

COMMON ROOTS AND ECONOMIC BENEFITS

20 May 2021



1. General remarks: Culture as our common roots

For the EPP Group, culture is at the heart of the **European way of life**: culture is both **the soul and the skeleton of our countries and people; it shapes our common identity, connects people and creates a bond between generations. Europe's culture is a common shared and complex asset, which bears witness to the unity and diversity of the European civilisation through the plurality of its cultural traditions.**

In the context of the current challenges, in a post-pandemic world, culture is increasingly important and vulnerable. Culture integrates the **creativity and spirit of our society and artists, preservation and revival of our cultural diversity and unique traditions.** Over centuries, the European culture based on the Judeo-Christian tradition, ancient Greek-Roman legacy and the Enlightenment, developed our core values: **respect for human dignity and human rights, freedom, democracy, equality and the rule of law.** It is only on the respect of these values that we can ensure to European citizens a **high standard of living** and the possibility to realise oneself through their **individuality rooted in his or her community. Our responsibility towards the future generations is therefore to preserve, safeguard, renew, and promote our culture.**

Within the EU framework, culture is rightly subject to **subsidiarity**, certainly one of the most important competences of Member States, also in this time of crisis. Articles 6 and 167 of the Treaty on

the Functioning of the European Union (TFEU) define the EU's role in supporting (including financial), complementing and coordinating Member States' efforts in this area. The EPP Group therefore supports and encourages **measures taken by European governments** at national and local level to keep alive the cultural structures and institutions during and after the lockdown. The EPP Group acknowledges that the distinct and unique cultures of minorities are an integral part of our rich European cultural heritage and therefore asks Member States to support cultural and linguistic diversity. We are, indeed, "United in diversity".

Nevertheless, as the challenges to the preservation of European culture are **global**, we also need to find **European solutions** to ensure that culture is not sacrificed. More than ever, the EPP Group welcomes the **2.2 billion euros** of the next MFF 2021-2027 dedicated to the **Creative Europe programme**, which represent **36%** more than the previous MFF. It is a big success for our Group, which advocated from the beginning for a substantial augmentation. In the same spirit, the EPP Group supported the call on the **Commission and the Member States** to earmark for the Cultural and Creative Sectors (CCS) and industries **at least 2% of the Recovery and Resilience Facility** dedicated to the recovery¹. These measures should be completed by synergies with other programmes.

¹ European Parliament resolution of 17 September 2020 on the cultural recovery of Europe (2020/2708(RSP)), paragraph 5.

2. Economic importance of culture

In 2019, **7.4 million people worked** in the CCS and there were **1.1 million cultural enterprises** in the EU-27, generating **€145 billion of value added**². The Cultural and Creative Sectors in Europe are one of the biggest employers and directly contribute to the European GDP: it account for around **5% of all sectors** (except finance) in the EU³. It has also concrete effects on other sectors such as tourism: i.e. **two-thirds** of Europeans say that the presence of cultural heritage has an influence on the choice of their holiday destination⁴. The EPP Group welcomes the European Commission's campaign on social networks to support sustainable cultural tourism. In response to the crisis, "Europe's culture - close to you" encourages Europeans to enjoy the cultural destinations close to their homes in a sustainable and safe way.

Except in programming and broadcasting activities, **Small and Medium-sized Enterprises** dominated most cultural activities and the proportion of people who were **self-employed** in the field of culture in the EU-27 was **more than double** the average observed for the whole economy. It explains the relative **weakness** of the CCS and the necessity to take into account those characteristics in the design of the European recovery response. The EPP Group welcomes the quick reaction of the EU to support Small and Medium-sized Enterprises (SMEs) in the new multiannual financial framework for the period 2021-2027, especially for culture including the combination of artistic and technological skills.

3. Impact of the COVID-19 crisis on culture

The lockdown, decided **as a consequence** to the sanitarian crisis due to the COVID-19 pandemic, was a dramatic necessity to ensure public health. At the same time, it has provoked one of the **biggest** economic crisis affecting most of the economic, social and cultural sectors by closing a large amount of places dedicated to receive the public. The short-term impacts of the lockdown were tangible immediately, but the long-terms ones will be felt over the upcoming years. Cultural places and venues were affected at the outset. Museums, libraries, cinemas, music venues, theatres, operas, art galleries, and local community cultural centres were forced to close. Cultural and artistic events

such as festivals, exhibitions, and fairs, among others, were obliged to cancel their programming. For most of the public or private organisations managing these places or events, the lockdown has **caused an economic collapse**. It has also represented a **traumatic experience** because it **disrupted** their main objective: the **dissemination of arts and culture to all**.

