

Informal High-Level Videoconference for the European Union Ministers of Culture on the Impact of COVID-19 on the Cultural and Creative Sectors

In the light of the recent outbreak and dramatic spread of the COVID-19 virus at both global and the EU level, the Presidency wishes to address its heavy implications on the cultural and creative sectors and explore possible effective measures to mitigate the impact it has had on the economy.

The COVID-19 pandemic has forced cultural institutions and venues around the world to suspend their activities, leaving hundreds of cultural events cancelled. The negative impact of this situation on the cultural and creative sectors has in turn affected the entire EU economy. This is especially true for the micro, small and medium-sized companies as well as temporary workers and independent artists, who find themselves in a particularly vulnerable position as they are solely dependent on the projects and events that have now come to a halt. Such cases have been reported across the sectors, whether it be performing or fine arts, or book publishing.

The audiovisual sector is heavily reliant on the market and public activities, and bound by the production deadlines, impacting the EU production facing significant losses as well. It is equally important not to lose sight of the AVMSD and the Copyright Directive guidelines as the suspension of events and productions also carry notable implications for their implementation.

Media industry will also suffer greatly as it is almost entirely dependent on the income from advertising which is rapidly disappearing. At the same time, professional media and journalists are key for informing our citizens and for combatting fake news and disinformation particularly dangerous at the time of crisis.

While the pandemic will certainly have a severe impact on national budgets and growth and EU budget, additional support from the EU to alleviate the consequences should be available. Cultural and creative businesses are among those struggling the most and they would enormously benefit from financial and administrative support in these challenging times. The European Commission has swiftly reacted to Member States' requests for derogations from state aid rules to support struggling businesses. As many authors, freelancers and entrepreneurs work independently of companies and already face precarious working conditions and unstable income, decisive and rapid action is needed in order to provide them with targeted support and protect the sectors they operate in, which have been hit particularly hard by the outbreak.

In a longer-term perspective, sustainable solutions to enhance the resilience of the cultural and creative sectors in the face of disruption might have to be found, especially with regards to the following aspects: employment, funding and fiscal measures, and the digital. In terms of employment, new measures might have to be devised and implemented in order for employers and workers to be able to endure this period and have the means to remunerate the staff or re-employ them afterwards; furthermore, the development of new models to help the SMEs, cultural associations and organisations, and temporary and independent artists and (cultural)



workers might have to be put into effect. Also considered might be funding and fiscal measures: an establishment of a specific EU fund that would compensate for lost income for those who do not have access to unemployment benefits, a support as regards the utilities and rent costs and the introduction of increased loans guarantees for cultural and creative sectors. Finally, concerning the digital aspect, the digital cultural platforms and the online dissemination of artistic production might offer a temporary solution for business continuity in the current situation and encourage stronger activity and “life” of the cultural and creative sectors, namely for the artistic organisations which do not necessarily have the status of an SME or industry.

Another important aspect to consider is the Creative Europe programme and its response to this crisis in a timely and financially adequate manner, regardless of current projects. This might be done by establishing a specific strand in synergy with other EU programmes dedicated to supporting creative hubs, touring and co-productions, as well as a specific “emergency” grant that could be activated immediately in the aftermath of the crisis (Guarantee Fund/Invest EU, Horizon2020, etc.).

Taking these elements into consideration, the Ministers are invited to address the following questions during their interventions:

1. The Croatian Presidency has been collecting information from Member States on the types of assistance provided to the cultural and creative sectors at national level in the context of the COVID-19 crisis. How can this mapping of the national measures, which is correlated with the current needs of the sectors, be used in order to maximally benefit them?
2. What types of measures (both at EU and national level) could sustainably enhance the resilience of the cultural and creative sectors both in the short and longer term?

