

# The Indonesian Government is Preparing a Regulation Related to the Responsibility of Digital Platform Companies to Support Quality Journalism

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The Indonesian Press Council and Constituents are currently in the process of preparing a presidential regulation aimed at delineating the responsibilities of digital platform companies (“**DP Companies**”) in supporting quality journalism (“**Publisher Rights Reg**”). The primary objective of the proposal to issue this regulation is to enhance the accountability of digital platforms in promoting quality journalism. The goal is to ensure that every news article, essentially a journalistic piece, is recognized and appreciated for its authorship. It is anticipated that this initiative will contribute to the economic value of news produced by local and national media companies.

As we note from the above objectives, the preparation of the Publisher Rights Reg is driven by two main factors:

- a. concerns of the government regarding the escalating dominance of digital platforms, which have the potential to threaten the media ecosystem chain in Indonesia. This concern arises because, up to this point, all compensation from clicks, advertisements, or traffic generated by content on these news platforms becomes the property of the respective digital platform; and
- b. the absence of adequate and preventive provisions or systems to curb the distribution of unverified clickbait content, given the proliferation of misleading and harmful content.

By implementing the Publisher Rights Reg, the government aims to ensure a fairer distribution of revenue within the media industry and mitigate the adverse effects of unverified clickbait content on public discourse and well-being.

## Highlighted Matters Under the Publisher Rights Reg

The Publisher Rights Reg defines a DP Company as a private electronic system operator that offers and manages digital platform services for commercial purposes by engaging in data collection and processing. A DP Company is evaluated by the Press Council based on its significant presence in

Indonesia, which is measured by (i) the percentage of traffic from domestic traffic; and/or (ii) the number of active daily users in Indonesia in a certain period, the procedures for measuring which will be determined by the Press Council.

Pursuant to the Publisher Rights Reg, a DP Company has the following obligations:

- a. to support quality journalism, including preventing the spread and/or commercialization of news content that does not adhere to the Journalistic Code of Ethics in accordance with the provisions of the prevailing laws and regulations;
- b. to remove news that does not comply with the Journalistic Code of Ethics based on recommendations from the Press Council;
- c. to transparently and fairly share aggregated user activity data derived from the utilization of journalistic content owned by press companies;
- d. to give notice of changes in algorithms or internal systems that will influence the distribution of content, referral traffic, and paywall systems 28 days before implementing the algorithm changes;
- e. to ensure that any algorithm changes made continue to support the presence of quality and responsible journalism in accordance with the Journalistic Code of Ethics and the Press Law;
- f. to not index and/or display journalistic content that is a result of recycling content from other media without permission;

- g. to provide equal treatment to all press companies in the provision of digital platform services; and
- h. to adhere to the provisions of tax-related laws and regulations applicable to companies operating in Indonesia.

Furthermore, the Publisher Rights Reg governs written profit-sharing agreements between a DP Company and press companies. It is important to highlight that these profit-sharing agreements or other arrangements between a DP Company and press companies can involve either a single press company or a combination of several. Based on the current draft of the Publisher Rights Reg, the Press Council will specify the procedures, mechanisms, and the format of agreements between a DC Company and press companies later.

In relation to the implementation of profit-sharing between a DP Company and press companies, the Publisher Rights Reg provides that in the event of disputes regarding the formulation and/or implementation of profit-sharing, each party may individually or jointly request mediation and/or arbitration from the Press Council.

In addition, we have obtained information from one of the members of the Press Council's Media Sustainability Task Force that the Publisher Rights Reg is still currently in the drafting stage and seeking harmonization between the relevant ministries and institutions. However, the Ministry of Communication and Informatics confirms that the Publisher Rights Reg will be enacted by President of Republic Indonesia by the end of this year.<sup>1</sup>

## Conclusion

Based on the details provided in Section II above, the following are matters that need to be noted regarding the draft of the Publisher Rights Reg:

- a. the fulfilment of responsibilities and profit-sharing agreements outlined in the Publisher Rights Reg will not apply universally to all press and DP Company(-ies). This is due to the stipulations that (i) press companies will need verification from the Press Council, and (ii) DP Company(-ies) will be determined by the Press Council based on a significant presence (percentage of domestic traffic and/or the number of active daily users in Indonesia within a specified period).
- b. in the event that press companies and DP Company(-ies) meet the requirements and determinations set by the Press Council as stated in point (a) above, the DP Company(-ies) will be obliged to pay compensation to press companies for providing content and information as outlined in a profit-sharing agreement.
- c. press companies will be required to initiate the process by submitting an application to the Press Council, seeking approval to fulfil their responsibilities and share profits with the Council.
- d. written agreements detailing profit-sharing between a press company and a digital platform company may involve a single press company or a combination of them.
- e. any settlement of disputes related to the formulation and/or implementation of profit-sharing agreements will be settled through mediation and/or arbitration with the Press Council.

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<sup>1</sup> Source: [Draft Aturan Publisher Rights Sudah Final, Disahkan Jokowi Akhir 2023 \(detik.com\)](#)

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*The article above was prepared by Dentons HPRP's lawyers*

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