CREATIVE EUROPE 2020

MONITORING REPORT

All photos © European Union, unless otherwise stated.

PDF	ISBN 978-92-76-38967-5	doi:10.2759/602038	KK-08-21-168-EN-N
Print	ISBN 978-92-76-38969-9	doi:10.2759/043783	KK-08-21-168-EN-C

Luxembourg: Publications Office of the European Union, 2021

© European Union, 2021

The reuse policy of European Commission documents is implemented based on Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39).

Except otherwise noted, the reuse of this document is authorised under a Creative Commons Attribution 4.0 International (CC-BY 4.0) licence (https://creativecommons.org/licenses/by/4.0/). This means that reuse is allowed provided appropriate credit is given and any changes are indicated. For any use or reproduction of elements that are not owned by the European Union, permission may need to be sought directly from the respective rightholders.

CREATIVE EUROPE 2020

MONITORING REPORT

CONTENTS

EXECUTIVE SUMMARY 5

INTRODUCTION 8

THE CULTURAL & CREATIVE ECOSYSTEM 9

SNAPSHOT OF CREATIVE EUROPE PROGRAMME 10

TAKING CULTURE AND AUDIOVISUAL FORWARD 16

1.1 RESPONDING TO COVID-19 17

1.2 PREPARING THE NEW CREATIVE EUROPE PROGRAMME 20

1.3 HORIZONTAL PRIORITIES 21

1.4 SECTORAL PRIORITIES 23

1.5 TESTING NEW APPROACHES 28

DELIVERING CREATIVE EUROPE 32

2.1 OVERVIEW OF GRANTS BY SCHEME 33

2.2 CONSISTENTLY HIGH ABSORPTION CAPACITY 34

2.3 LINKING SMALLER AND LARGER ORGANISATIONS 36

2.4 SUPPORTING COLLABORATION ACROSS BORDERS 36

SAFEGUARDING CULTURAL DIVERSITY, STRENGTHENING COMPETITIVENESS 40

3.1 REACHING WIDER AUDIENCES 41

3.2 HIGH QUALITY, INTERNATIONALLY RECOGNISED CONTENT 42

MEDIA FOCUSING ON TALENT, CONTENT, CIRCULATION AND PROMOTION 48

4.1 FOSTERING TALENT AND SKILLS AT EUROPEAN LEVEL 49

4.2 HIGH QUALITY, INNOVATIVE CONTENT 51

4.3 CIRCULATION AND COLLABORATION ACROSS BORDERS 54

4.4. PROMOTING EUROPEAN WORKS, REACHING AUDIENCES 57

CULTURE: FOCUS ON EUROPEAN PARTNERSHIPS, GREEN AND MUSIC **64**

5.1 CONNECTING ORGANISATIONS – CREATING PARTNERSHIPS 65

5.2 FUNDING OPEN TO ALL CREATIVE AND CULTURE SECTORS 67

5.3 SPOTLIGHT ON CREATIVE EUROPE SUPPORT TO THE MUSIC SECTOR 68

5.4 FOCUS ON PROJECTS ON SUSTAINABLE DEVELOPMENT 71

ACHIEVING UNPRECEDENTED ACCESS TO FINANCE **76**

CROSS-SECTORAL COLLABORATION **81**

LIST OF MAPS, FIGURES AND TABLES

Map 1: Countries participating in Creative Europe 2020 11

Map 2: Distribution of cultural organisations taking part in cooperation projects from 2014 to 2020 66

Map 3. Guarantee Facility agreements with financial intermediaries, as of end-2020 78

Figure 1. Creative Europe institutional roles 10

Figure 2. Decrease in gross value added, 2020 with respect to the same period in 2019 (%) 18

Figure 3. Gender balance in MEDIA grants 2020 22

Figure 4. Distribution of MEDIA budget by scheme 2020 33

Figure 5. Distribution of Culture budget by scheme 2020 34

Figure 6. Creative Europe budget evolution, 2014-2020 (EUR million) 35

Figure 7. MEDIA and Culture beneficiaries by organisation size (number of staff) 2020 36

Figure 8: Member State shares of MEDIA support relative to share of non-national film releases (%)* 37

Figure 9: Examples of split of Distribution Selective support between distributors from different Member States promoting a non-national film 38

Figure 10: Examples of split of a Television Programming grant between partners from different countries 39

Figure 11. Professional profile of training participants 49

Figure 12. Length of forced closure of cinemas in 2020 across Member States, including regions [days] 61

Figure 13. Distribution of Culture grants per sector (%) 67

Figure 14. Music projects financed 68

Figure 15. Music sectors and main themes 69

Figure 16. Mapping of how Culture projects contribute to sustainable development 71

Figure 17. Profiles of companies which obtained loans backed by the CCS GF and share of financing amount per sub-sector (%) 78

Figure 18. The priorities of the *Bridging...* calls 82

Table 1. Participation of women in key roles in selected schemes in 2020 23

Table 2. High-quality applications rejected due to insufficient budget by scheme, 2020 (€) 35

Table 3: Recognition for MEDIA-supported films in the 2020/2021 award season 43

Table 4: Culture-supported awards 44

Table 5. The most popular non-national films in the EU in 2019, based on declared admission with eligible European distributors of the Distribution Automatic scheme 54

EXECUTIVE SUMMARY

The COVID-19 pandemic had an unprecedented impact on the European Union's cultural, social and economic life in 2020. This Report looks at how, in this extraordinary context, Creative Europe in 2020 played its part in helping Europe's cultural and creative ecosystem to resist, recover and look forward.

The Report begins in its first chapter by highlighting the key policy initiatives taken in 2020 with the support of Creative Europe. In particular, in response to the **COVID-19 crisis**, the European Commission held high level coordination meetings with Member States and supported the setting of up online fora, such as **CreativesUnite**[1], a platform offering a common space for the cultural and creative sectors to share initiatives in response to the crisis. In parallel the Creative Europe programme implemented **flexibility measures to cater for the new and changing needs of beneficiaries**. Also in 2020, political agreement was reached between the European Parliament and the Council on the European Commission's 2018 proposal for the new Creative Europe programme. Moreover, the budget was significantly increased, by over 80% on an EU-27 basis.

At Commission level, policy was developed on the key horizontal issues of greening and diversity. For example, the New European Bauhaus was launched to contribute to the European Green Deal. In sectoral policies, the Media and Audiovisual Action Plan was adopted to boost European media and help maintain European cultural and technological autonomy in the digital decade. The Music Moves Europe initiative was taken forward to enhance the support given to this key sector. More broadly, dialogue with stakeholders was particularly valuable in these difficult times, whilst new forms of support were tested in key areas such as performing arts and theatre, reinventing also the role of cinemas and mobility of artists.

The second chapter illustrates how policy was translated into practice through the effective implementation of Creative Europe. The **Programme fully executed the budget available**, with consistently high absorption capacity. The success rates were low for some actions due to high demand from the sector and many high quality projects could not be funded. Smaller and larger organisations were linked together through collaboration across borders. This helped European players to scale up. This is important because micro and small companies are the main direct beneficiaries of the Programme.

Progress in meeting the overall objectives of Creative Europe to safeguard cultural diversity and strengthen competitiveness is presented in chapter 3. Key performance indicators show in particular **how diversity was strengthened by helping European content (films, music, books…) reach wider audiences**. The chapter also highlights the economic perspective through the role Creative Europe plays in leveraging investment by acting as a guarantee of quality.

Creative Europe is organised into MEDIA and Culture sub-programmes and a Cross-sectoral strand. Chapters 4-7 explain the main lines of activity and highlight success stories. In 2020 MEDIA funded training programmes reaching over 2 000 audiovisual professionals and the creation of almost 500 audiovisual works, including films, high quality TV content and video games; it contributed to the cross-border distribution of hundreds of titles by distributors specialising in European film. In the midst of the pandemic, audience levels were maintained in various ways. Cinemas were the hardest hit by the crisis, but the Europa Cinemas network was able to weather the storm. Festivals adapted creatively by experimenting with and designing new hybrid formats, sometimes even reaching new audiences. Innovative on-line tools and business models also created new opportunities for European works.

The Culture Sub-programme covers a wide range of cultural and creative sectors from performing arts, books and publishing to architecture, design, fashion, or visual arts. Its guiding principle is to foster collaboration and cooperation in Europe. Through its funding, more than 647 organisations have worked together through 115 cooperation projects, giving rise to many co-creations

1 https://creativesunite.eu

and co-productions, and bringing European creativity and talents to a wider audience. Chapter 5 includes a spotlight on the music sector and on environment issues, with many examples of supported projects. This illustrates **how Culture can address key social cross-cutting issues or support a specific sector though the combination of its various support schemes** – in particular Cooperation, Networks, and Platforms for the promotion of emerging artists.

The success of the Cultural and Creative Sectors Guarantee Facility (CCS GF) is presented in chapter 6. This market instrument managed by the European Investment Fund (EIF) on behalf of the Creative Europe programme complements grant funding by encouraging financial intermediaries (banks) to lend to cultural and creative companies. In 2020, the fifth year of operation of this new instrument, whose market uptake has been exceeding expectations, the total number of guarantee agreements signed by the EIF with banks rose from 15 to 20. By the end of 2020, debt financing of EUR 935 million had been made available to 4 362 CCS SMEs (including to 2 815 in 2020 alone).

Finally, Chapter 7 presents initiatives funded under the Cross-sectoral strand of Creative Europe. The second edition of the innovative action "Bridging Culture content and audiovisual through digital" demonstrated that **the different CCS have great potential and appetite for innovating** through collaboration on common challenges.

CREATIVE EUROPE IN 2020

1010
PROJECTS

€ 198 M
BUDGET

100%
BUDGET ABSORPTION

14 % additional budget needed to fund high-quality proposals

SUPPORTING COLLABORATION

Linking smaller and larger organisations, across bigger and smaller participating countries

2815
COMPANIES TOOK LOANS THANKS TO CCS GUARANTEE FACILITY

KEY FEATURES

COVID-19
CCIS WERE AMONG THE HARDEST HIT BY THE LOCKDOWNS

CONTRIBUTING TO EU GREEN DEAL & SUSTAINABILITY

EU VALUES: SOCIAL COHESION, INCLUSIVENESS & GENDER EQUALITY

PREPARING THE 2021-2027 PROGRAMME

with a **+80%** higher budget

EXPERIMENTING THROUGH INNOVATIVE PILOTS

ACTION PLAN FOR MEDIA SECTOR
10 actions for comprehensive recovery and transformation

ACHIEVEMENTS

STRENGTHENING COMPETITIVENESS AND PROMOTING DIVERSITY. CREATIVE EUROPE ACTS AS A GUARANTEE FOR QUALITY AND LEVERAGES WIDER INVESTMENT.

Providing **flexibility** to COVID-19-affected beneficiaries

115 cultural cooperation partnerships created between **647** organisations in 2020

High demand for **i-Portunus** artists mobility scheme

€ 70 million second top-up for the CCS Guarantee Facility

88% of films supported in development were co-produced

MEDIA reached **136 million** audience

Launch of **Perform Europe** & **theatre forum**

MEDIA support leveraged **€ 528 million**

9 films won **18** major awards and prizes

European Capitals of Culture **Rijeka & Galway**

INTRODUCTION

The COVID-19 crisis has emphasised the vital social and economic importance of Culture for Europe. It has also exacerbated the long-term challenges facing the European cultural and creative sectors, and answering them has been at the heart of the Creative Europe Programme 2014-2020, with many good results.

THE CULTURAL & CREATIVE ECOSYSTEM

In these difficult times marked by the COVID-19 pandemic, health restrictions and lockdowns, we have been reminded how culture and creativity are essential to our economy but also to our wellbeing and social cohesion. We have turned to literature, film and music for comfort, inspiration, and entertainment. We have relied on reliable sources of news for vital information. It is hard to imagine how we could have coped with the restrictions over the last 18 months without these sources of support. This trying period has demonstrated how culture and creativity are indeed an essential part of our European identity, of what it means to be European.

Culture and creativity are also an essential part of our European Single Market, as the 2021 Single Market Report has pointed out. The report identified 14 key industrial ecosystems spanning the EU, based on their economic and technological relevance, and their expected contribution to the decarbonisation, digitalisation and resilience of the EU economy. Cultural and creative ecosystem is among these.

This report found that culture and creativity employ over 8 million people in 1.2 million companies, most of which are SMEs. The sector represents close to 4% of EU value added. Moreover, these activities have important spill-over effects on other ecosystems, for example by providing unique tourist attractions or by boosting consumer electronics used to access content.

However, the cultural and creative ecosystem has been amongst the hardest hit by the COVID-19 crisis. This is because artists and creators, businesses and other cultural organisations relying on close physical interaction have experienced significant adverse shocks to their art and their revenues as they were forced to shut down or change from physical to online activities. Therefore artistic, human and financial recovery will require significant support at EU and national/local levels, not only in terms of public funding, but also through dialogue and capacity-building actions.

Looking ahead, the cultural and creative ecosystem faces some key challenges. It is made up of artists, creatives, and those who work on the administrative and technical side, as well as entrepreneurs. Equipping and continuously upskilling all of them with digital, entrepreneurial and managerial skills to ensure innovative content and business models is of critical importance.

Cultural and creative companies, and other organisations, can grow and respond to international competition by overcoming fragmentation along national lines and seeing Europe as their native market and cultural space. The future holds great opportunities. For example, by 2030, immersive content has the potential to add about EUR 1.3 trillion to the global economy, and Europe has an advantage thanks to its broad cultural diversity and heritage as well as its highly skilled professionals. Creative Europe will play a key role in supporting Europe's cultural and creative sectors in these and other endeavours, alongside other relevant EU Programmes and the Recovery and Resilience Facility.

SNAPSHOT OF CREATIVE EUROPE PROGRAMME

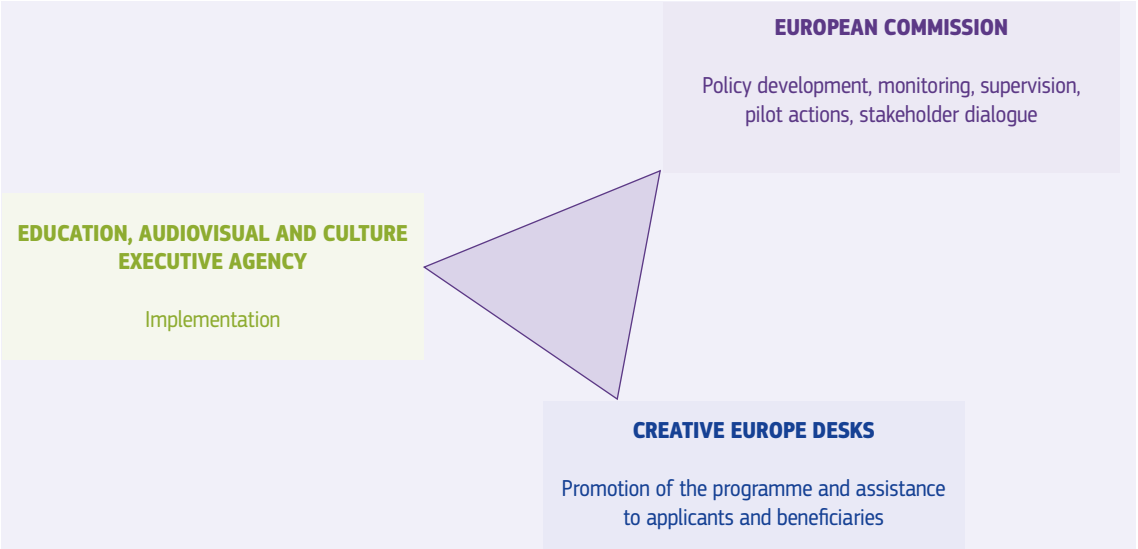
Creative Europe is the European Union's framework programme for the cultural and creative sectors. For the period 2014-2020 it had a total budget of EUR 1.46 billion whilst for the period 2021-2027 a significantly increased budget of EUR 2.4 billion has been allocated. At the same time, its objectives have been restated. This package reflects the importance of the cultural and creative sectors and the success of the programme in helping to address the challenges which they are facing.

