

**THE LEVESON INQUIRY INTO THE
CULTURE, PRACTICES AND ETHICS OF THE PRESS**

THIRD WITNESS STATEMENT OF CARLA BUZASI

My position

1. I am Editor-in-Chief of The Huffington Post UK, provided by AOL (UK) Limited (a wholly owned subsidiary of AOL Inc.). Unless otherwise stated, the comments I make in this statement relate only to The Huffington Post UK service.
2. I make this statement in response to a notice addressed to me dated 29 June 2012 pursuant to Section 21(2) Inquiries Act 2005.
3. I have answered the questions raised in the notice to the best of my knowledge and belief. Where any matters are outside my own knowledge I have stated the source of my information.
4. Nothing in this statement should be taken to be a waiver of privilege in any legal advice.

My personal involvement in drawing up the proposal for a new system of self-regulation based on contractual obligations, as now set out by Lord Black

5. I am asked to comment on my personal involvement in drawing up Lord Black's proposal for a new system of self-regulation based on contractual obligations.
6. I was invited by Lord Hunt to meet with him following my oral testimony to the Leveson Inquiry. I met with Lord Hunt on 15 February 2012 at The Huffington Post's UK office, when we discussed in broad terms his proposal. I indicated that The Huffington Post UK would be open to considering such a proposal. The Huffington Post UK had voluntarily joined the PCC, and it seemed to me that the proposed contractual regime might be an effective successor to the PCC.
7. Since my meeting with Lord Hunt, I have been provided with copies of the draft contract and the regulations (and other documents) but have had no direct involvement

in their drafting. To date I personally have not submitted comments on them, and nor has anyone else at The Huffington Post.

My role in the decision as to whether The Huffington Post should sign up to the proposed contractual framework

8. The Huffington Post UK is part of the wider the business of AOL (UK) Limited, and part of the international Huffington Post Media Group. As a result, other executives (in the UK and the US) will be involved in deciding whether to enter into the proposed contractual regime, but, as Editor in Chief of The Huffington Post UK, I will be involved in this decision.

The Huffington Post's current views on the proposed contractual regime

9. The Huffington Post UK is supportive of a self-regulatory regime in general, and we believe that the proposed contractual regime meets many of the concerns that have been expressed in the course of this Inquiry. We are concerned about the effect of statutory regulation and the possibility that this could have a negative impact on the freedom of the press. I would be concerned by the possibility that statutory regulation could lead to situations where editors and journalists hesitate to publish stories, which have been properly investigated and reported, and are in the public interest, simply for fear of sanction from a regulator. This concern should not be confused with a fear of being bound to follow proper ethical practices in our publication. We are committed to doing so, as demonstrated by our voluntary membership of the PCC.
10. Whilst we are supportive of the proposed contractual framework in principle, we are not currently in a position to make a final decision as to whether we could commit to it. There are a number of uncertainties in the regime itself, and at present it is unclear what an alternative statutory regime, or other self-regulatory regimes may look like. One of our concerns is the potential cost of the proposed contractual regime, the annual operating costs for which are expected to be greater than the PCC. It is currently unclear exactly how the new body would be funded (in particular for online only publications such as ours) and what level of fines or sanctions could be imposed. Lord Black has indicated that the involvement of digital publications should be "proportionate" but we do not yet know what that means. Before committing, we would need to be satisfied that the cost of joining the regime makes good business sense, and does not divert resources away from our own internal compliance procedures. As a relatively small online publication without the resources of the large newspaper groups, this is a significant issue for The Huffington Post UK. We are also anxious that the cost of membership of any new body should not be prohibitively expensive so that it does not create a disincentive for organisations to join, in particular other online only publications that may not have adequate resources. We understand

that these issues are being actively considered and do not anticipate that this is likely to be an issue that would prevent our involvement.

11. We also had a concern over the extent of the powers of audit that were included in early proposals for the contractual framework, in particular where those auditing our practices might well be Editors of competing organisations which gave rise to concerns about access to confidential or commercially sensitive information about our business. The proposals no longer include an audit right, but we do wish to consider more fully the extent of, for example, the reporting and certification obligations, and the ability of the Regulator to publicise information that is submitted to it as part of the annual certification process. That issue would also need to be considered in the context of our international business operations.
12. As a member of the PCC and subject to a range of legislation covering the press and online commerce, we have extensive internal measures to ensure compliance with the PCC Editors' Code and the law. Whilst we may need to formalise certain processes to help ensure compliance with the proposed reporting and certification requirements, we do not anticipate that any significant changes to our internal systems would be required to comply with the proposed regime.

What differences would signing up to such a framework make to the culture practices and ethics of Huffington Post?

13. I do not believe that signing up to the proposed framework would make a substantial difference to the culture, practice and ethics of Huffington Post UK on a day-to-day basis. We have demonstrated our commitment to upholding high press standards by becoming the first purely online publication to join the PCC; we strive to comply with the Editors' Code and the law; we are a responsible organisation. Undoubtedly, the proposed framework, and the reporting obligations and the potential sanctions, would provide an increased focus on our compliance obligations, but that focus is something which I, as Editor, am constantly reinforcing to my team, with the full backing of the business.
14. I believe that the facts stated in this witness statement are true.

Signed



CARLA BUZASI

Dated

11 July '12