[certainly no urgency](#)—from the big tech ecosystem and programmatic advertising to clean up its act. They will rather adapt their internal policies according to the current political climate and profit considerations, such as in the case of [Meta's changes to their content moderation policies](#).

The *European Democracy Shield* is a welcome recognition that democracy cannot defend itself. But it will not succeed if it [fails to take on the structural enablers of digital harm](#).

Regulation must now be matched by robust enforcement and proactive policy design. The *Digital Services Act*, *Digital Markets Act*, and the *European Media Freedom Act* give us powerful tools that must be used to enforce transparency in ad tech, mandate access to credible inventory for public interest media, and penalise platforms that enable fraud and deception at scale.

Critically, we need the Know Your Business Customer (KYBC) obligation under the Digital Services Act to be applied to the digital advertising ecosystem, in order to distinguish real users from bots, genuine content creators from scammers, and verified media outlets from misinformation farms. Failure to do so is no longer a mere technical oversight—it constitutes a threat to democracy.

Shielding democracy should include—but cannot be limited to—combating foreign interference, supporting journalism and fact-checking, or enhancing media literacy; it must also directly confront the opaque market mechanisms, profit-driven platform architectures, and [unaccountable algorithmic systems](#) that perpetuate digital harms.

The consequences for journalism are severe. A growing share of public discourse is shaped by algorithms optimised for engagement, not accuracy. These systemic imbalances put journalism at a crossroads. The *European Democracy Shield* must go beyond generalised commitments to democracy. This includes investing in media infrastructure, rebalancing ad markets to support credible publishers, and enforcing legislation that upholds media freedom and transparency in platform governance.

Advancing the European Democracy Shield

This submission draws on insights from leading civil society organisations, journalism and media actors, as well as research and regulatory reports, to highlight two systemic issues requiring urgent redress: (1) the incentive structures that channel digital advertising revenues towards the lowest common denominator in content—including fraud factories, misinformation farms, and influence operations; and (2) the lack of transparency in content moderation and platform rules, which amplify harmful content while devaluing and demonetising professional and ethical content including journalism.

Digital Incentives Fueling Disinformation and Influence Operations

The digital advertising market, built on surveillance capitalism and algorithmic amplification, is no longer merely dysfunctional; it is actively corrosive to democratic norms. Its financial incentives reward content that maximises engagement at the expense of truth, accuracy, and public interest.

Multiple reports (e.g., from Adalytics, CheckFirst, and Reset Tech) show how misinformation websites and fraudulent actors continue to appear in programmatic inventories due to lax enforcement of transparency standards. A comprehensive study by Reset Tech (2025) revealed [the presence of more than 3.8 million dormant Facebook pages across the EU](#), ready for deployment in coordinated disinformation campaigns. During Romania's 2024 election, as documented by CheckFirst,, [3,640 political advertisements were published by unauthorised actors across Meta's platforms, reaching over 148 million impressions](#)..

While sellers.json standard offers a technical pathway to transparency, [programmatic ad exchanges often fail to enforce or uphold it in practice](#). The framework depends heavily on self-declared data, and there is no standardised, independent auditing to ensure compliance.

Meanwhile, [legitimate media outlets—particularly independent, investigative, and community-based journalism—receive a shrinking share of digital revenues. Journalism has become a loss-making venture not by accident, but by design](#)—while clickbait, scams, and synthetic disinformation continue to thrive.

The Opaque Architecture of Content Moderation and Algorithmic Amplification

The challenges facing journalism in the digital ecosystem extend far beyond isolated instances of account suspension or content takedown. As demonstrated by the [GFMD's Tech and Journalism Mechanism \(T&JM\)](#), systemic issues such as opaque moderation practices, arbitrary enforcement of Terms of Service (ToS), and structural platform biases disproportionately impact media outlets that provide public interest information. Journalistic organisations in Ukraine, for example, experienced [high rates of deamplification and monetisation restrictions](#), which do not remove content outright but significantly undermine its reach and revenue potential. These punitive measures, often triggered without clear justification or recourse, effectively suppress legitimate reporting while allowing harmful or misleading content to remain algorithmically prioritised. The report published by the European Commission demonstrated that [Ukrainian media outlets have lost significant shares of their Facebook traffic since the beginning of the war](#), thus exacerbating economic pressure on Ukrainian publishers and reducing access to reliable information for Ukrainian users, including in areas of active conflict.

Investigations into the Storm-1516 operation revealed how [disinformation networks used AI-generated media to create convincing political propaganda targeting European leaders](#). These synthetic media artefacts were algorithmically amplified, despite clear violations of platform policies. Journalists reporting on these networks found their own content

suppressed, their accounts flagged, and their monetisation stripped. In the worst cases, [journalists become targets of such disinformation actors](#), facing harassment, censorship, and in the extreme cases, imprisoned or murdered.

The T&JM initiative revealed that platforms fail to account for the distinct role journalism plays in democratic societies. In Ukraine, Moldova, Nepal, Peru, and Namibia, small independent outlets have reported being de-ranked or de-platformed with no explanation (see [T&JM’s final report here](#)). **By treating journalistic outputs as just another form of user-generated content, platforms expose newsrooms to content moderation systems ill-suited for evaluating editorial standards or newsworthiness.** Even when escalated, these cases often go unresolved, with very few pathway for correction, accountability, or dialogue. [This is especially dangerous in conflict zones or crisis contexts](#), where journalism plays a critical role in public awareness and civic resilience.

The T&JM experience underscores the need for structural reform. It is not sufficient to offer case-by-case remediation or rely on goodwill within platform teams, especially as such units face increasing budget cuts and layoffs. Instead, there must be standardised, legally enforceable safeguards for journalism and media content online in line with the European Media Freedom Act – provisions that recognise journalism’s democratic function and ensure proportionality, transparency, and appeal in moderation actions. Without this, the very architecture of digital platforms and dominant business model will continue to act as a systemic barrier to press freedom and information integrity.