The architecture of the Programme recognises the heterogeneity of the cultural and creative sectors, their different target groups, and the need for tailor-made approaches. This is why the programme is structured around two independent Sub-programmes (MEDIA and Culture) and a Cross-sectoral Strand.

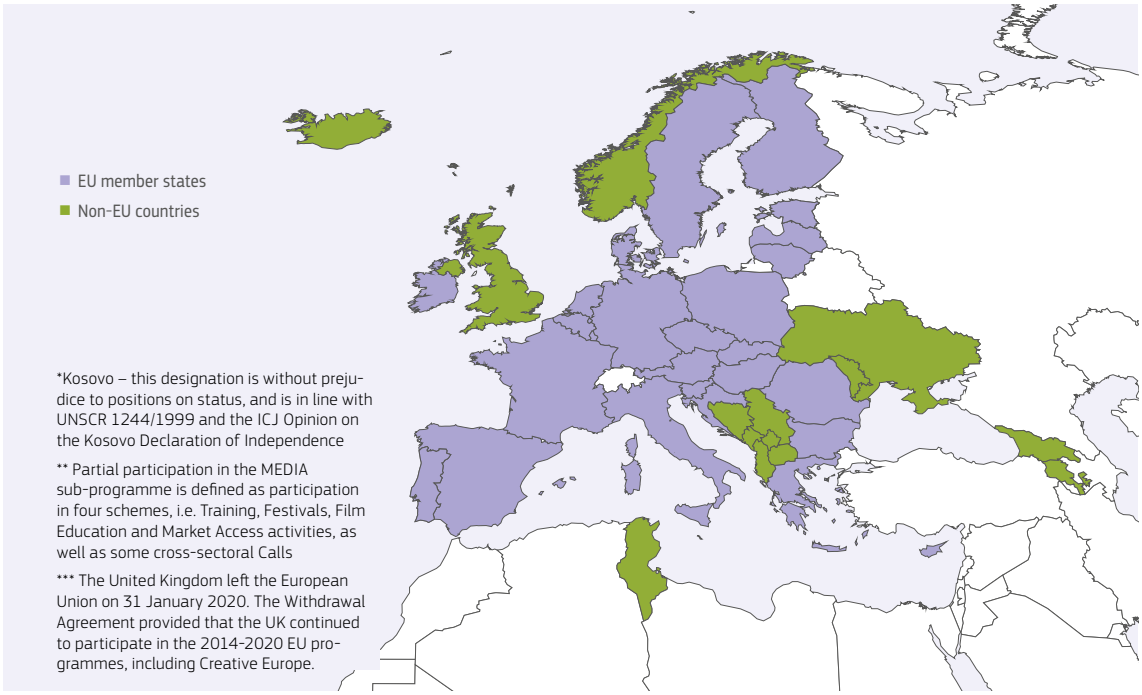
- Created in 1991 as a complement to the Television Without Frontiers Directive, MEDIA sub-programme, as it is now known, targets the audiovisual sector, fosters the creation of audiovisual content (films, TV series, video games) and access for European and global audiences through all distribution channels.
- The Culture Sub-programme covers cultural sector initiatives, such as those promoting cross-border cooperation, Platforms for the promotion of emerging artists, European Cultural Networks, literary translation, and special actions, such as the European Capitals of Culture or prizes in the fields of architecture, cultural heritage, popular and contemporary music, and literature.
- A Cross-sectoral Strand for all cultural and creative sectors includes a Guarantee Facility and supports transnational policy cooperation. This strand also provides support for Creative Europe Desks to reach out to stakeholders in all participating countries.

2020 was the final year of the 2014-20 cycle of the Creative Europe programme and therefore this annual Monitoring Report, whilst focusing on 2020, also looks back at this period as a whole. An ex-post evaluation will be carried out, to assess the longer-term impacts and the sustainability of the Programme on the basis of quantitative and qualitative indicators.

Figure 1. Creative Europe institutional roles



Map 1: Countries participating in Creative Europe 2020



*Kosovo – this designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence

** Partial participation in the MEDIA sub-programme is defined as participation in four schemes, i.e. Training, Festivals, Film Education and Market Access activities, as well as some cross-sectoral Calls

*** The United Kingdom left the European Union on 31 January 2020. The Withdrawal Agreement provided that the UK continued to participate in the 2014-2020 EU programmes, including Creative Europe.

Creative Europe 2014-2020 key achievements at a glance

OVERALL FIGURES

- The execution of the available budget reached nearly **100%**, total of **EUR 1 487 619 769**.
- **13 476** grants (virtually all of them benefiting more than one organisation) were awarded against more than 32 000 eligible applications.

- Creative Europe supported:
  - training for over **16 000** professionals
  - **647** cultural cooperation projects between **3 760** organisations across Europe
  - the development and/or distribution of over **5 000** films
  - the operations of **1 144** cinemas
  - the translation of **3 500** books all over Europe
- **4 362 SMEs** took a **commercial loan** for their projects thanks to the Cultural and Creative Sectors Guarantee Facility, co-founded by Creative Europe

MEDIA:

- Many of the films supported by MEDIA receive the highest globally significant professional recognition. In the years before the COVID-19-19 epidemic, they would win **50 major awards and prizes a year** at festivals in Berlin, Cannes, San Sebastian and Venice, and at the European Film Academy awards, Oscars and Golden Globes. A good example of how MEDIA has contributed to excellence in filmmaking on a European scale and with global potential is the case of ***Cold War*** (director Pawel Pawlikowski, a PL-UK co-production). Its producers received a grant of EUR 60 000 in 2014 to **develop** a slate of film projects, including the script of what would become *Cold War*. Once the film started attracting positive reviews at festivals and winning its first awards, its promotion campaign and **wide distribution** in the EU was supported with EUR 1.1 million (in 2018). Its global box office in 2019 was estimated at around EUR 18 million.

Cold War

- The last seven years were marked strongly by proliferation and innovation in **high quality serialised content**. This genre has a wider reach than any film on theatrical release. MEDIA has helped produce some of the most popular European high-end series watched on TV channels and online platforms across the EU: starting with *The Bridge* in the first years of the Programme, through *Babylon Berlin* and *The Bureau* to *Find me in Paris*, *Freud* and *My Brilliant Friend*.

Babylon Berlin

- The **Europa Cinemas** network, with over 1 000 cinemas in 33 countries, has helped audiences to grow and to discover a highly diverse range of films from all over Europe. This network grew 23% between 2014 and 2018 alone, helping Europa Cinemas to show twice as many non-national European films as the market average. Depending on the year, Europa Cinemas members are responsible for one quarter to one third of all admissions to non-national European films.

Entrance to Kinodvor, Ljubjana in 2018, member of Europa Cinemas

- MEDIA supports a range of **festivals** and **audiovisual markets** throughout Europe. Festivals are key for promoting audiovisual works as the critical reviews, the audience reactions and the showcasing raise their profile and prepare the release. Markets are key for the audiovisual business community as this is where many co-production and distribution business agreements are concluded. The CPH:DOX Copenhagen festival and market dedicated to documentaries is an example of innovation in a changing world. In 2020 it responded to the COVID-19 pandemic by successfully launching an online festival and reaching wider audiences. Over the years, the market has also invited scientists, philanthropists (including the Bill and Melinda Gates and Open Society Foundations) and private investors to link up documentary makers and other socio-economic actors.

- At the international level, **European Film Promotion** activities have strengthened the global presence of the European industry. EFP has hosted stands for European film makers at the most important world film industry events (Busan, Sydney, Toronto film festivals etc., events in Los Angeles in the Oscars run-up).

- MEDIA has also taken major steps to reach wider audiences. In 2019, the **Selective Distribution** scheme dedicated to films with high market potential was restructured to promote more collaboration and coordinated distribution strategies across the EU, and thus reach wider audiences.

European Film Promotion stand

CULTURE

The Culture Sub-programme has achieved key objectives such as encouraging transnational cooperation in the cultural field:

- More than 1 100 projects have been funded since 2014 and more than 647 cooperation partnerships have been created among 3 760 organisations across Europe.
- Simplification of procedures, more guidance to applicants and increased budget have resulted in **better access to Creative Europe support for smaller organisations**: more than 70% of the beneficiaries are small or medium-sized organisations.
- Cooperation takes place around the sub-programme's three main priorities: circulation of artists and works, capacity-building and especially audience development.
- **The Platforms scheme to support emerging artists has been a success**. The scheme was introduced at the beginning of the current sub-programme to stimulate transnational programming and promotion of emerging European artists: the number of platforms supported has grown from 5 in 2014 to 15 in 2020.

Small Festivals Accelerator project, Ypsigrock Festival in Castelbuono, Italy ©Elisabetta Brian

- **Creative Europe (CE) support to networks has been an efficient capacity-building tool**: CE has supported nearly 30 European networks connecting more than 4 000 organisations across Europe with a view to disseminating good practice and innovation, and structuring the different Culture and creative sectors.
- **The literary translation scheme has contributed efficiently to increasing the diversity of European literature** through the translation and promotion of more than 3 500 books. With more than 30 different 'less represented' languages, the scheme has clear added value in comparison with the market dominated by translations from English.
- The **European Year of Cultural Heritage (EYCH) in 2018 was a success** with substantial funding made available for cultural heritage projects, encouraging people-centred, inclusive and sustainable approaches. It was an unprecedented celebration of Europe's shared cultural heritage and values, as well as mobilising a wide range of heritage actors across Europe and beyond. **The Year was organised as a bottom-up initiative attracting 12.8 million citizens to more than 13 000 events and has had a lasting legacy** in promoting and safeguarding cultural her-

itage on many levels. In line with the **European Framework for Action on Cultural Heritage** (EFACH), many activities were put in place to maintain the momentum of the Year and harness its benefits.

- Among the actions showcasing the wealth and diversity of Cultures in Europe, as well as the common features they share, the **European Capitals of Culture (ECOCs) have had a significant leverage effect** on long-term cultural, social and economic benefits to the cities which have held the title. From 2014 to 2020, the Melina Mercouri Prize was awarded to 14 cities as European Capitals of Culture. This cost-efficient leverage action (EUR 1.5 million in the form of the Melina Mercury Prize) stimulates huge Culture-led investments by national, regional and local public authorities: as an example, the two 2018 ECOCs invested approximately EUR 104.6 million in Leeuwarden (Netherlands) and EUR 26.5 million in Valletta (Malta). **One euro of public money invested in an ECOC project can generate up to six euro in return for the local economy**.
- An **individual mobility scheme for artists and creatives was successfully launched** as an experimental action in 2018 and completed in 2020. This scheme called i-Portunus was managed by a consortium headed by the Goethe Institute and three other cultural organisations. Although new, it has been a **huge success. There were over 3 000 applications (i.e. nearly 10 times more than there was funding available for)** and **feedback** from cultural organisations and artists who took part **was very positive**. 337 professionals were selected to go to another country to develop international cooperation, co-produce and co-create for their professional development, and to internationalise their careers.
- As part of the support for **Special Actions**, the Culture Sub-programme supported the organisation of four European prizes: the Music Moves Europe Talent Awards; the European Heritage Awards; the European Union Prize for Literature; the EU Prize for Contemporary Architecture. All prizes organised award ceremonies to celebrate their winners, gather stakeholders and ensure visibility in the media.

CROSS-SECTORAL

- The Cultural and Creative Sectors Guarantee Facility (CCS GF) was launched in 2016 and rapidly achieved market take-up. It was the first financial instrument specifically targeting the CCS. Its aims to improve access to finance for SMEs, which traditionally have difficulty obtaining loans. The Facility provides debt financing guarantees and counter-guarantees to financial intermediaries. The initial budgetary appropriation for the CCS GF of EUR 121 million from the Creative Europe budget was twice topped-up because the market uptake exceeded expectations. By the end of 2020, a total of 20 intermediaries in 12 countries had signed an agreement. As of end-2020, debt financing of EUR 935 million had been made available to 4 362 SMEs.
- Cooperation with the European Audiovisual Observatory has been instrumental in increasing the transparency of audiovisual markets. For example, the directory of European films on VOD – **Lumiere VOD Database** – is an online transparency tool providing up-to-date data on the online availability of European films across Member States. It contributes to the visibility of European films on the VOD market and thus helps with their circulation and facilitates compliance with the revised Audiovisual Media Services Directive (AVMSD). By November 2020 it covered **462 different catalogues** (138 SVOD and 324 TVOD) in **46 countries** accounting for **44 000 film titles and 12 650 series seasons**.

01.

TAKING CULTURE AND AUDIOVISUAL FORWARD

As a funding programme, the full value of Creative Europe is achieved by integrating its support measures and funding opportunities within a policy framework. This section highlights the role of Creative Europe in accompanying the European Union's policies on the cultural and creative sector.

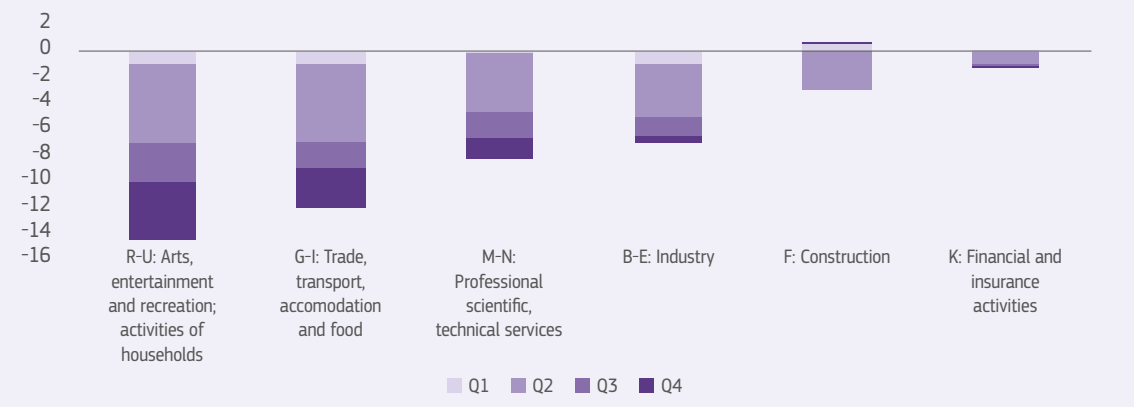
2020 was the last year of the first seven-year cycle of Creative Europe and proved to be a very challenging year. As a result, all relevant instruments were mobilised to respond to the COVID-19 crisis whilst, at the same time, preparations for the new Creative Europe entered a crucial phase. The key policy developments were:

- Flexibility measures were introduced in Creative Europe to respond to the COVID-19 crisis;
- The Recovery and Resilience Facility was launched and also covers the cultural and creative sectors;
- Political agreement was reached on the legal basis for Creative Europe and the budget allocation within the Multiannual Financial Framework (MFF), 2021-2027;
- Support to greening, diversity and inclusion across the cultural and creative sectors was further developed and the New European Bauhaus initiative gave a new push to these developments;
- The Media and Audiovisual Action Plan was adopted;
- The European Film Forum maintained engagement with stakeholders;
- Under the 2018 New European Agenda for Culture and the 2019-2022 Council Work Plan, the Commission worked in 2020 to promote European cooperation on cultural diversity, notably through several working groups of Member State experts on topics such as gender equality, social cohesion, architecture and multilingualism and translation;
- Innovative approaches were tested through new Creative Europe schemes or European Parliament-supported pilot projects and preparatory actions.

1.1 RESPONDING TO COVID-19

The pandemic hit the European economy harder than any other economic shock in the history of the EU. Contact-intensive services were affected the most, and businesses and other organisations relying on close physical interaction experienced significant shocks. The data show that, of all sectors, **the arts, entertainment and recreation activities experienced the largest percentage drop** in gross value added in 2020 compared to 2019 (see Figure 2). The impact was particularly great in the second and fourth quarters, when the waves of the pandemic were worst. The cultural and creative industries make up a large share of these activities.

