

## EC commissioner unveils Creative Europe programme details

23 November, 2011 | By [Martin Blaney](#)

Vassiliou says new programme (which replaces MEDIA) will allocate more than €900m for film/audiovisual sectors; European parliament passes resolution on digitisation.

European Commissioner Androulla Vassiliou has unveiled details of Creative Europe, the European Commission's (EC) planned new programme for the cultural and creative sector, as part of its proposal for the EU's multi-annual budget for 2014-2020.

The Creative Europe programme intends to support the cultural and creative sectors with a total budget of € 1.8bn, an increase of 37% on the current spending levels which were made available between 2007-2013.

The new programme would allocate more than €900m for the cinema and audiovisual sector – the area covered by the current MEDIA Programme – and almost €500 m for culture to back such initiatives as the European Capitals of Culture.

In 2007-2013, the MEDIA Programme received €755m, with an additional € 5m for MEDIA Mundus, while the Culture programme had been provided with €400m in the current financial framework.

In addition, the EC is proposing to allocate more than €210m for a new financial guarantee facility to be managed by the European Investment Fund, which would enable small operators to access up to €1bn in bank loans, as well as around € 60m "in support of policy cooperation and fostering innovative approaches to audience building and new business models."

"This investment will help tens of thousands of culture and audiovisual professionals to make the most of the Single Market and to reach new audiences in Europe and beyond," Vassiliou declared when presenting the new programme in Brussels this afternoon. "Without this support, it would be difficult or impossible for them to break into new markets. Creative Europe also promotes cultural and linguistic diversity, as well as contributing to our Europe 2020 objectives for jobs and sustainable growth."

The EC is proposing to merge its existing Culture, MEDIA and MEDIA Mundus programmes into "a 'one-stop shop' open to all the cultural and creative industries" because, in its own words, "these sectors face similar challenges, including market fragmentation resulting from cultural and linguistic diversity, globalisation and the digital shift, as well as severe difficulties in accessing commercial lending."

"They also have similar needs in terms of safeguarding and promoting cultural and linguistic diversity, and strengthening their competitiveness in order to contribute to jobs and growth," the EC noted in an accompanying memorandum, stressing that it recognised "that the structure of these sectors is also diverse. That's why it is proposing a single framework programme, but with separate strands to provide appropriate support."

The new programme will be managed, as is the case with the present Culture and MEDIA programmes, by the Education, Culture and Audiovisual Executive Agency (ECAEA) and intends "to be a simpler, easily recognisable and accessible gateway for European cultural and creative professionals, regardless of their artistic discipline". It will also "offer support for international activities within and outside of the EU."

At the same time, the EC explained that Creative Europe would not be open to applications from individuals, "but around 300,000 individual artists and cultural professionals, as well as training institutions, will be reached through the projects submitted by cultural organisations. This is a much more cost-effective way to achieve results and a lasting impact."

The EC's memorandum observed that it had been necessary to set up a special guarantee fund rather than use existing instruments such as the Competitiveness and Innovation Framework Programme or the Risk Sharing Financial Facility since these structures "do not take account of the additional barriers that cultural and creative SMEs face in accessing finance."

These barriers include the fact that most of the small operators' assets – such as intellectual property rights – are intangible and their products are unique prototypes rather than the result of mass production.

Moreover, "the demand for financial services from cultural and creative SMEs is often not substantial enough for

banks to find them commercially appealing and to develop the expertise required to understand their risk profile properly," the EC argued.

The Creative Europe proposal will now be under discussion by the Council of the 27 member states and the European Parliament (EP) who will take the final decision on the budgetary framework for 2014-2020.

This announcement about Creative Europe comes just a week after the EP voted with a resounding majority for a resolution calling on the EU member states and the EC "to financially support the full digitisation in terms of equipment of EU cinemas and to establish European and national programmes to support the transition to digital technologies as quickly as possible."

The EP resolution voted by 500 MEPS (with 27 against and 46 abstaining) emphasised "the need for public and private investment as the cinema sector enters the digital era" and called on the European Commission "to earmark funding under the new MEDIA Programme for the post-2013 period and from the European Fund for Regional Development (EFRD) to support the digitisation of cinemas showing European content."

"Although the European Structural Funds are a significant source of financing for digitisation projects and training initiatives, funding should be increased, the waiting times shortened and the applications simplified as part of the new Multiannual Financial Framework 2014-2020," the EP resolution also noted.

"The costs of digitisation are acceptable for the multiplexes, but small independent cinema owners cannot afford them," Doris Pack, chair of the EP's Culture and Education Committee, added. "Yet, it is precisely these small cinemas that are important for cultural diversity."

The MEPS also underlined that "new initiatives must be introduced as part of the next generation of the MEDIA Programme to improve and promote translation, dubbing, subtitling and surtitling, in order to support independent cinemas dedicated to European films" and recommended that MEDIA also "invest in VOD as part of its efforts to support pan-European distribution, promote transnational collaboration between platforms and reward initiatives involving cross-border collaborations."

The politicians in Strasbourg concluded their resolution with a proposal for better cooperation with third countries aimed at raising the profile of European productions on the world market, and particularly in the Mediterranean area. This could include "promoting cultural exchanges and launching new initiatives in support of the Euro-Mediterranean dialogue and the democratic development of the whole region, not least in view of the commitments arising from the Euro-Mediterranean Conference on Cinema."

## Related images