Building Public Infrastructure and Collective Rights Mechanisms

The rise of cloud computing and artificial intelligence (AI) has [transformed the possibilities for investigative and data journalism](#), enabling newsrooms to process vast datasets and collaborate across borders. However, these same tools have introduced [significant financial and operational barriers, particularly for small and medium-sized public-interest media](#). As the volume and complexity of data increase, so too do the costs associated with storage, processing, and secure access. Many outlets are forced to choose between undertaking complex investigations and affording the necessary computing resources, jeopardising the public’s access to vital accountability journalism.

This imbalance is further compounded by the [highly concentrated market power of cloud service providers and AI infrastructure owners](#). The bundling of Infrastructure-as-a-Service (IaaS) with proprietary AI tools by a handful of dominant players—such as AWS, Google Cloud, and Microsoft Azure—not only reinforces vendor lock-in but also inflates costs through opaque pricing structures, including high egress and API fees. These dynamics leave investigative and data newsrooms with little room to manoeuvre, [undermining both financial viability and editorial independence](#). Survey data from GFMD and OCCRP highlights that nearly all journalism organisations foresee a sharp increase in cloud expenditure, but [few have the capacity or flexibility to adapt without external support or systemic market reform](#).

To safeguard public-interest journalism in the digital era, there is an urgent need to invest in shared, secure, and affordable infrastructure. Initiatives like the [Journalism Cloud Alliance \(JCA\)](#) [represent an important step toward collaborative solutions](#), enabling collective bargaining, cost-sharing, and access to tools that are currently out of reach for most independent outlets. However, policy support is also essential. This includes rebalancing the cloud services market through fair competition measures, incentivising the development of public-interest tech alternatives, and providing dedicated financial support to civil society and journalism organisations to cover essential infrastructure costs. Without these interventions, the power to uncover truths and inform the public risks being constrained not only by capture, but by capacity.

Conclusion: A New Vision for Democracy in the Age of AI

To have real impact, the [Shield must focus on several priorities](#):

- **Implementation and enforcement** of existing legislation is critical—particularly the DSA, DMA, EMFA, TTPA, and AI Act to guarantee transparency, fair competition, and accountability in digital markets impacting journalism and freedom of expression.
- **Combatting disinformation** must remain central, with equal attention to domestic mechanisms and foreign operations. Structural solutions—like demonetising disinformation and changing the advertising incentives—must replace reactive, piecemeal responses. At the same time, support for journalism, fact-checking, and media literacy must be strengthened.
- **A robust, independent media sector** is essential to counter disinformation and polarisation, yet it remains financially fragile. [The EU must commit to increasing media funding, providing more core support, addressing media capture, and correcting the imbalance between platforms and media when it comes to advertising revenues and content monetisation.](#)
- **Protection of media content in AI systems**, ensuring consent-based data usage, fair compensation for journalistic contributions, and governance that aligns with human rights and editorial standards.
- **The Shield should have an external dimension**, extending protections and support to EU candidate countries, neighbouring regions, and other partner countries where democracy is under threat.
- **Civil society** is crucial to upholding democracy. The Shield must support civic space, including through rapid response protection mechanisms and simplified administrative procedures for CSOs. Funding for civil society, including core support, is vital.

- **Democracy and security** go hand in hand. Investing in democracy is investing in Europe's stability. The Shield should complement the EU's security and defence strategy without compromising human rights.
- **Innovating democracy** is key. Citizens must feel connected to decision-making. The EU should invest in inclusive democratic practices, civic tech and affordable and accessible public interest digital infrastructure, and accessible participation channels that rebuild trust and empower citizens.

The European Democracy Shield must embody a strong, well-funded, and ambitious vision for the future—not merely a response to growing threats. We stand ready to work with the Commission and all partners to ensure that civil society's insights are reflected in its design and implementation.

The Democracy Shield must protect key pillars of our democracies, such as independent journalism, public interest media and civil society watchdogs. Across Europe, journalists and human rights defenders face harassment, legal intimidation, surveillance and economic precarity. Media capture, concentration of ownership and political interference are worsening and the civic space is shrinking.

The legislation to underpin the protection of democracy in Europe exists. The European Democracy Shield should enable the swift and effective implementation and enforcement of existing legislation in this domain – such as the Digital Services Act (DSA), Digital Markets Act (DMA) the Regulation on the Targeting and Transparency of Political Advertising (TTPA), the European Media Freedom Act (EMFA) and the AI Act. It is in the EU's economic and security-related interest to foster resilient information ecosystems in partner countries via international cooperation instruments, as autocratic states and hostile actors are running disinformation campaigns to undermine democratic processes, erode trust in mutually beneficial partnerships, or incite conflict.

Democracy cannot function without independent journalism—and journalism cannot survive under current digital conditions without systemic reform. The European Democracy Shield must be a turning point: a strong, well-funded commitment to restoring journalism's place in our democracies and fixing the broken infrastructure that now threatens it. Without this, Europe may soon find itself defending democratic institutions without the very media that give them meaning, scrutiny, and life.

About the Global Forum for Media Development (GFMD)

[GFMD](#) is a network of 215 member organisations across 80+ countries working to protect and promote media freedom and support journalism and media, and representing members' interests in key policy processes. GFMD holds Special Consultative Status with the UN ECOSOC and observer status at UNESCO. GFMD is the facilitator of the [EU Media Advocacy Group](#), an informal network for organisations within the journalism support, media development, digital rights, media freedom, and wider democracy support communities conducting advocacy work within European Union (EU) institutions on media-related issues.