Figure 2. Decrease in gross value added, 2020 with respect to the same period in 2019 (%)



Source: Eurostat in: Annual Single Market Report 2021

Studies on different components of the CCS ecosystem also show severe disruption. This was particularly the case for activities based on venues and visits, performing arts and 'heritage' sectors e.g. live music, theatres, circus, festivals, cinema, museums and heritage sites. For example, cinema operators in the EU reported a 70%[2] drop in box office sales in 2020, music venues reported a 76% drop in attendance (64% in revenues)[3] and museums lost 75-80% of revenues (in popular tourist regions). Outside of venue-based activities, news publishing saw its advertising revenues drop between 30% and 80%[4]. The increase in the uptake of streaming and gaming services could not of itself compensate for the severe losses suffered elsewhere in the ecosystem[5]. This impact is further illustrated by a decrease of around 35% in royalties collected by collective management organisations for authors and performers, whose revenues are expected to continue to fall in 2021 and 2022.

Paradoxically the unprecedented situation caused by the COVID-19 crisis emphasised the importance of culture for people's individual wellbeing and mental health: culture helped people cope with the impacts of lockdowns and social distancing, thanks to the engagement and creativity of the CCS in reaching audiences in innovative virtual environments. Cultural and creative sector professionals responded to this crisis with imagination and resourcefulness in order to continue to provide access to cultural content for the public. New health protocols were put in place to allow activities to continue whilst ensuring safety for all. By harnessing digital technologies, it was possible to make certain activities and content available online so that even during lockdowns, people could turn to Culture. Film festivals and cinemas, museums and galleries, theatres and operas expanded their digital presence and reached out to their audiences to respond to their needs and keep their relationships with them. Important lessons have been learned along the way, even whilst looking forward to a resumption of normal activities. New, hybrid models have emerged where online tools and content can amplify and work alongside the core physical activity.

As Member States and the EU rushed to respond, the European Commission held high-level coordination meetings to ensure the exchange of information and best practices. Commissioner Gabriel supported the setting up of online fora, such as **Creatives Unite**, a platform launched in May 2020 for the cultural and creative sectors in Europe and beyond to share their initiatives and actions in response to the COVID-19-19 crisis. With **Perform Europe**, the Commission mandated a sector-specific consortium to establish a dedicated platform for the online and offline circulation of performing arts works to allow the badly hit cultural sector to continue engaging in cross-border creation and exchange in a challenging context.

Furthermore, a social media campaign, #CreativeEuropeAtHome, engaged with Culture stakeholders and using the hashtag #EuropeForCulture, the social media campaign on sustainable cultural tourism 'Europe's Culture – close to you' took place over the summer. The campaign had more than 18 million impressions and close to 16 thousand interactions/engagements.

2 The International Union of Cinemas, European Cinema Industry Sees € 6 billion box office drop in 2020

3 Live DMA Network

4 http://www.newsmediaeurope.eu/news/COVID-19-19-and-the-news-media-journalism-always-comes-at-a-cost/

5 European Audiovisual Observatory, Modelling audiovisual sector revenue flows in the EU and test case on impact of COVID-19-19 on industry revenues

CREATIVE EUROPE REACTED QUICKLY TO THE COVID-19 CRISIS

The Creative Europe programme responded swiftly to the COVID-19 challenge by implementing flexibility measures which catered for beneficiaries' new and changing needs. Many ongoing projects were impacted by the lockdowns imposed in many countries and the different situations were taken into account. In 2020, the Executive Agency processed 437 amendments for Creative Europe projects. These amendments related mainly to the extension of project periods, but also to budget and workplan amendments due to the adaptation of projects and a switch from physical to digital activities.

Within the MEDIA strand, considerable flexibility was offered to the ongoing cinema network project led by Europa Cinemas. The existing payment schedule was amended, offering an additional pre-financing payment of 50% of the total grant, allowing the network to distribute an advance to the cinemas for their 2020 activities and address their cashflow difficulties.

Several measures were taken in relation to implementation of the 2020 work programme:

- An additional amount of EUR 5 million voted by the budget authority for the MEDIA strand of the 2020 work programme was added to the Cinema Networks action, as the cinemas were among those players hit worst by the lockdown. The call for proposals was updated to include the additional amount and to specify that it was to be spent on the cinemas most impacted by the COVID-19 crisis. The payment schedule was also revised, with the inclusion of a second pre-financing payment allowing the network to support cinemas at an earlier stage.
- The deadlines for the subsequent calls for proposals were postponed in order to address the general difficulties faced during the first months of the COVID-19crisis:
  - Promotion of European Audiovisual Works Online
  - Support to Cinema Networks
  - Support to Literary Translation Projects
  - Support to European Platforms
  - Support to European Networks
- The ongoing MEDIA Strand call for proposals for Distribution and Sales Agents Automatic support was revised in order to take into account the difficult situation faced by European film distributors and sales agents. The thresholds for calculating the fund to reinvest in new projects was raised and the payment arrangements were adapted in order to increase the pre-financing payments after the grant agreement signature and address the cashflow difficulties faced by the sector.
- The results of the selection of the ongoing calls were accelerated and the final allocation of all potentially remaining budget adapted to allow the CCS to access EU funding as quickly as possible and in the most beneficial manner. Despite the difficult circumstances arising from generalised remote working of EACEA staff during most of the year, the full work programme was implemented in time, and the total budget was executed for commitments and payments.

At the end of 2020 EACEA launched a questionnaire to all open projects seeking input to enable the Agency to analyse the circumstances under which beneficiaries of the Creative Europe Culture programme were operating during the first months of the COVID-19pandemic. The questionnaire was sent to over 600 organisations and 335 answers were received. The goal was to improve the support to beneficiaries and assess the possibility of organising some meetings in which practices among peers could be shared. (The meetings took place at the beginning of 2021.)

1.2 PREPARING THE NEW CREATIVE EUROPE PROGRAMME

In December 2020 political agreement was reached between the European Parliament and the Council on the European Commission's 2018 proposal for the new Creative Europe programme. The first key difference was in the budget, which was significantly increased to approximately EUR 2.4 billion for the period 2021-2027, an increase of 80% on an EU-27 basis. This increase reflected two major considerations: first, the cultural and creative ecosystem is central to the European project, and second, this ecosystem is currently going through a very serious crisis. This budget increase will allow Creative Europe to respond by supporting more projects and more professionals, thus helping the sectors weather this storm and emerge stronger.

The programme's restated objectives aim to build on the successes of Creative Europe so far. They take into account the dual nature of the cultural and creative sectors, recognising, on the one hand, the intrinsic and artistic value of culture and, on the other, the economic value of those sectors, including their broader contribution to growth and competitiveness, creativity and innovation. The new programme will, in particular, aim to pursue these objectives in a way that encourages inclusion and diversity and that contributes to sustainability.

Compared to the previous programme:

The Culture strand has been strengthened, in particular, by simplifying access to the Cooperation scheme, increasing the budget for the Platforms scheme, providing for mobility grants for artists and professionals, and introducing a sectoral approach complementing the horizontal instruments, as well as adding the projection of an international dimension.

The MEDIA strand has been adapted in a spirit of evolution and not of revolution. The support measures have been refocused so that they are more effective, more understandable and more in line with the current needs of the sector. Three strong axes are reflected in this new programme: transnational creation, notably of co-productions; support to innovation – artistic, entrepreneurial and technological; stronger collaboration at European level to strengthen competitiveness. Support will continue to be offered to the entire audiovisual value chain around four clusters: creation, business, audiences and policy cooperation.

The Cross-sectoral strand incorporates several changes to reflect new objectives. The strand now comprises support for Policy Cooperation and Outreach; the launch of a Creative Innovation Lab to support cross-sectoral innovation; support to the news media sector, for the first time. The strand will continue catering for the Creative Europe Desks. The support to the Cultural and Creative Sectors Guarantee Facility market instrument has been integrated in the new InvestEU programme.

At the service of large and smaller organisations

Already in 2020 work began on preparing for implementation of the new programme to ensure streamlining and administrative simplification. As small organisations with limited access to public funding make up the majority of Creative Europe's target groups, several simplification measures were developed to make it easier for them to take part in the programme. These include the wider application of lump sums, to focus not on expenses but on deliverables and results; simplified verification of financial capacity; management of calls for proposals through the corporate eGrant system. This is a fully paperless and interactive tool, with electronic signatures and correspondence.

1.3 HORIZONTAL PRIORITIES

CONTRIBUTING TO THE EU GREEN DEAL

Sustainability has become an integral part of EU cultural policy. One of the guiding principles of the Work Plan for Culture is that culture contributes to sustainable social and economic development. In line with the **New European Agenda for Culture** and the Council Work Plan for Culture 2019-2022, work continued with the Member States and stakeholders to foster the sector's adaptation to climate change and to promote the cultural dimension of sustainable development.

In 2020, Commissioner Gabriel launched a social media campaign **'This summer, I visit Europe'**, inviting people to re-discover Europe's treasures, be they natural or cultural, and to enjoy again visits to museums and heritage sites in their surroundings. The objective was the promotion of local, **sustainable cultural tourism** as a reaction to the COVID-19 pandemic. The campaign featured sites, events and initiatives in the EU-27. It had more than 18 million impressions and close to 16 thousand interactions/engagements.

In parallel, creative and cultural stakeholders are increasingly aware of the role they can play in raising awareness on sustainability issues. Creative Europe's contribution to fighting climate change was recognised by a 2020 in-depth analysis by the European Parliament. The study found that "There is a significant (increasing) share of projects that are already addressing environmental issues."

The sector's increasing concern for climate change and environmental sustainability shows clearly in projects supported under the different Culture Sub-programme calls for proposals. Funded projects foster the exchange of practices, ideas and solutions for decreasing the environmental impact of cultural activities. Be it in the performing arts, live events, architecture or in the music or graphic domains, cultural organisations are actively revisiting their working practices to adopt more environment-friendly solutions. **Chapter 5 presents the most inspiring projects recently funded by the Culture sub-programme**

New European Bauhaus

The New European Bauhaus (NEB) initiative was launched in September 2020 by European Commission President, Ursula von der Leyen, to bring the European Green Deal to life in an attractive, innovative and human-centric way. The NEB wants ***form to follow planet***, creating an interdisciplinary design movement and a think-do tank integrating three dimensions: sustainability (including circularity), quality of experience (including aesthetics) and inclusion (including affordability), and showing that creativity is in finding affordable, inclusive and attractive solutions to our climate challenges.

Bringing citizens, artists, designers and architects together with engineers, scientists and entrepreneurs, the cultural and creative sectors, and in particular Creative Europe beneficiaries, have a key role to play by sharing existing knowledge and good practice but also new ideas which the NEB could build on, consolidate and scale up together with inputs from other fields.

Greening in the Audiovisual Sector

As a result of 2019 initial meetings and data collection on the challenges and possibilities of eco-friendly strategies in the audiovisual sector, the first European Film Forum of 2020, on 24 February, during the Berlinale Film Festival, was dedicated to sustainability in audiovisual.

Roundtable during Berlinale 2020

The Commission launched a preparatory study in 2020 to identify the main environmental challenges for the audiovisual industry across the value chain and analyse the biggest impacts in each area. The study was commissioned from Philipp Gassmann, an expert in green film production. This study, Greening the European Audiovisual Industry - the Best Strategies and Their Costs, highlighted the need to foster cooperation and exchanges among Member States and stakeholders.

Later in the year, in Europe's Media in the Digital Decade: An Action Plan to Support Recovery and Transformation (see more detail on p. 23), greening was addressed in Action 6 'Towards a climate-neutral audiovisual sector'. The Commission will join forces with the industry, as well as with (sub-) national film and audiovisual funds, with the objective of sharing existing best practices and agreeing on common tools and green standards.

In the new Creative Europe MEDIA Programme a progressive approach was decided on to transpose the greening priority into the practice of the Calls. In several schemes applicants will as of 2021 be encouraged to submit sustainability strategies. This is not obligatory, but will be recognised in award criteria if they present evidence of their commitment to green solutions

TOWARDS DIVERSITY AND INCLUSION

In 2020 further steps were taken to support diversity and inclusion by promoting European cooperation on cultural diversity, including several working groups of Member State experts under the Open Method of Coordination (OMC groups), notably one on **gender equality** in the cultural and creative sectors. The study on gender gaps in the cultural and creative sectors was updated and published in September 2020. Cultural and creative sector organisations also met under the Voices of Culture structured dialogue to discuss gender balance in the cultural and creative sectors, publishing their report in February 2020.

In the audiovisual industry, MEDIA in 2019 supported the Association Collective 50/50, when they undertook a study on gender disparity among film critics. Film critics play are influential with audiences and in shaping the careers of women professionals. The study was released at the 2020 Berlinale.

For a number of years MEDIA has been actively collecting data on the shares of women in key positions among the applications and grants awarded. This data shows that the Programme is overall performing above the industry averages and there is some progress. Nonetheless further efforts are needed: between 2014 and 2018, only 30% of applicants were women, whereas their success rate in the selections was above the average. The share of women who were legal representatives of applicant organisations in 2020 was 33.3% of applications and 34.2% of grants. This shows that there is no discrimination in the award of support, but that more can be done to encourage applications from women. The participation of women in MEDIA schemes is also uneven: over 50% of the participants in supported training schemes are women, but of 20 films chosen in the Selective Distribution support scheme, only six were directed by women. In 2020 efforts were focused on preparing a robust strategy for 2021-2027 and on design of an online awareness-raising campaign, CharactHer.

Figure 3. Gender balance in MEDIA grants 2020

Table 1. Participation of women in key roles in selected schemes in 2020

Scheme	Share of applicants	Share of results
TV - Scriptwriters	37%	41%
TV - Directors	28%	40%
Development (single & slate) - Scriptwriters	38%	40%
Development (single & slate) - Directors	34%	37%
Selective Distribution - Scriptwriters	38%	33%
Selective Distribution - Directors	23%	22%
Training	n.d.	55%

1.4 SECTORAL PRIORITIES

AUDIOVISUAL

Europe's Media in the Digital Decade Action Plan

In December 2020, the Commission adopted Europe's Media in the Digital Decade: An Action Plan to support Recovery and Transformation. Also called The Media and Audiovisual Action Plan (MAAP), it aims to boost European media and help maintain European cultural and technological autonomy in the Digital Decade. The MAAP focuses on the news media sector – printed and online press, radio, and audiovisual services, and the audiovisual entertainment sector – cinema, TV, video streaming, video games, and innovative formats, such as virtual reality (VR) experiences.

These two sectors are in the midst of important trends and challenges that have accelerated with the COVID-19crisis. To help them confront these, the European Commission has strengthened and renewed its support by combining investment and regulatory instruments into a coherent policy package. Creative Europe will play a key role in funding support measures alongside other EU Programmes, notably Horizon Europe and Digital Europe. Creative Europe will focus on content-related measures, Horizon Europe will focus on research and innovation, whilst Digital Europe will focus on deployment of technologies.

In order to achieve these goals, the Communication is built around three themes and ten actions:

1. **Recover**: to help audiovisual and media companies weather the current storm and provide liquidity and financial support by:

2. providing an interactive tool to give European audiovisual and news media companies guidance on different sources of EU support;

- boosting investment to foster European audiovisual production and distribution by strengthening equity investment in this area;
- launching a 'NEWS' initiative, which will bundle actions and support for the news media industry.
- **Transform**: to address structural issues by helping the industry face the green and digital twin transitions in the context of fierce global competition. This will be achieved by:

3. creating a European 'media data space', to support media companies in sharing data and developing innovative solutions;

- fostering a European virtual and augmented reality (VR/AR) industrial coalition – to help EU media benefit from the advance of this immersive media;
- helping the industry become climate-neutral by 2050 by facilitating the exchange of best practices and putting a stronger focus on environmental sustainability in Creative Europe MEDIA.
- **Enable and empower**: to set the conditions to allow more innovation in the sector, whilst ensuring a true level-playing field and empowering citizens to access content more easily and take informed decisions by:

4. launching a dialogue with the audiovisual industry to agree on concrete steps to improve the access to and availability of audiovisual content across the EU;

- fostering European media talent through mentoring and training, as well as scouting and supporting promising European media start-ups;
- enhancing media literacy, with the aim of empowering citizens, with a toolbox and guidelines for Member States on the new media literacy obligations under the AVMSD, and supporting the creation of independent alternative news aggregation services capable of offering a diverse set of accessible information sources;
- strengthening the cooperation framework of European media regulators within the European Regulators Group for Audiovisual Media Services (ERGA).