We should salute the incredible **resilience** of many artists, cultural institutions and multiple entrepreneurs who - despite the difficulties - have not downed tools and have continued to bring their creativity to us by, for example, generously sharing their performances for free online.

By providing their arts in very constraining situations, they offered us the possibility to maintain this essential link to **creativity**. It has also demonstrated the importance of arts and culture during crisis times: **we can only imagine what it would be like if European citizens during lockdown had no books, movies, music, poems or video games. However, we are aware that this offered a short-term consolation and cheered up the spirits of people confined in lockdown. But it did not bring a solution to the cultural sector as a whole.**

The Coronavirus pandemic has devastating consequences for the cultural and creative industries. Many cultural institutions and small venues in particular are on the brink of financial ruin. For many workers in the cultural sector, the ban on events due to the Coronavirus also means no income. For many artists it is a matter of their existence and **preservation of their artistic skills. If, for example, a violin player due to a lack of income is forced to abandon his practice and to find a job in supermarket, how is he going to preserve his skills and talents? Many cultural institutions and venues were forced to close down or will do so in upcoming months.** Experts estimate that culture, together with tourism, will take the longest to get back on its feet economically. This is fatal, because the creative industry is made up of many Small and Medium-sized Enterprises, independents and freelancers.

² Cultural Statistics from Eurostat, viewed on the 29th of July 2020, and available on: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Culture_statistics

³ EU support for artists and the cultural and creative sector during the coronavirus crisis, Briefing from the EPRS, European Parliament, 2020, available on: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649414/EPRS_BRI\(2020\)649414_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649414/EPRS_BRI(2020)649414_EN.pdf)

⁴ Special Eurobarometer 466 - Cultural Heritage, 12/2017

The EPP Group is fully aware that many cultural and artistic institutions are dependent on their audience, even if some of them receive public subsidies. The sanitary conditions necessary to be able to reopen cultural public spaces should also take into account their **financial sustainability**.

The EPP Group welcomes the **measures taken by many Member States** to safeguard their domestic Cultural and Creative Sectors. These measures should support both workers and artists, and cultural institutions and organisations. Measures to extend the rules of a country's specific unemployment scheme for artists and technicians in the sector (i.e. statute of 'intermittents du spectacle' in France), measures to maintain public subsidies even in case of cancellation of events (Germany), or specific recovery funds dedicated to Cultural and Creative Sectors (Belgium) are concrete and flexible national responses. **The EU provides a platform for sharing best practices on Members States' efforts to save the cultural sector.** But for the future, the EPP Group is also convinced that the European Union has to play an active role.

The European Union ought to help directly the Cultural and Creative Sectors and indirectly through Member States and their supportive measures. The EPP Group welcomes **concrete actions** taken by the European Commission to provide for more flexibility, via a temporary **State-aid framework**, which specifically mentions culture among the most badly-hit economic sectors. The European Commission also opened the 37 billion euro Coronavirus **Response Investment Initiative** to Small and Medium-size Enterprises, including those from the CCS. This initiative is accompanied by 28 billion euro from the structural funds, which cover labour market issues, and the **EU Solidarity Fund (EUSF)**, which can play an important role in showing EU solidarity with Member States dealing with emergencies. The European Commission endorsed a new COVID-19 related **European instrument for temporary support to mitigate unemployment risks in an emergency (SURE)**. The SURE scheme should also unlock further funding for SMEs and the self-employed in the CCS within a mechanism of short-time work schemes in most EU Member States. **The EPP Group fully supports those measures, which should be directed at the most impacted and vulnerable players in the cultural ecosystem and maintained throughout the COVID-19 crisis.**

The EPP Group also reminds of the importance to earmark for the Cultural

and Creative Sectors and industries **at least 2%** of the Recovery and Resilience Facility within the national recovery and resilience plans.