European Film Forum

The strategic challenges of the audiovisual industry are discussed between the Commission and the stakeholders through the **European Film Forum (EFF)** structured dialogue. The meetings take place throughout the year, taking advantage of festivals which bring the industry together. The participants include representatives from across the value chain, as well as Members of the European Parliament and Member State film funding bodies.

The discussions in 2020 focused on the impact of and the response to the COVID-19 crisis, which had a huge effect on the audiovisual sector. In fact several festivals could not be held or had to innovate and experiment with online or hybrid formats, and the EFF had to do likewise. Nonetheless the EFF was very valuable as a forum to gather feedback about this unprecedented situation.

European Film Forum events 2020

Occasion	Title	Conclusions/Takeaways
Berlinale, February	Greener Pastures: Towards a Sustainable Audiovisual Industry	MEP Laurence Farreng underlined how the Commission's Green Deal must inspire all Europe's policies, including audiovisual. The panel discussions showed that there was consensus on the urgency. Although most of the industry does not know what to do, it is important to get started, even though approaches might be different. Sky is reducing the carbon footprint of its set-top boxes. The European Producers' Club has produced a Charter on Green Production. The Rome MIA Market has obtained ISO 20121 certification. The Berlinale European Film Market (EFM) has adopted a Sustainability Manifesto. The Flanders Audiovisual Fund is part of the Interreg-funded five-year Green Screen project. The panel discussed incentives for greening, focusing on key issues, notably energy, heating, transport. MEDIA will certainly play its full part in this process.
Cannes, June	Shaping the future of the European audiovisual ecosystem: What is the role of the European Union?	Commissioner Thierry Breton stressed the impact of the unexpected COVID-19 crisis and the speed of the EU response through NextGenerationEU. He encouraged Member States to invest in the audiovisual and media sector in their national recovery plans. MEP Sabine Verheyen also called on the EU to invest more in culture at this time. The panel discussion confirmed the huge impact of the COVID-19 crisis on film. Productions were stopped, releases were postponed, and cinemas were closed. However the crisis has also revealed opportunities as VOD platforms and broadcasters increased demand for diverse content, including European TV series. Europe needs to invest in bigger productions and avoid fragmentation. Development is key, as well as access to loans and equity to close the financing gap. At the same time, maintaining independent ownership of IP (intellectual property) is now more difficult, and panellists called for regulation of relations between independent producers and streamers.

Occasion	Title	Conclusions/Takeaways
Annecy, June	The audiovisual sector in a post-pandemic world: focus on animation	The experience of animation production studios in the COVID-19 crisis had shown that the animation sector was relatively more resilient because production had not necessarily been halted by social distancing. However, the disruptions in the market had affected audiovisual as a whole due to the closure of cinemas and decreasing broadcaster revenues. The use of technology had increased the sector's resilience, for example through online engagement with audiences. Nonetheless audiences were eager to embrace both online and traditional, physical experiences. The crisis had also demonstrated the importance of public policy, of coordination and of rapid response from public institutions.
Venice, August	Fostering recovery and building resilience: audiovisual as a key industry for Europe's growth	Roberto Cicutto, President of La Biennale di Venezia, emphasised the need for festivals to collaborate in responding to the crisis, for example by developing new audiences. Commissioner Thierry Breton presented the innovative NextGenerationEU initiative and invited Member States to ensure a prominent place for audiovisual in their Recovery Plans. The panel discussion showed how the COVID-19 crisis has accelerated the trend towards increased demand for online content; the global platforms have been amongst the main beneficiaries. There is potential for the private sector to invest in a pan-European platform, but it requires a certain size to take on the American platforms and that may require a shift in the mindset. Panellists affirmed that cinemas and feature films are essential but pointed to the need to adapt to the shift in content consumption habits. In her conclusions, MEP Sabine Verheyen, Chair of the Culture Committee of the European Parliament, noted the importance of pilot projects in this respect.
San Sebastian, September	Beyond COVID-19: revitalising the European audiovisual industry	Cinema faces the biggest challenges from the COVID-19 crisis, as it is not clear how great audiences will be following the acceleration of the shift online during the COVID-19 lockdowns. National film funds had been creative in the face of the crisis, but needed new recovery mechanisms, such as crisis insurance. Emerging from the crisis requires cooperation at European level, for example on co-productions. Europe needs to find its place in the "streamer" landscape in order not to face a hegemony. The streamers should contribute to the financing and promotion of European works, and there may also be a case for a European platform. Moreover, the industry will need help to access new types of support under NextGenerationEU and the new MFF, beyond Creative Europe MEDIA. In terms of greening, a balance needs to be struck with the urgent need for recovery.
Tallinn, November	The New Playbook: Resilience, Foresight, Transformation	2020 was like no other for the European and the global film industry. The European independent sector suffered perhaps the hardest shock, with all but a few significant festivals cancelled, productions suspended, and distribution chains broken due to lockdowns. However from a global perspective, the data showed a tremendous spike in the consumption of audiovisual content with a staggering 79% increase in streaming hours. Thus the global COVID-19 pandemic accelerated the already ongoing transformation processes. The EFF Tallinn discussed how to transform successfully through resilience and foresight, possible redefinitions of windowing and rights, best practices for reaching audiences during a pandemic, reimagining film festivals during lockdown and copyright infrastructure.

CULTURE

Under the 2018 **New European Agenda for Culture** and the 2019-2022 Council Work Plan, the Commission worked in 2020 to promote European cooperation on cultural diversity, notably through several working groups of Member State experts on aspects such as gender equality, social cohesion, and multilingualism and translation.

A 2-day online workshop on **culture for social cohesion**, hosted and moderated by DG EAC in November with over 50 participants nominated by EU Member States, was complemented by a Voices of Culture dialogue with the cultural sector on the role of culture in non-urban areas of the European Union.

A new study on the status and working conditions of artists, cultural and creative professionals was published in November 2020.

A working group of Member State experts on **multilingualism and translation**, convened by DG EAC, began work on 30 June 2020.

The EU remained an active party to the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. In 2020 work started to prepare the EU quadriennial (periodic) report under this convention covering the period 2017-2021 and finalised in mid-2021.

MUSIC

In the light of the importance of the music sector the Commission launched the **Music Moves Europe** (MME) initiative in 2018 with the aim of **promoting a sustainable European music ecosystem** and supporting the sector's main assets: diversity, competitiveness and innovation. The Commission carries out action along **four strands**: funding, policy cooperation, regulatory measures (e.g. copyright), and dialogue with the sector.

The European Parliament has been a strong supporter from the start and gave decisive momentum to the MME initiative by backing a **Preparatory Action, MME: Boosting European diversity and talent**[6]. This received three consecutive years of funding in 2018-2020 for a total of EUR 7 million to prepare future EU support. The first results, studies and projects are now available. These include a study on a European Music Export Strategy, published in January 2020, and support to start-ups for online distribution.

To implement the second phase of this Preparatory Action in 2019 (EUR 3 million), DG EAC launched four calls for proposals (professionalisation and training, cooperation of small music venues, co-creation and co-production, and music education and learning), and two calls for tender (one on wellbeing of music creators and one on music export).

6 MEPs or former MEPs behind this PA: Bogdan Wenta (EPP), Christian Ehler (EPP), Javier Lopez (SD), Eider Gardiazábal (SD), José Blanco (SD), Bogdan Zdrojewski (EPP), Marc Joulaud (EPP), Sabine Verheyen (EPP), Silvia Costa (SD), Helga Trüpel (Greens), Boguslaw Sonik (EPP), Tomasz Frankowski (EPP).

EUROPAVOX project concert, ©Franck Boileau

For 2020, the Parliament suggested another extension of this Preparatory Action, earmarking a budget of EUR 2.5 million. A call for proposals was published in July 2020, focusing on the sustainability of the European music ecosystem.

The outcomes of these three years will help further develop the Music Moves Europe initiative, including sectoral support for music under the new Creative Europe programme from 2021 onwards. **The preparatory action enhances the support provided by Creative Europe to the music sector (see chapter 5).**

CULTURAL HERITAGE

Culture in Action: Kapana

Since December 2018, the European Framework for Action on Cultural Heritage has been ensuring the legacy and long-term policy impact of the 2018 European Year of Cultural Heritage, building on its success. It sets a common direction for heritage-related activities in EU policies and programmes, through a set of well-defined concrete actions.

Within that framework, DG EAC in 2020 launched Cultural Heritage in Action, a peer-learning programme for local and regional policymakers to exchange knowledge on cultural heritage. In November 2020, a catalogue of 32 best practices was published on the website, focusing on Participatory governance of cultural heritage; Adaptive reuse of built heritage; Quality of interventions on cultural heritage.

Several projects continued in 2020, including:

The European Commission's informal expert group on cultural heritage, set up in 2019 to maintain the unique multi-stakeholder cooperation and policy dialogue achieved during the European Year of Cultural Heritage 2018, met on two occasions in 2020 (June and October). The objective of the expert group is to promote public policies that ensure the long-term value and sustainability of Europe's cultural heritage based on an integrated approach.

- Engaging Youth for an Inclusive and Sustainable Europe – Implemented jointly with UNESCO, this project aims to empower schools and young professionals to protect and safeguard cultural heritage, including an emphasis on intangible cultural heritage.
- Cooperation continued with the Council of Europe to support the take up of the Faro Convention on the value of Cultural Heritage for Society.
- A call for proposals under the Blueprint for Sectoral Cooperation on Skills and launched under Erasmus+ to set up a sectoral skills cooperation alliance in the field of cultural heritage selected CHARTER (Cultural Heritage Alliance to Refine Training, Education and Research), a project developed by a European consortium of 28 partners. CHARTER aims to create a lasting, comprehensive strategy on the necessary cultural heritage skills.

In addition, calls for proposals were launched for a Cultural Heritage in Action peer-learning programme and a pilot project on provenance research for looted cultural heritage (Jewish Digital Cultural Recovery Project). Both projects started in early 2020.

The FLIP-2 (see p. 30) pilot project, centred on cultural heritage skills, was launched in June 2020. It is entitled "INCREAS – Innovation and Creative Solutions for Cultural Heritage" and will run until October 2022. The main objective of the project is to explore activities which aim to bridge the gap between on the one hand, cultural heritage education and skills development and on the other hand the labour market, and to encourage connections with creative industries, cultural centres, and cultural hubs.

1.5 TESTING NEW APPROACHES

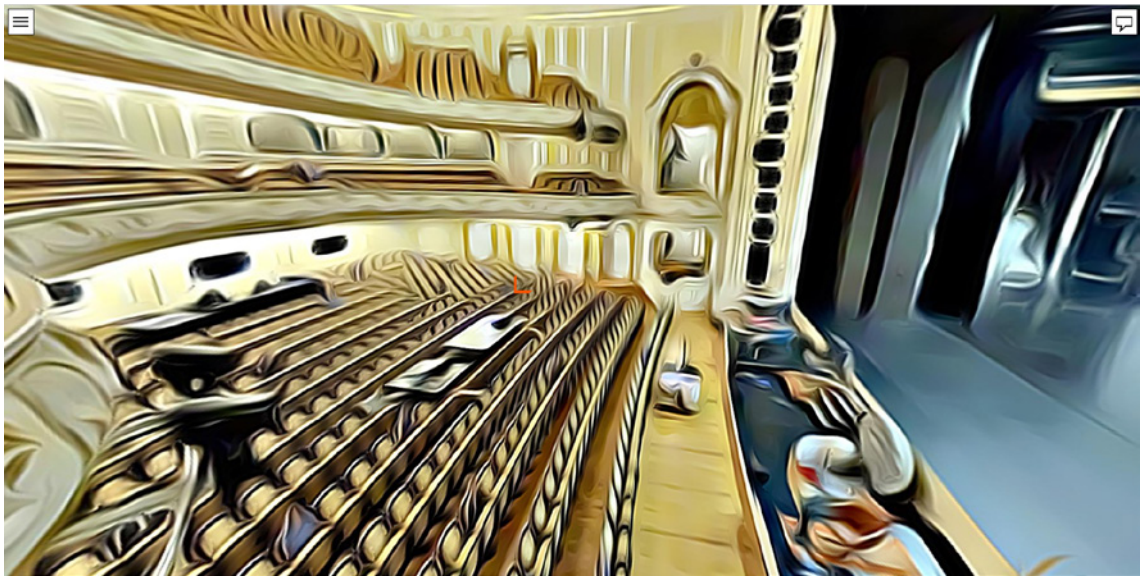
The sector is in permanent evolution and the Programme has constantly adapted its support schemes or tested new approaches to reach its stakeholders differently.

PERFORMING ARTS AND THEATRE

Perform Europe is an EU-funded project, which aims to **rethink cross-border performing arts** presentation in a more inclusive, sustainable and balanced way. Based on needs in the sector that were gravely exacerbated by the impact of the COVID-19 crisis, its ultimate goal is to design a future support scheme for cross-border touring and digital distribution of the performing arts in Creative Europe countries with concrete opportunities for professionals.

The project will build on an extensive research phase before launching a digital platform and an open call for producers and presenters of performing arts works, and finally testing the actual support scheme. The project will also establish recommendations to help develop future policy and support options. The goal is that it should see the light of day in the course of 2021.

Furthermore, in the second semester of 2019, the Commission launched the first ever **comprehensive study on the situation of Theatres in the EU Member States**, considering questions raised by stakeholders in a mapping and dialogue exercise. In addition to establishing an overview of existing funding and educational structures, this tackled such highly topical issues as the impact of the COVID-19 crisis on the sector and how it is embracing sustainability concerns. The first ever **European Theatre Forum** in November 2020, co-organised with the German EU Presidency, was the platform for discussion and exchange on questions such was this among the sector and with policy makers. The European Theatre Forum is to become a regular space for exchanges on challenges the performing arts sector and more specifically theatres are facing.



I-PORTUNUS, THE EU'S FIRST DEDICATED MOBILITY SCHEME FOR CULTURE

Whilst Creative Europe schemes are almost exclusively addressed to organisations, a new scheme *i-Portunus* was launched in 2019 reaching out directly to artists and cultural professionals offering them an opportunity to carry out a personal project designed to internationalise their careers. With an 11% applicant success rate, the high demand for this pilot confirmed the need for and value of a European mobility scheme for the benefit of individual artists and Culture professionals. 94% of those selected developed new audiences/outlets or acquired new skills, while an impressive 49% said they received a job offer. Due to COVID-19 travel restrictions, two new i-Portunus projects were contracted only at the end of 2020. They will continue to trial mobility in 2021 and 2022. Find out more about the i-Portunus participants' experiences.

PREPARATORY ACTIONS AND PILOT PROJECTS SUPPORTED BY THE EUROPEAN PARLIAMENT

Apart from Creative Europe, the Commission is also involved in implementing experimental activities, which might be incorporated into the regular schemes with time. These are pilot projects and preparatory actions suggested by the European Parliament. In 2020 pilot projects relating directly to Creative Europe included:

Makers' Mobility supports the sharing of innovative mobility experiences between maker spaces, creative hubs and fab labs, as well as formal and non-formal learning and skills development systems in the cultural and creative sectors and industries.

Finance, Learning, Innovation and Patenting for CCIs[7] (FLIP) supports Finance, Learning, Innovation and Patenting/IPR (Intellectual Property Rights) in the Cultural and Creative Sectors and Industries (CCSIs), as well as cultural heritage skills. As a response to the COVID-19 crisis, the FLIP project set up the Creatives Unite knowledge-sharing platform.

Measuring the cultural and creative sectors in the EU is designed to fill existing gaps at Eurostat level and assess the feasibility of creating a statistical framework that would enable regular statistical analysis of the economic, cultural and social value of Europe's cultural and creative sector.

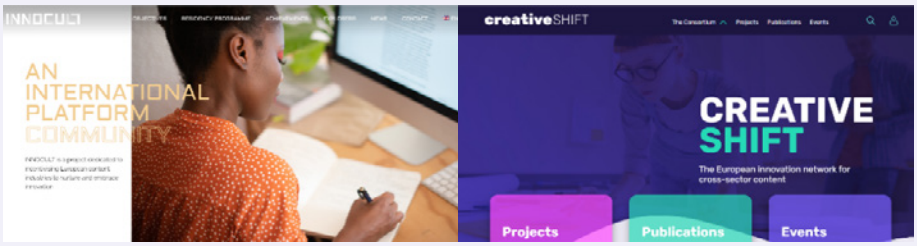
Protecting the Jewish cemeteries of Europe will survey Jewish cemeteries across EU and Eastern Neighbourhood Partnership (ENP) countries and propose activities involving educational institutions, teachers and young people, and various stakeholders (policy-makers, NGOs, local communities, cultural and creative sectors) around the topic of their preservation.

Combating illicit trade: study on dimensions of illicit trade looks into aspects of trafficking in cultural goods, such as source, transit and destination of illicitly traded cultural goods, trafficking routes, trafficking trends and patterns, and illicit trade operations and actors involved. It formulates recommendations and proposals on concrete steps to render efforts to combat this illicit trade more effective.

European Houses of Culture are testing new models of cultural cooperation in partner countries, involving EU Delegations, clusters of EU National Institutes for Culture and local cultural organisations. The second and third phase will keep exploring and expanding these models.

Jewish Digital Culture Recovery Project aims to reinforce assistance to victims, museums and art markets by providing an EU-wide overview of looted artworks, facilitating research and therefore helping to protect European cultural heritage at large. Actions include communication on good practices in sharing information.

Platform(s) for Cultural Content Innovation – The two projects selected started their operations in 2020, supporting innovators, and building their communities and platforms for their cooperation.



Websites of the two projects funded under Platform(s) for Culutral Content Innovation: CreativeShift and InnoCult

7 Cultural and Creative Industries

Cinemas as Innovation Hubs supports the creation of innovative cultural venues, empowering cinemas to innovate by diversifying their activities into other cultural spheres and playing a more important role in their local communities, at the same

time internationalising their operations.

Resonance Cinema – Cultural Hub for Curious Minds

Resonance Cinema aims to create cultural hubs around four big cinema theatres in Central and Eastern Europe: Cinema House, Sofia/Bulgaria; TISZApART Mozi, Szolnok/Hungary; Center interesnih dejavnosti Ptuj (Centre for free time activities Ptuj), Ptuj/Slovenia; Cinema Urania, Osijek/Croatia.

The project will bring communities together, building a social space to share experiences attractively through different cultural content by using new technologies, focusing on the young audience and involving them in educational and creational activities. The offer will cover a variety of European films and cultural forms from different areas, including innovative VR content. It will also target videogaming communities.

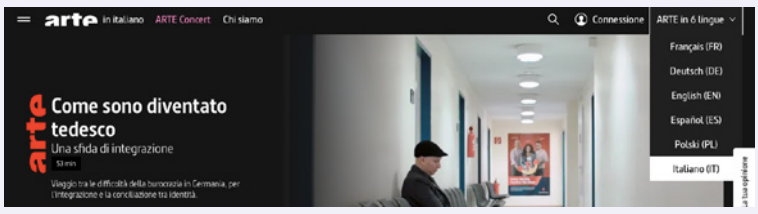
Some of the activities include educational workshops, concerts with screenings and social gatherings, wine and food tasting, street art, debates, conferences, and a children's corner.

The ultimate goal is to integrate audiences with disabilities by offering adapted content while sharing the experience with the regular audience.

Subtitling **– from a pilot to a regular action**.

The history of including subtitling in Creative Europe MEDIA started in 2014. In that year, the European Parliament for the first time voted for the first pilot project called *Fostering European integration through Culture by providing subtitled versions of selected TV programmes across all Europe.* This led to a second edition, and subsequently the Parliament decided to set up a preparatory action *Subtitling European Cultural TV Content Across Europe*. In 2020 it was decided that it should be continued, so it was mainstreamed into Creative Europe 2021-2027 as a separate scheme.

The Franco-German channel ARTE was the beneficiary of all the editions so far. Thanks to these funds, it has been able to present its digital offer in six languages (its original French and German versions plus English, Italian, Polish and Spanish.) ARTE operates as a traditional broadcaster and a VOD service (www.arte.tv; apps) and specialises in high quality documentaries and other factual programmes presented from a European perspective. Thanks to subtitling, its content can reach 70% of Europeans.



Between 2018 and 2019, when the infrastructure was fully deployed, ARTE's average video views per month soared from 55.4 to 92.7 million (including almost 19 million outside the traditional markets of DE and FR, compared to 9 million the year before). ARTE totalled around 1.1 billion views overall in 2019. Audience engagement also increased, as ARTE reached 15 million fans and followers on social media.

02.

DELIVERING CREATIVE EUROPE

In 2020, the Creative Europe Programme supported a total of 1 010 projects (827 MEDIA, 175 Culture and 8 Cross-sectoral), representing EUR 198 million of EU funding. This section provides a breakdown of how that budget was allocated and spent, giving an overview of the types of project supported, the rate of budget execution and the distribution of the grants among organisations from different Member States.

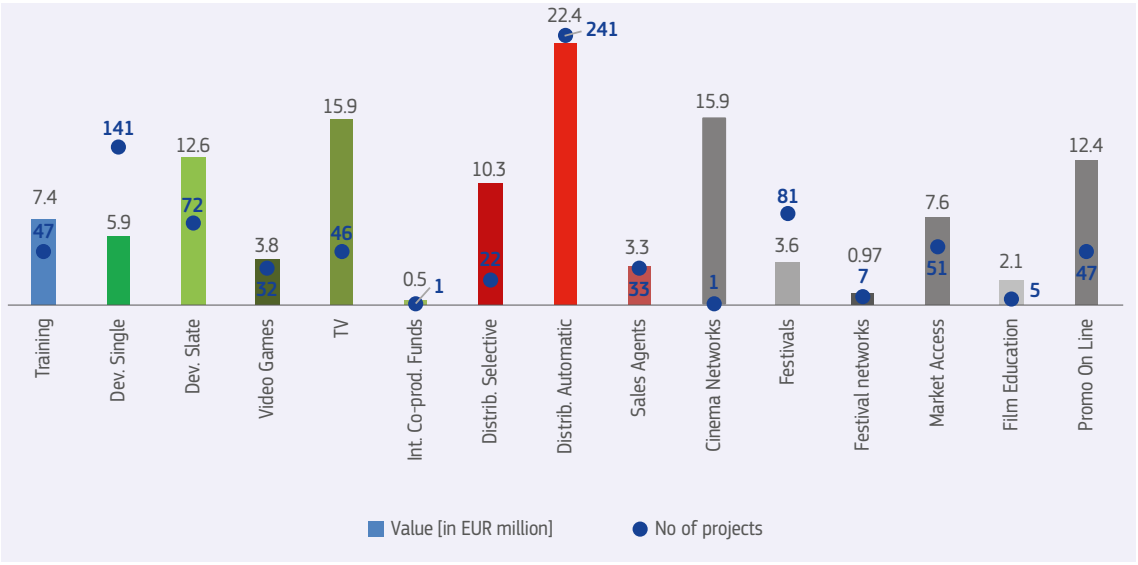
2.1 OVERVIEW OF GRANTS BY SCHEME

An overview is given below of how the support from each Sub-programme was organised to respond to the needs of the sectors.

MEDIA provided support along the whole value chain and focused on four main areas:

- **Skills**: helping audiovisual professionals to develop creative, technical and business skills relevant to operating at the European level;
- **Quality content**: supporting content that can travel by developing new audiovisual works and supporting production of certain TV works;
- **Circulation and collaboration**: increasing the theatrical distribution of films across borders;
- **Promotion and audiences**: fostering access to European films through festivals, cinemas and online services.

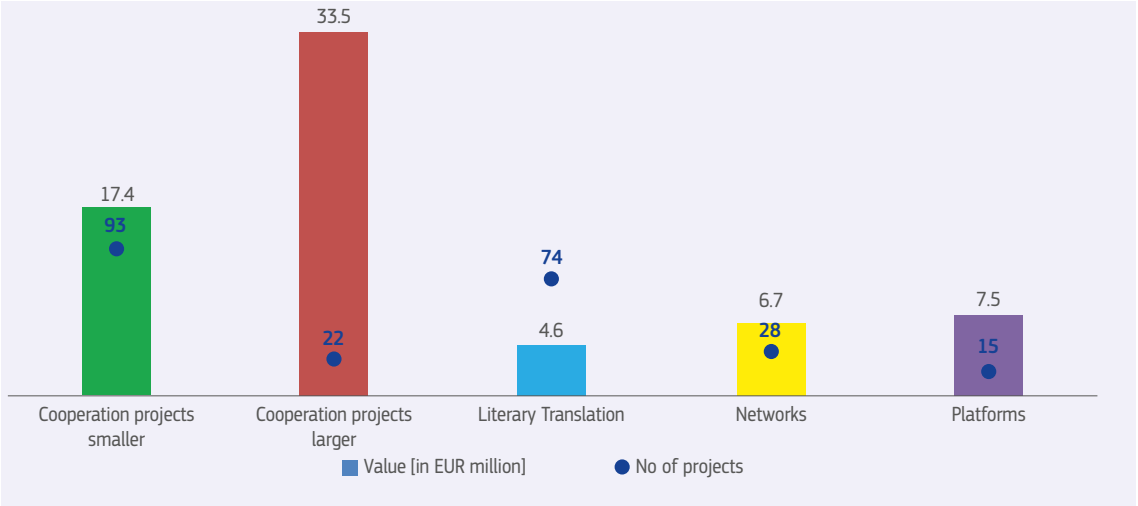
Figure 4. Distribution of MEDIA budget by scheme 2020



In 2020, Culture support was channelled through four main schemes.

- **European Cooperation projects:** offering an opportunity for organisations in Europe to team up and develop tailor-made projects.
- **European networks of professionals:** an important building block for the structuring of the creative and culture sectors;
- **Platforms for the promotion of emerging artists:** an innovative mechanism to link emerging artists with new European audiences;
- **Literary translation:** support to European publishers to translate and promote European Literature.

Figure 5. Distribution of Culture budget by scheme 2020



2.2 CONSISTENTLY HIGH ABSORPTION CAPACITY

The Creative Europe Programme has a consistently high absorption capacity. In 2020, 1 002 grants were awarded under the MEDIA and Culture strands, in an amount of almost EUR 195 million, executing all the available budget.

The programme continued to have good visibility and be widely recognised in the audiovisual industry. This resulted in a high level of participation. However the success rate of applications was unfortunately low in several areas compared to the number of applications. This indicates that the Programme could have achieved a greater impact if it had had a greater budget.

In MEDIA in 2020 the selection rate was lowest in development (a success rate of only 18% in single development). Competition was fierce also in TV production (35% success rate) and the festival scheme (41% success rate). In the case of Culture, more high quality projects could clearly have been launched if more budget had been available under the 'larger cooperation projects' call. The Cross-sectoral strand call Bridging Audiovisual with Culture had a success rate of only 7%, demonstrating the strong interest across the cultural and creative sectors in collaborating more at the European level (see more in Chapter 7).

A way of visualising the programme's absorption capacity is to estimate the value of applications of high quality which technically would have qualified for funding if the programme budget had been increased.

Table 2 shows how, in the most competitive schemes, funding would need to have increased by an additional EUR 28.2 million **to fund all the high quality projects** (i.e. those with more than 75/100 points in their evaluation), i.e. this is equivalent to 14% of the available budget.

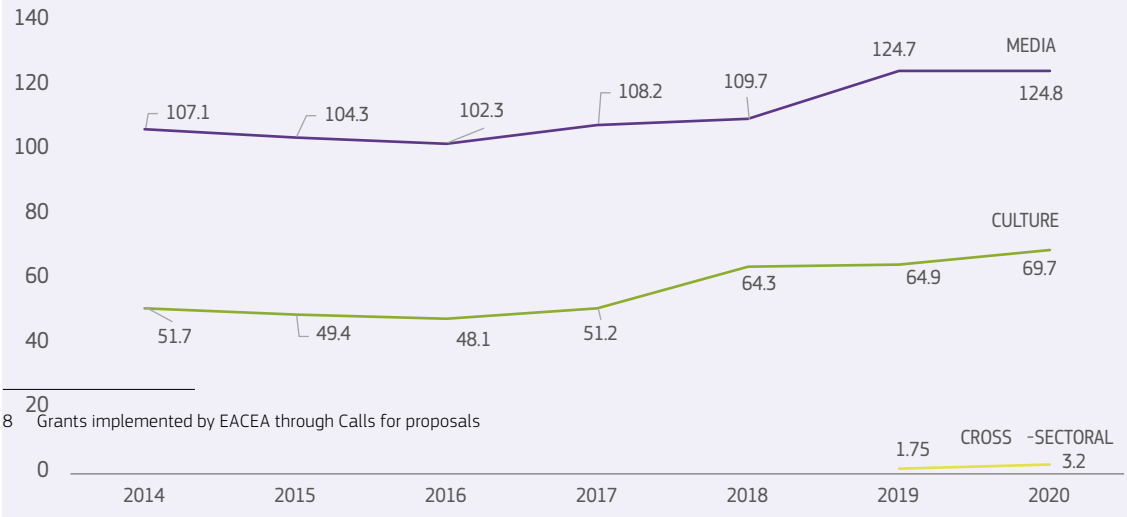
Table 2. High-quality applications rejected due to insufficient budget by scheme, 2020 (€)

Strand	Action	HIGH QUALITY PROJECTS REJECTED IN 2020	HYPOTHETICAL BUDGET REQUIRED TO SELECT OTHER HIGH QUALITY PROJECTS IN 2020 (€)
MEDIA	Development Single Project	220	9 095 000
	Development Slate Funding	31	5 606 605
	TV Programming	8	1 398 456
	Festivals	10	417 000
	Market Access	9	606 735
	TOTAL	*278*	*17 123 796*
CULTURE	Cooperation projects larger	3	3 940 606
	Literary translation	18	938 531
	TOTAL	*21*	*4 879 137*

Strand	Action	HIGH QUALITY PROJECTS REJECTED IN 2020	HYPOTHETICAL BUDGET REQUIRED TO SELECT OTHER HIGH QUALITY PROJECTS IN 2020 (€)
CROSS-SECTORAL	Bridging Culture and Audiovisual through Digital	*15*	6 229 430
TOTAL CREATIVE EUROPE		***314***	28 232 363

The high absorption and low success rates are related to the fact that the budget of the programme was equivalent to approximately 0.05% of the size of the sectors it supports, at the European level. This emphasises the need to target support to those areas where it has most added value by having a structuring effect, as highlighted in this report.