4. European short-term and long-term solutions

More than ever, the EPP Group welcomes the **increasing of funds** allocated to the EU flagship programme **Creative Europe**, *the only source of funding intended exclusively for the broadly defined cultural sector. But even with a substantial increase of 36% of its funds for 2021-2027*, the Creative Europe programme is a financially smaller programme in comparison to other EU programmes. The use of synergies with other European funds and programmes will multiply the effectiveness of this important **cohesion tool** for the European Union and its citizens that contributes to the **preservation and promotion of our cultural diversity**, roots in our society and **cultural dialogue**. The Europe Creative programme fully encourages respect and the dissemination of **European cultural diversity and values** in European societies and among European citizens. For the EPP Group, supporting a strong and ambitious Creative Europe Programme has never been so relevant.

Culture has impacts on several levels of our societies and economies: **tourism, local community economic growth, jobs, education, and inclusion**. One example: by preserving our cultural heritage, we not only maintain our traditions and our history, we also participate to the sustainable development of local communities, by providing new jobs opportunities with new skills. And we improve the sense of belonging of European citizens to the place they live. **The EPP Group supports the promotion of the EU wide European Heritage Label scheme that focuses on the European narrative and contribution of historical sites to the progress of European history and unity. Cultural awareness and cultural diversity are key for preserving Europe's unique traditions.**

For the EPP Group, it is important to maintain efforts that bring greater visibility and appreciation to European artists, such as the newly branded **European Parliament Lux Prize Award - the European Audience Film Award** - that increases support to the European film industry, attracting the attention of the audiences across Europe

and encouraging debate on the issues they raise.

The EPP Group applauds the success of the European Capitals of Culture initiative. It has proven to be a successful initiative that connects people, artists and generates cultural, social and economic gains.

Synergies with other programmes is the key word to multiply the effect of the European Union policy on culture: the cohesion fund, regional fund and social fund should integrate a cultural dimension in their objectives to ensure that part of their subsidies will be also spent to preserve our European way of life. Research and education should also be part of the current and future development of culture, especially regarding new technologies. The EPP Group fully supports possible medium and long-term measures in the next multiannual financial framework, targeting the CCS and potentially supportive of them. To this end, the EPP Group supports the Recovery and Resilience Facility Fund; Horizon 2020; cluster 2 on culture; Invest EU; and the European Institute of Innovation and Technology, which will include a new Community of Innovation and Communication devoted to culture and creative industries.

The EPP Groups also advocates **maximising the potential of the European Structural and Investment funds in preserving cultural heritage**. We support the idea that investment in culture and tourism infrastructure shall be considered small-scale and eligible for support if the ERDF co-financing does not exceed 10.000 000 euro, and that the ceiling shall be raised to 20.000 000 euro in the case of infrastructure considered to be a UNESCO World Cultural Heritage. EU programs including Erasmus+, Rights and Values, Horizon Europe and the European Solidarity Corps offer a chance to learn about the diversity of European culture.

The **European Year of Cultural Heritage 2018** was a successful initiative, which brought together artists, cultural professionals and the general public **and demonstrated that cultural heritage can provide a basis for European projects involving citizens of all categories of age and an opportunity for citizens to liaise with experts**. In order to give new impetus to the cultural sector in Europe, the EU should repeat the European Year of Cultural Heritage on a regular basis. **The EPP Group welcomes the Commission's initiative**

“Cultural Heritage in Action” and the peer learning programme for local and regional policymakers to exchange knowledge on cultural heritage.

As far as the Digital Single Market is concerned, the CCS plays an important role in providing content. The EPP Group stands behind the European production of cultural works and supports measures aimed at promoting European works. Therefore, we call on the Member States to implement swiftly the revision of the **Audiovisual Media Services Directive to preserve cultural diversity and promote European works. We also fully support a timely and ambitious implementation of the Directive on Copyright** in the Digital Single Market because it has great potential to create a fairer market place for online content and improve the remuneration of authors and performers for the exploitation of their works.

The European Union has the **duty to defend its cultural exception and preserve its diversity**. If today we do not support our artists, creators and professionals working in these sectors, it may have devastating consequences for cultural diversity and mean that we simply will not have access to the range of cultural content and expressions we do now. The EPP Group is convinced that we need to ensure that there are platforms for expression for emerging artists and for alternative creators promoting European diversity. We need to ensure that all creators have a future and support the Cultural and Creative Sectors to recover from the crisis. In short, we need to create the conditions for our vibrant Cultural and Creative Sectors to recover and to thrive.