Figure 6. Creative Europe budget evolution, 2014-2020 (EUR million)[8]



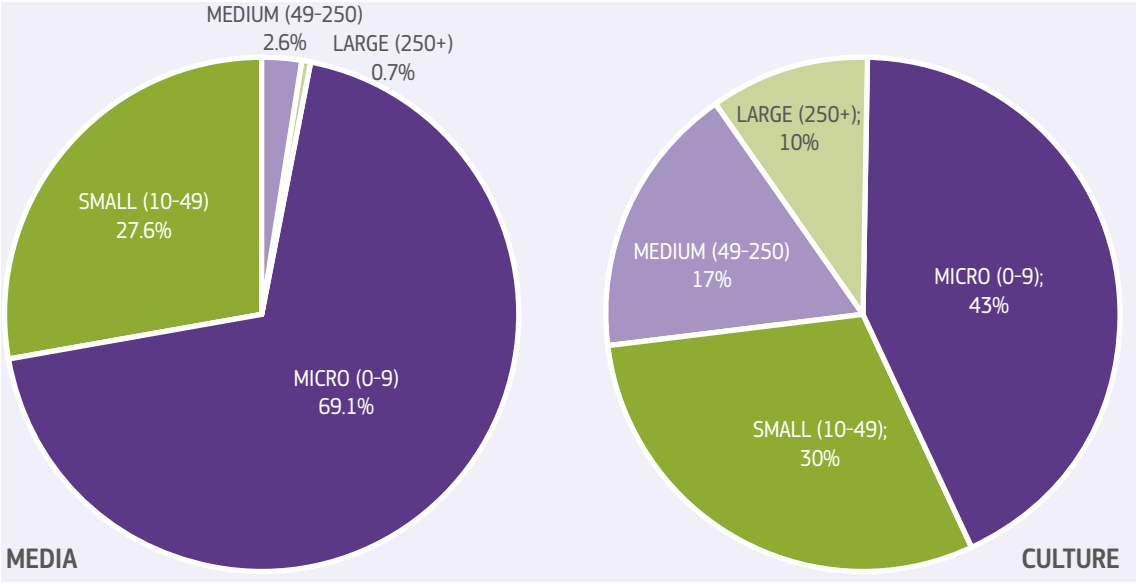
8 Grants implemented by EACEA through Calls for proposals

2.3 LINKING SMALLER AND LARGER ORGANISATIONS

The fabric of Europe's cultural and creative sectors consists mainly of small organisations. These are also the main beneficiaries of Creative Europe. In the MEDIA strand almost all beneficiaries since 2018 have belonged to the SME category (69% micro and 28% small, with 0 to 49 employees). Similarly, in the Culture strand, 73% of beneficiaries in 2014-2020 were micro or small organisations. Furthermore, in addition to being direct beneficiaries, many of the projects have had an indirect impact on thousands of other professionals or SMEs who were involved in the activities and thereby acquired more experience and contacts.

These figures show that Creative Europe reaches out to smaller players. However, given the intense international competition and the emergence of a digital single market where content is increasingly accessible across borders, there is also a need to develop collaborative business models to allow European players to scale up. Creative Europe strives to reach this goal by placing special attention on the collaborative dimension of the projects it supports. MEDIA supports such collaboration in particular through co-productions, networks of cinemas, festivals and VOD services, as well as coordinated pan-European distribution. The main Culture actions are dedicated to helping small organisations act together through cooperation, networks or platforms.

Figure 7. MEDIA and Culture beneficiaries by organisation size (number of staff) 2020



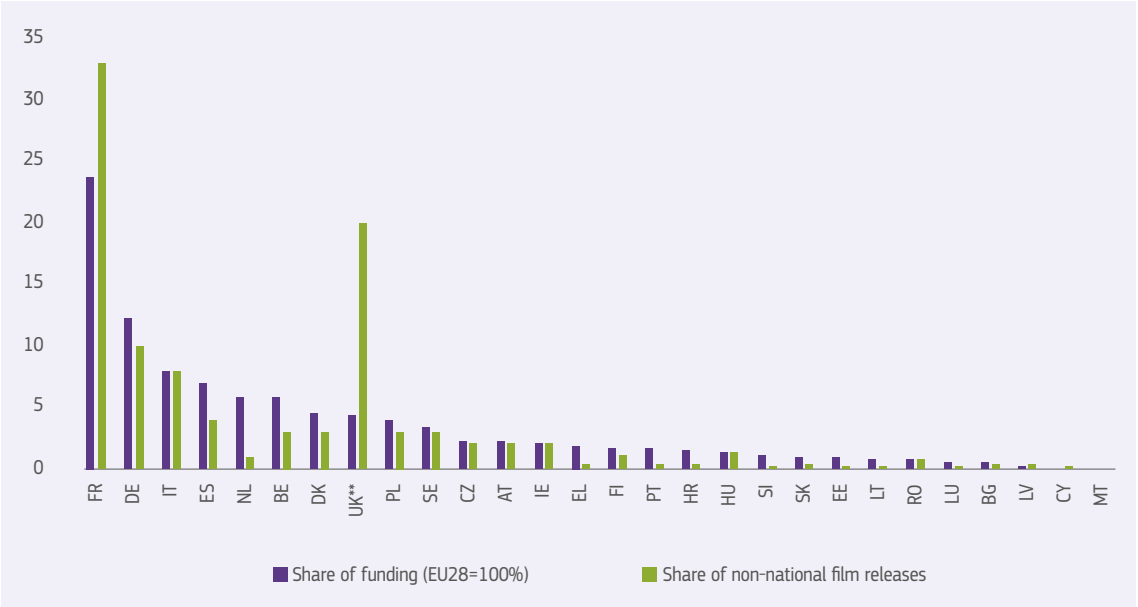
2.4 SUPPORTING COLLABORATION ACROSS BORDERS

Creative Europe funds are awarded to projects on the basis of objective criteria in order to identify the highest-quality applications regardless of their origin. Wherever possible, projects created in cross-border partnerships are preferred so as to ensure the highest European added value.

Member State participation rates in the MEDIA budget vary widely and reflect, in particular, the differences between countries in size and the capacity of their audiovisual industries. However, whilst there is a tendency for the countries with bigger audiovisual sectors to participate more in MEDIA, there is also tendency for smaller

countries to participate above the level that their relative size would suggest. Therefore, MEDIA has an inclusive effect at the European level. The distribution of the MEDIA budget per participating Member State is given in Figure XX in relation to that country's share of the European audiovisual market. This is measured by the share of films produced in a Member State which were distributed beyond its borders.

Figure 8: Member State shares of MEDIA support relative to share of non-national film releases (%)*

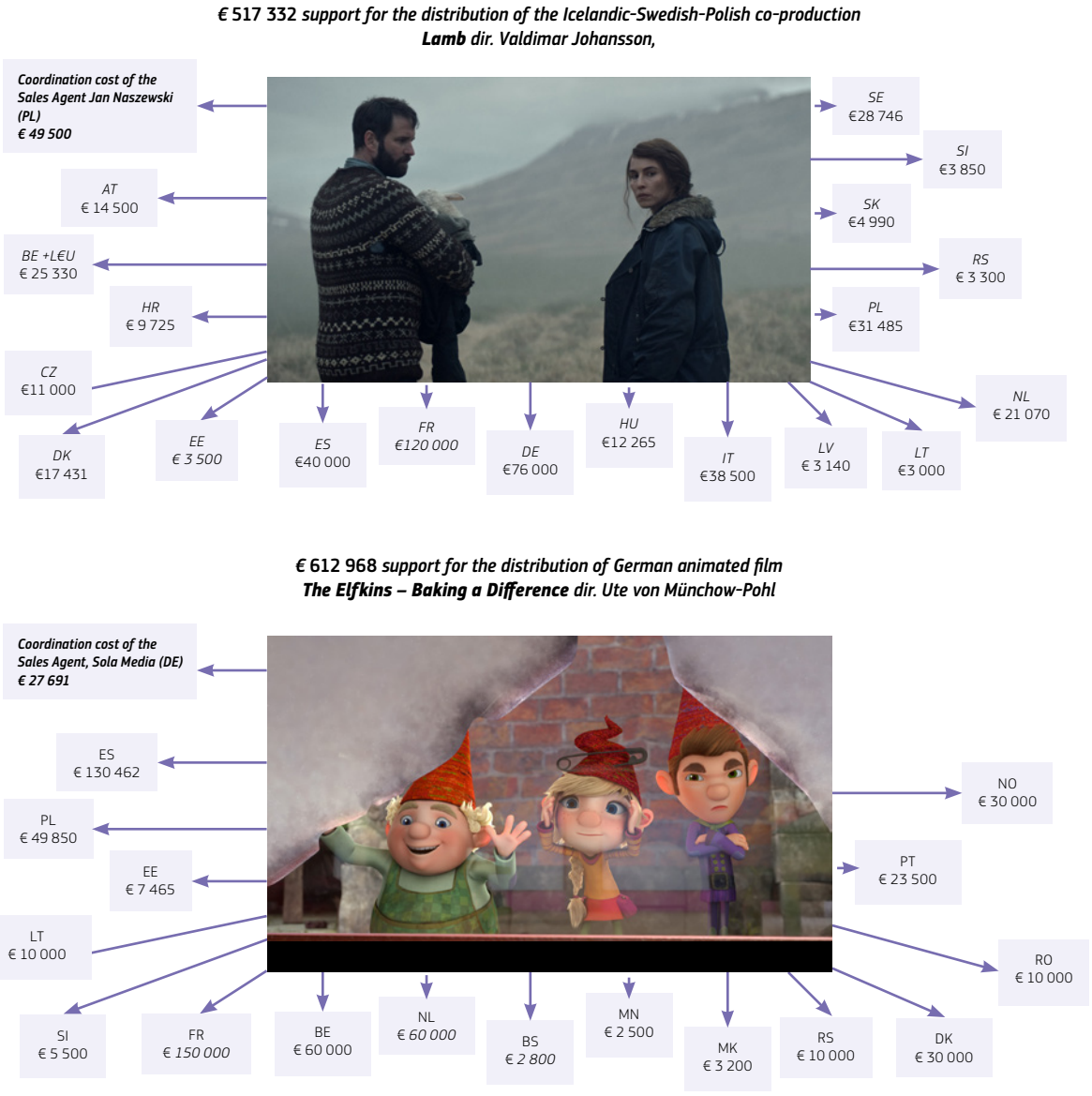


^ **The breakdown of budget distribution across countries includes the spread of the Europa Cinemas network members, the split of grants between partners in the case of co-productions and Distribution Selective schemes. Source for shares of non-national film releases: 2019 Lumiere Database, European Audiovisual Observatory*

*** The UK continued to participate in Creative Europe in 2020 under transitional arrangements*

In order to better understand the transnational value of Creative Europe it is worth looking at the mechanism for grant allocation in MEDIA's Selective Distribution scheme. This action supports local distributors to distribute works from other countries and thus the creators in one country are indirect beneficiaries of grants allocated to distributors in another. Therefore, the higher the grants for cross-border distribution, the better for the film's producer, because the film can achieve higher box office results in more territories thanks to the increased promotion of the film.

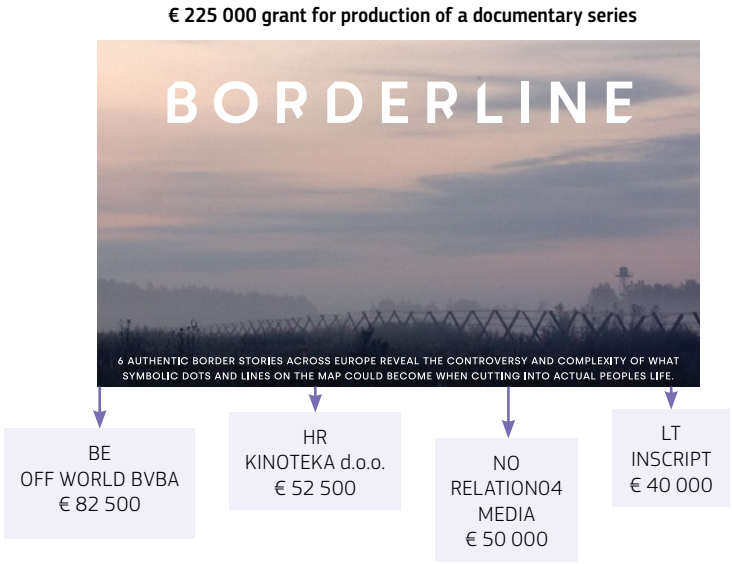
Figure 9: Examples of split of Distribution Selective support between distributors from different Member States promoting a non-national film



In addition, MEDIA prioritises support for the creation of co-productions. These bring creatives together to collaborate across borders. In the field of high quality TV series, where production costs are rising as competition for audiences stiffens, co-productions can bring together financing from different sources. Thus, co-productions help scale up productions and make them more competitive. In these cases, MEDIA support is shared amongst the partners in line with their co-production agreements.

Of the 46 productions supported by the TV Programming scheme in 2020, 28 were international co-productions, including 12 with partners coming from more than two countries.

Figure 10: Examples of split of a Television Programming grant between partners from different countries



"Creative Europe is a key element in the success of European independent companies not only in their respective territories, but as well in the rest of Europe and the world (...) The institution is pro-active in creating positive cooperation between different countries and therefore in the creation of the European industry as an entity (as opposed to the accumulation of national industries). Which seems the only way our culture can resist the globalisation of economics and contents."

Slate beneficiary's feedback

03.

SAFEGUARDING CULTURAL DIVERSITY, STRENGTHENING COMPETITIVENESS

Creative Europe support has two interlinked general objectives: to safeguard cultural and linguistic diversity and strengthen the competitiveness of the cultural and creative sectors. European film and cultural expression reflect and represent the diversity of Europe while also showcasing commonalities. The quality and unique variety are recognised across the world. They help bring people together by strengthening mutual understanding of our differences whilst feeding a sense of shared European identity. At the international level, the programme also contributes to EU public diplomacy.

At the same time, especially in the case of the cultural and creative sectors, economically robust companies and organisations are needed to face global competition for investment and for audiences. Creative Europe's contribution to meeting these objectives can be indicatively measured in a number of ways, as explained in the following pages.

3.1 REACHING WIDER AUDIENCES

MEDIA helps European films and series find their audiences in the face of fierce global competition. Despite the COVID-19 lockdowns having paralysed the cinema and festival sector for many months and thanks to the increase in home consumption, MEDIA-supported works reached **no less than 136 million consumers** through different channels: in particular, 101 million TV viewers, 31 million cinemagoers in theatres in the Europa Cinemas network, and 2.2 million at festivals[9].

The Culture Sub-programme brings benefits to the music or literature sectors by helping less represented genres or countries expand their audience outside their home country in Europe and beyond. European books for instance – especially from smaller territories – do not travel easily across borders and, when they do travel, need to be promoted to kindle the interest of potential new readers. **Since 2014 the programme has supported 380 projects by publishers for the translation and promotion of more than 3 500 works of European literature** via traditional and digital channels. With more than 40 different source and target languages and 70% of all translations coming from "smaller" languages, the library of Creative Europe-supported books fully reflects the linguistic and creative diversity of European stories.

AUDIENCES ARE AT THE HEART OF CREATIVE EUROPE. ONE OF THE KEY OBJECTIVES OF THE PROGRAMME IS TO ENLARGE AND DIVERSIFY THE AUDIENCE FOR EUROPEAN CONTENT ACROSS BORDERS.

EXAMPLES OF AUDIENCE DATA AVAILABLE

Slapstick-comedy animation series **Mighty Mike**, which received EUR 500 000 of MEDIA production support in 2017, was a big success amongst audiences of children in the winter 2019/2020 season. When first broadcast in its national market – France – it attracted over 12% of 4-14 year olds. It was released in several European markets, as well as in the US (where it was the second most-watched show in the children's category) and in China (on an a VOD platform, where it received at least 44 million views)

Freud is the first season of an eight-episode drama series about the young Sigmund Freud, investigating a murder conspiracy in 1880's Vienna. It was co-produced by Satel (Austria) Bavaria Fiction (Germany), and Austrian broadcaster ORF. The project initially received Development funding in 2015 (EUR 50 000) before being awarded a EUR 500 000 grant under the TV Programming scheme in 2018. In Austria, during the broadcast on ORF (15-22 March 2020) it had a total of 3 286 000 viewers with an average market share of 12%. When it premiered on Netflix (23 March 2020) it reached 25 million households during the first month. It was in the top 10 ranking in 67 countries.

9 This number is only indicative of the full impact: the total size of audiences reached by MEDIA indirectly is certainly higher, but since audience data on television and VOD are limited, the numbers are based only on what MEDIA beneficiaries report to the best of their knowledge.

3.2 HIGH QUALITY, INTERNATIONALLY RECOGNISED CONTENT

An indicator of the success of Creative Europe in safeguarding cultural diversity is the international critical acclaim which its supported works receive. From 2017 to 2019, films which were supported by MEDIA in development or in their early stages of distribution received **147 major international prizes and awards** – at the festivals in Berlin, Cannes, San Sebastian and Venice, and at the European Film Academy (EFA) awards, Oscars and Golden Globes[10]. On average **25%** of all works which received MEDIA support for development were selected by major festivals and **10%** won at least one prize[11].

Amongst video games, **27** games supported in 2014-2017 received 91 nominations at major international festivals[12], winning 17 prizes. Their average rating by professional reviews on Metacritic was 74%.

In 2020, despite the disruption of **film premiere festival competitions by the COVID-19 crisis**, including the exceptional cancellation of the Cannes film festival, **9** MEDIA-supported films still received international recognition in the form of **18** awards and prizes: 3 awards at Berlinale 2020, 2 at San Sebastian 2020, 7 EFA 2020 awards and 3 Oscars at the 2021 edition, in addition to 11 other Oscar and 6 Golden Globe nominations.

^ Another Round, The Father, The Big Hit

10 Many other titles which win an award receive MEDIA support later for their international distribution. (Films often premiere at a festival, where they compete for a prize, and distributors decide to pick them up only later.)

11 The Development 2014-2017 Survey Report p.20.

12 Game Awards, Golden Joystick Awards, Independent Games Festival, IndieCade, Independent Developers' Association Awards, International Documentary Festival Amsterdam, The Ivors, Big Indie Pitch.

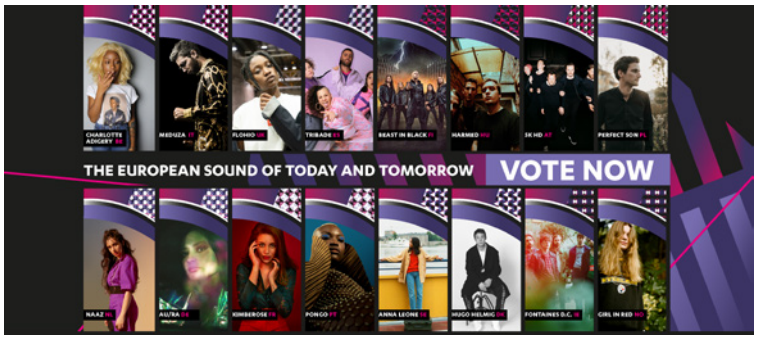
Table 3: Recognition for MEDIA-supported films in the 2020/2021 award season

Title	No of awards	Ceremony	Category
Another Round	4	European Film Awards	European screenwriter; European actor; European Director; European Film
	3	San Sebastian	Best actor; Premio Feroz Zinemaldia; SIGNIS Award
	1	Oscars 2021	Best International Feature Film
			NOMINATION – Best Director
		Golden Globes 2021	NOMINATION – Best Foreign Language Film
The Father	1	San Sebastian	Audience Award – Best Film
	2	Oscars 2021	Best actor, Best Adapted Screenplay
			NOMINATION - Best Picture, Best Production Design, Best Film Editing, Best Supporting Actress
		Golden Globes 2021	NOMINATION – Best Foreign Language Film Best Motion Picture – Drama, Best Actor – Motion Picture Drama, Best Supporting Actress – Motion Picture, Best Screenplay
Irradiés	1	Berlinale 2020	Best Documentary Award
Otac (Father)	1	Berlinale 2020	Panorama Audience Award
Falling	1	San Sebastian	Sebastiane Award – Best Film
The Big Hit	1	European Film Awards	European Comedy
Undine	1	European Film Awards	European Actress
Berlin AlexanderPlatz	1	European Film Awards	European Original Score
The Mole Agent		Oscars 2021	NOMINATION – Best Documentary Feature
	1	San Sebastian	Audience Award – Best European Film
Wolfwalkers		Oscars 2021	NOMINATION – Best Animated Feature Film
A Shaun the Sheep Movie: Farmageddon		Oscars 2021	NOMINATION – Best Animated Feature Film
Pinocchio		Oscars 2021	NOMINATION – Best Costume Design, Best Makeup & Hairstyling
Quo Vadis, Aida		Oscars 2021	NOMINATION – Best International Feature Film
Corpus Christi		Oscars 2020	NOMINATION – Best International Feature Film
Pain & Glory		Oscars 2020	NOMINATION – Best International Feature Film
		Golden Globes 2020	NOMINATION- Best Actor Drama; Best Foreign Language Film
Les Misérables		Oscars 2020	NOMINATION – Best International Feature Film
		Golden Globes 2020	NOMINATION – Best Foreign Language Film
Portrait of a Young Lady on Fire		Golden Globes 2020	NOMINATION – Best Foreign Language Film

The Programme also supports prizes and awards across the other cultural and creative sectors.

Table 4: Culture-supported awards

EU Prize for Contemporary Architecture – Young Talent Architecture Award 2020	Organised by the Mies van der Rohe Foundation with the support of Creative Europe as part of the EU Mies Award, the Young Talent Architecture Award (YTAA) supports the talent and entrance into the professional world of recently graduated architects, urban planners and landscape architects. In 2020, in addition to the traditional YTAA 2020, an separate edition was also organised with the European Union's four Strategic Partners in Asia: China, India, Japan and South Korea. As the 2020 Architecture Biennale in Venice was postponed due to the pandemic, the seven winners of the YTAA (four from YTAA 2020 and three from the Asia edition) were announced during an online event on 5 October 2020. The actual ceremony and exhibition of both 2020 editions will be held as a collateral event of the Biennale in 2021.
European Union Prize for Literature (EUPL)	The EUPL is organised by a consortium of the European Writers' Council, the Federation of European Publishers, and the European and International Booksellers Federation with the support of Creative Europe. Since its first edition in 2008, 148 emerging authors from 41 European countries have been translated into several languages and reached new markets thanks to this prize.

Music Moves Europe Talent Awards (MMETA)	The annual EU prize for popular and contemporary music recognises the success of emerging artists or groups who reached audiences outside their own countries, showcases Europe's vibrant and diverse music scene, and addresses more specifically the needs of those young talents, notably through a specific prize package. Alyona Alyona (UA), Inhaler (IE), Julia Bardo (IT), Lous and The Yakuza (BE), Melenas (ES), Rimon (Netherlands), Sassy 009 (Norway), Vildá (Finland) were the winners of the 2021 Music Moves Europe Talent Awards selected by an international expert jury. Ukrainian rapper Alyona Alyona also won the Public Choice Award, mobilising her fan base through an online vote. 
European Heritage Awards / Europa Nostra Awards	The European Heritage Awards / Europa Nostra Awards are Europe's most prestigious heritage prize. In 2020, 21 laureates from 15 countries were recognised for their impressive accomplishments in conservation, research, dedicated service, and education, training and awareness-raising. 3 Grand Prix were selected among them to receive EUR 10 000 each. They were the exceptional restoration of the Basilica of Santa Maria di Collemaggio, L'Aquila (IT), the outstanding project Tramontana Network III (FR, IT, PO, PT, ES) and the major exhibition Auschwitz, "Not long ago. Not far away" (PL, ES), marking the 75th anniversary of the liberation of the largest Nazi concentration camp. In addition, for the first time, two new ILUCIDARE Special Prizes were awarded from among the applications submitted. ILUCIDARE is a project funded by Horizon 2020 with the aim of fostering **heritage-led innovation** and **diplomacy**. Therefore, this is a good example of synergies between two EU programmes.

European Heritage Label

The European Heritage Label is granted to cultural sites of symbolic European value and a significant role in the history and Culture of Europe and/or the building of the Union. The action aims to enhance people's, and especially young people's, understanding and appreciation of the European Union's shared and diverse heritage, and contributes to strengthening European citizens' sense of belonging to the Union. Raising awareness of the European significance of the sites and raising their profile and attractiveness on a European scale, can bring significant cultural, social and economic benefits.

In 2020, the 38 sites awarded the Label before 2019 were monitored. The European Panel of independent experts reviewed the reports submitted by Member States on the labelled sites' activities and concluded in its report that all the sites continue to meet the criteria. The report is available on the European Heritage Label website.

3.3 LEVERAGING INVESTMENT, SUPPORTING GROWTH

MEDIA is active throughout the audiovisual ecosystem, from supporting cutting-edge training programmes to films which have won international recognition to supporting access to markets. Its track record of success has allowed it to become a seal of quality. In 2019 total MEDIA support of EUR 125 million leveraged **EUR 528 million** from other funding sources. This represents a leverage ratio of 4.2. It shows that European-level financing constituted part of diversified project budgets. MEDIA beneficiaries, who are in most cases audiovisual SMEs, report that the support has helped them to consolidate their position in a very competitive environment. In a retrospective survey of development scheme beneficiaries conducted in 2020[13], **87%** of respondents reported a long-lasting **increase in their company's market position** and 28% said that having the grant attracted new partners, including many from other countries.

"Creative Europe support is a sign of quality. Once we received the support, film projects are getting more attention nationally and internationally. It also helps production companies to be more visible. Not less importantly - the CE support gives the company more time and freedom to develop content before entering into production."

Slate Funding beneficiary – Estonia

"Creative Europe support was essential not just for the development of this slate of projects but also for the positioning of our company in the market. It allows us to participate in production and co-production markets, workshops, and to be more visible at a European level. Without this support, our efforts and teamwork would have not been enough to introduce these projects internationally. It helped a lot keeping the focus in our company on developing good film projects"

Slate Funding beneficiary – Romania

"Support from Creative Europe has resulted in us developing a much more ambitious and impressive game, which will surely improve our standing as game developers in the gaming community, but also it has already provided us with added credibility when doing business dealings with publishers and platform owners."

Video Game beneficiary – Greece

Culture funding acts as a guarantee of quality, which helps organisations attract other investments, be they public or private. The Culture projects selected in 2020 raised more than EUR 50 million of investment to match the Culture grants. Projects funded under Creative Europe Culture are selected for their ability to anticipate new cultural and creative trends or develop new business models and enhance cultural participation, as well as improve accessibility to cultural works and visibility of artists.

"Creative Europe has contributed 55% of our total budget, we could not have even begun the project without this investment and the affirmation of our ideas. The collaboration between the three partner organisations brings together diverse and complementary skills and experience, enabling us to research deeply, experiment with the digital tools and broaden our ideas much further than if we were working alone"

Cooperation project beneficiary - Austria

13 EACEA Development 2014-2017 beneficiaries survey.

European Capitals of Culture

The European Capitals of Culture (ECOC) play a vital role in strengthening the links between European citizens and their Cultures. 2020, the year when Culture was forced to go digital, was a challenging year for the initiative, but the many developments that materialised are also evidence of the resilience and vitality of this flagship European Union action.

In 2020, the preventive measures taken by national authorities to curb the COVID-19pandemic severely hit the two 2020 ECOCs – Galway in Ireland and Rijeka in Croatia – and slowed down the preparatory work of the three 2021 ECOCs to a critical degree.

Against this background – and based on the wishes expressed by all ECOC cities concerned and their relevant authorities, the Commission in August 2020 submitted a proposal for a Decision aiming to give Galway and Rijeka the possibility of having their ECOC year prolonged until 30 April 2021, and to postpone the year in which Novi Sad (Serbia) will host an ECOC from 2021 to 2022, and the year in which Timisoara (Romania) and Elefsina (Greece) will host an ECOC from 2021 to 2023. The Parliament and the Council adopted this Decision in December 2020.

The two 2020 ECOCs, each received EUR 1.5 million from Creative Europe (the Melina Mercouri Prize) and demonstrated remarkable resilience and creativity in the face of the most challenging circumstances. They found new ways to deliver and ensure the continuity of their cultural programme. The ECOCs were among the most significant cultural projects of scale to be presented worldwide during the pandemic. In both cities, over 500 events across multiple genres were delivered live and online, and artists and local cultural partners were supported in the making and creation of new work, thus sustaining jobs in the local cultural economy. (Early Galway figures estimate over 600 artist and 30 local cultural partners benefited). Cultural infrastructure was boosted and will remain a strong legacy of the ECOC year. One example is a large digital archive of remarkable art created in Galway.

In 2020, the Commission received the ex-post evaluation of the 2019 ECOCs, Matera in Italy and Plovdiv in Bulgaria. This clearly indicates the cultural, social and economic impact of the initiative. The evaluation demonstrated that citizens played a central role in Matera, with more than 80% of the projects actively engaging citizen participation, resulting in a total of almost 60 000 local citizens involved. That the ECOC initiative is instrumental in cultural outreach also became clear in Plovdiv. The share of those who visit cultural events in the city often increased from 27% in 2017 to 44% in 2019 (with 60% of the city residents attending at least one cultural event in 2019). The full text of the ex-post evaluation is available at Ex-post evaluation of the 2019 European capitals of Culture.

Finally, the ECOC capacity-building scheme took a digital turn with the pandemic and held its first ECOC academy training camp online in 2020. As a result, a multi-disciplinary EU-wide expert pool is now available for the ECOC cities to tap into when in need of ready-made evaluated expertise.

04.

MEDIA FOCUSING ON TALENT, CONTENT, CIRCULATION AND PROMOTION

Europe's audiovisual industry needs to adapt constantly in a very dynamic environment as digital technology transforms the way audiovisual content is created and disseminated whilst global players grow rapidly. MEDIA helps the industry face these challenges by building its capacity to operate at a transnational level, so that films and audiovisual works can be seen and find markets beyond national and European borders. MEDIA is active at key stages across the industry's value chain in order to build a European ecosystem which is able to reach wider audiences.

4.1 FOSTERING TALENT AND SKILLS AT EUROPEAN LEVEL

As the audiovisual landscape continues to change, so talent, skills and creativity remain the most important assets. MEDIA aims to support talent development, boost and update professional skills and foster creativity, and all this with a European perspective. The MEDIA Training Actions are a diverse portfolio and, although each Action is selected on the basis of its individual merits, the Actions address a range of needs, from production to marketing, from development to legal aspects. Digital skills are essential, and they are either targeted through specific projects or are embedded in projects with a wider remit. MEDIA supports some of the most cutting-edge workshop organisers in Europe. Some of the training courses supported in 2020 targeted skills which are particularly in demand e.g. scriptwriting for TV series, while others focused on a market segment e.g. animation.

In 2020, 6% of the MEDIA budget was dedicated to this objective, through support for 47 professional training organisers. In total, the supported courses welcomed and trained **2 445 professionals**. Of these, 83% were from MEDIA participating countries. They had the opportunity to network with each other and with colleagues from other parts of the world. This increases the internationalisation and the competitiveness of European industry.

OVER 16 000 AUDIOVISUAL PROFESSIONALS UPGRADED THEIR SKILLS 2014-2020

Figure 11. Professional profile of training participants

Less is More (LIM) is a training programme of French Le Groupe Ouest with the collaboration of Romanian Associatia Culturala Control N and Polish Krakowskie Biuro Festiwalowe, which in 2020 received EUR 176 000 of MEDIA support for their activities dedicated to:

1.Early script development for 1st to 3rd feature film projects for 16 writers-directors and 12 development angels.

2. "pre-writing" workshops, training young filmmakers to find their own narrative voices and to enable their international outlook.

3. StoryTANK which gathers experts from screenwriting and **fundamental research fields in Europe** to generate an applied research booster aiming to contribute to the creation of a European storytelling paradigm. StoryTANK disseminates its results through a YouTube channel and on other online platforms.

With the COVID-19 pandemic and the acceleration of the consequences of global warming, the need for new stories connected with the profound transformations that we are all living became even more crucial and urgent. We have to reinvent ourselves. And one thing remains: the need for filmmakers to make sense of this, to help humans coagulate around common ideas and dreams, about possible constructions that help generate hope.
Without Creative Europe MEDIA support, StoryTANK probably would not even have been created. The framework of MEDIA gave us the means and dynamic to launch a first phase of exploration. Now, StoryTANK has created a momentum between researchers and screenwriters, it has already generated new perspectives and new angles of understanding for one of the most complex and fascinating professions: scriptwriting, storytelling, inventing stories for today and tomorrow. ***StoryTANK has launched its own YouTube channel*** *and its Season 2 videos – created and edited mostly during the pandemic – will soon be revealed and sent out in free access for filmmakers, writers, film professionals and researchers from all over Europe.*

Antoine Le Bos, Co-director

Atiq Rahimi – novelist & filmmaker & Antoine Le Bos – founder of Le Groupe Ouest, both coordinators of StoryTANK | Season 2. Credit © Brigitte Bouillot

4.2 HIGH QUALITY, INNOVATIVE CONTENT

MEDIA stands for high quality content which travels. To make sure that films and TV series do not remain at home, but are shared across Europe, MEDIA helps productions to appeal to audiences across borders. In 2020 MEDIA dedicated over 30% of its budget to the creation of quality content.

On average, a European film which is a co-production is shown in cinemas in 4.4 countries, which is almost 2.5 times more than for a standalone production[14]. In the sector of high-end TV series this difference is also significant (on SVOD, series made within one country are available on average in 4.1 countries and co-produced series in 5.7 countries)[15]. This is why MEDIA pays special attention to supporting projects which are co-produced. In 2020, of all projects supported at the development stage, **88% were co-productions**, 5 percentage points more than in the previous year.

Development funding supports the crucial phase when a project is born. The key elements are brought together, including the financial partners, the script, the crew, cast and the distribution strategy. This helps determine if production should go ahead. In 2020 MEDIA financed the development of around **409** new film concepts, including 28 short films. The possibility of developing a short film, to be directed by a debutant director, is given to bigger production companies who apply for Slate Development funding (funding for several film concepts simultaneously). As producing a film by a beginner always entails a higher risk, MEDIA introduced this possibility in 2017 to encourage producers and facilitate the breakthrough of freshly graduated directors.

TV content remains the most popular form of culture and is a very dynamic area, reaching cross-border audiences with compelling, new types of stories. MEDIA contributes by supporting the production stage of high-end mini-series and documentaries by independent European producers, who are a pillar of diversity. Quality co-productions are prioritised, as they are an excellent way to scale up and build capacity at the European level by bringing together producers, scriptwriters and talent from different countries, making the broadcasters and VOD services more willing to pre-buy distribution rights. In 2019 almost EUR 16 million was made available to 46 TV works, with **four projects** being awarded the maximum grant of **EUR 1 million**.

MEDIA also participated indirectly in cooperation with developing countries by **supporting international co-production funds and working with film institutions in developing countries**. Between 2014-2020 this MEDIA support contributed to the creation of 114 and the distribution of 83 co-productions between partners from the EU and developing countries.

MEDIA also supports the development of videogames, one of its fastest growing segments (15% yearly)[16]. The support for video games is for developers working with storytelling: the story must be told or shown throughout the whole game and not only as an introduction or an ending to the game. Since 2014, a total of over EUR 24 million has been awarded to **210 projects**.

14 *Mapping Media Industries*, Deloitte & KEA for EIF, p. 199

15 *European high end fiction series: state of play and trends*, EAO 2020 p. 20

16 *Mapping Media Industries*, Deloitte&KEA for EIF, p. XII

LONG-TERM EFFECTS OF DEVELOPMENT SUPPORT

In 2020 EACEA conducted an ex-post survey among former beneficiaries of the development scheme for 1 762 films and 117 video games, who received grants between 2014-2017. Such a retrospective survey is needed once in a while to show the long-term effects of development grants because:

It can take years to complete the production process of an audiovisual work. The survey shows that the average time between the start date of MEDIA support and the date of entry into production is 22-24 months, and to the date of release is 37-38 months. It is difficult to assess the full effects of support to development projects at the point at which when they are concluded as usually a development grant lasts only 12 months.

The industry norm is that a high share of projects worked on at development are later abandoned.

The results of the survey show **that by 2020 53% of films and 57% of video games had either been produced or in production**. Only 14% of film projects and 24% of video games had been completely abandoned whilst the remainder were still in further development.

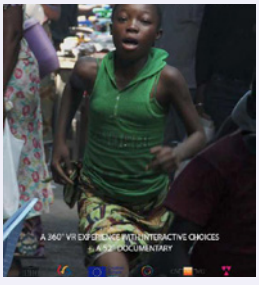
71% of the works that were produced were co-productions (with a higher share for films, and lower for video games, which reflects the nature of those markets). Of 590 works whose production had been finalised before the survey, 502 (85%) were distributed to at least one country other than the country/ies of production. **On average they were distributed in 8.6 other countries**. Inter alia, 30% were exported to the US, 22% to Canada and 16% to China.

Knowing that in 2019 1 881 new feature films were produced in the EU[17] and that at least 53% of the 381 MEDIA-supported feature development projects will be successfully produced, **MEDIA contributes to the creation of about 11% of European film output.**

FEATURE FILM:

Acasă, My Home is a thoughtful study of gentrification seen through the eyes of a family trying to adapt to the new life they never asked for. Is it better to go back to their "paradise lost," with its free yet harsh life, or to become part of the society that offers comforts but comes with pressures and conflict?

It Produced by Romanian Manifest Film, co-produced with HBO Europe and German Corso Film, the film was supported with EUR 25 000 in 2018, and released in 2020. It was awarded at many festivals, including Sundance.



VIRTUAL REALITY:

Kinshasa Now is an interactive 360 ° virtual reality film, for VR glasses, desktop and mobile, developed and produced by Belgian company Wajnbrosse. It is a complete immersive experience in the shoes of a child accused of witchcraft, who after being driven from home must try to reintegrate. Co-produced with DR Congo, this work was granted Development support of EUR 50 000 in 2017. Directed by Marc-Henri Wajnberg, this multi-awarded work was premiered at Venice Film Festival in 2020.

17 EAO, *Focus 2020*, p. 17.

VIDEO GAME:

***The Medium*,** the most ambitious title to date by Polish game developer company, Bloober Team, and supported by MEDIA in 2014, is a psychological horror story. The game uses next-gen technology in a unique way: displaying two worlds at once. It was unveiled and showcased during the first gameplay presentation of Microsoft's next generation console in 2020 and was one of the 13 games selected mostly based on their technical excellence and to demonstrate the capabilities of the new Xbox machine. It was finally released in January 2021.

HIGH QUALITY SERIES:

The Last Socialist Artefact Based on Robert Perišić's novel, the series follows two "urban survivors" from Zagreb, Oleg and Nikola. When they receive a mysterious order to provide a specific type of turbine, they have to go to a remote, desolate town in Balkans. The series received MEDIA support in development (EUR 50 000) and in production (EUR 290 000). It premiered at Seriesmania 2021 where it won the Best Series award in International Panorama section.

"I think for this particular project, TV series The Last Socialist Artefact, I might write on the closing credits „saved by Creative Europe – MEDIA" instead of „supported by...". Financing in times of pandemic and, utmost, shooting at times of pandemic proved to be extremely risky, unpredictable, challenging. TV programming support that we were given for this project literally enabled us to finish the shoot after several Covid-related breaks without compromising on the quality or artistic choices. Now in late stage of post-production, when I look back I know it would have been impossible without this crucial support."

Ankica Jurić Tilić, producer of The Last Socialist Artefact ©Zeljka Mikulcic

4.3 CIRCULATION AND COLLABORATION ACROSS BORDERS

MEDIA support is key to allowing films to be distributed across Europe, with a focus on reaching the magic of the big screen in cinemas through dedicated support for cinema and online distribution, with the aim of reaching wider audiences. Support to distribution represented 29% of the MEDIA budget in 2020.

Distributors under the Automatic scheme and sales agents who manage European non-national films in their portfolio are given support to distribute films of their choice. The funding per beneficiary is calculated on the basis of their box-office results in order to reward success in reaching audiences.

The importance of MEDIA support to the distributors who focus on European cinema on the market for European non-national films as a whole can be captured by two proportions:

- **"2/5"** – the 2020 analysis of the Distribution Automatic projects funded in 2016-2018 shows that successful applicants under Distribution Automatic calls are **distributors who sell on average around 50 million tickets a year to European films**. They use the MEDIA support to promote and distribute films, which in turn **attracts about 20 million cinema-goers a year**.
- **"1/5"** – of around **2 600 EU** feature films on release in non-national EU markets each year[18], **over 500**[19] are those supported through the Distribution Automatic grant. The catalogue of films supported in distribution since 2014 covers **2 057 different titles**[20].

In 2020 **241 distribution companies** active in various participating countries signed MEDIA grant contracts for a total of almost EUR 22.5 million. Similar support was extended to **33 sales agents** specialising in non-national European films for EUR 3.3 million.

Another form of MEDIA support to the circulation of films is the Selective Distribution scheme. Its aim is to provide targeted support to a limited number of films which have the potential to attract wide audiences across borders – 22 films in 2020, for a total value of grants of EUR 10.3 million. Whilst the average number of EU markets in which an exported EU film is available is only 2.4[21], the films supported through the Selective scheme are **distributed on a large scale, most in 15-25 territories**. The support covers the costs of marketing materials used both for the theatrical premiere, as well as later, for online release windows. In 2019 the collaboration between the sales agent and the distributors handling the same title in different territories was strengthened – they now apply all together for a single project, which promotes more joined-up distribution strategies. They can share marketing material, know-how and important feedback to fine-tune promotion campaigns. This way they create synergies in reaching audiences and reducing the costs.

Table 5. The most popular non-national films in the EU in 2019, based on declared admission with eligible European distributors of the Distribution Automatic scheme

TITLE	FILM NATIONALITY	ADMISSIONS 2019
Mia and the White Lion	FR	3 026 551
Serial (Bad) Weddings 2	FR	2 843 734
Shaun The Sheep 2	UK	2 641 632
The Queen's Corgi	BE	2 410 922
Cold Pursuit	UK	1 884 042
Astérix, The Secret of The Magic Potion	FR	1 875 136
Pain And Glory	ES	1 724 984
Sorry We Missed You	UK	737 409
The White Crow	UK	650 616
Stan & Ollie	UK	624 499

18 Precisely 2 692 in 2019 – European Audiovisual Observatory (EAO) statistics

19 Results from 2018, the latest year for which all final reports had been received at the time of wiring. In 2019 the scheme administration was simplified, with many contracts signed to cover more than 1 year.

20 Including only partial results for 2019 and 2020.

21 EAO Statistics for 2019.

ANOTHER ROUND

This film directed by Thomas Vinterberg was developed and produced by Danish company Zentropa Entertainments3 in co-production with Sweden and the Netherlands. It was supported through the Slate Funding scheme for an amount of EUR 60 000 in 2016. Production ended in 2020 and despite the pandemic, more than 1 million cinema admissions had been recorded by the end of 2020: in most territories, theatrical release took place in springtime/summer 2021. The film also received MEDIA funding for its distribution across borders: EUR 406 625 under Distribution Automatic (DE, EL, ES, RO) and EUR 827 641 under Distribution Selective.

This story about four high school teachers who consume alcohol on a daily basis to see how it affects their social and professional lives is a multi-awarded title: it notably won Oscar for Best International Feature Film in 2021 and was awarded as the best European film at the 2020 European Film Awards, among more than 40 other wins and 50 nominations.

The support that MEDIA has consistently given to building a European audiovisual ecosystem has contributed to a positive impact on the structural growth in the circulation and audiences of European films. Audiovisual market data shows that the circulation of European films has evolved positively in the last few years, even though there have been some fluctuations. The number of European films released in **more than five markets** within Europe increased from 237 in 2013 to **385 in 2019**, including **141** films which were released in more than 10 markets (up from 103 in 2013)[22]. This is an indicator of the scaling-up of European distribution strategies. Almost half of all European films are released in at least one non-national country and almost one in ten are exported outside Europe[23]. In 2019 this meant 730 were films exported outside of the Europe – the highest numbers in the 5 years to 2019 (an increase from 566 in 2013)[24]. MEDIA contributes in particular to the success in increasing European exports through the Market Access scheme, helping European filmmakers and professionals strike international deals across the globe.

Support was given to facilitate the release of works in multiple territories through business-to-business promotional activities as well as by facilitating access for European professionals to audiovisual markets and exhibitions in Europe and beyond. The presence at such markets is very important for the audiovisual sector, as it is where many business deals are struck.

> ***With the support from Creative Europe we have been able to attend many more financing fora than we did with previous projects. Coming to these events more often than before has made many broadcasters aware of who we are, which is extremely important if you want them to answer your mails, if you want to have a meeting with them etc.***
>
> Single Project (animation) beneficiary - Denmark

Between 2018 and 2019 the share of admissions for European films sold outside their country of origin rose from 39% to 41% (to 180 million). This increase in exports of European films was attributable to markets outside Europe which in 2019 accounted for more than half of all non-national admissions (94 million)[25]. Thus the structural and stable support provided by MEDIA has contributed to continued internationalisation.

22 EAO, The Circulation of European Films in Non-National Markets - Key Figures 2019, p.69-70.

23 EAO, The Circulation..., p. 23.

24 EAO Yearbook Market Trends 2020/2021 p. 24 and 40

25 EAO Yearbook Market Trends 2020/2021, p. 24

4.4. PROMOTING EUROPEAN WORKS, REACHING AUDIENCES

Each film and TV series, large or small, needs to find its audience. Marketing and promotion strategies make a huge difference in the visibility of a work with potential audiences in Europe and in global markets. In 2020 33% of the budget was used for activities making European audiovisual content more visible with audiences.

MEDIA supported promotion activities in several ways:

- support to festivals and audience development
- support to cinema networks;
- promotion of European works online;
- MEDIA-funded public events.

Festivals play a crucial role in promoting European works, as the critical reviews, the reaction of the audiences and the showcasing of a film raise the profile of a new film and prepare the ground for its release to the general public.

THE COVID-19 EFFECT ON FILM FESTIVALS

19 of the 75 film festivals selected in 2019 took place in 2020 and were affected by the COVID-19 crisis. Of this group, 7 took place as planned, 3 were cancelled, 8 were postponed and adapted to the new conditions (4 took a hybrid form, 2 transformed into online-only events and 2 remained in the physical form), 1 asked for an extension. Amongst the 81 festivals chosen in 2020, 20 took place by the end of the year (including 8 hybrid, 8 online and 4 physical), 7 asked for an extension and 4 were postponed, whereas others are yet to take place in 2021. Despite the unfavourable conditions, the festivals supported by MEDIA managed to reach almost **2.2 million in audience** compared to 3.5 million in 2019. These activities and results reflect the enduring appeal of **the festival** experience for audiences as well as the resilience and creativity of festivals in adapting to an unprecedented crisis.

In 2020, in addition to ongoing support for individual festivals, support for was introduced for structured networks between festivals. Seven **festival networks received grants, associating 36 individual festivals from 23 countries**. The festival networks can use the grants on common challenges and opportunities, for example activities on gender balance, greening or film literacy.

MOVING IMAGES – OPEN BORDERS (MIOB) FESTIVAL NETWORK

The passion for young cinema from Europe and the desire to give it a worthy platform unite the seven members of Moving Images - Open Borders (MIOB). MIOB festivals present content with context, embed movies in their historical context, discuss them with critics and value the commentary of the directors. They encourage discussion on these topics in the public and stand for an exchange of ideas and opinions. The network, which received a EUR 141 600 grant from MEDIA in 2020, brings together festivals with vast expertise in organising both audience and industry events:

- Film Festival Cottbus (DE)
- Scanorama (LT)
- Trieste Film Festival (IT)
- Seville European Film Festival (ES)
- European Film Festival Palic (RS)
- Crossing Europe Film Festival Linz (AT)
- Les Arcs Film Festival (FR)

The project aims to go beyond the traditional exchange of content and serves to develop strategies for in-depth-co-operation. The focus is on gender programming, audience design, staff exchanges, strategies for climate-friendly film festivals, training young film journalists and film literacy. Joint activities include among others a communication strategy with a specific website, industry meetings and two film awards.

EUROPEAN SHORT FILM NETWORK

Short film is and has always been the source of innovation for the art of film and filmmaking, the experimental field in which future cinematic vocabularies first crystallise. The European Short Film Network (ESFN) closely associates European short film festivals based on shared principles, ideas and technology. The ESFN consists of four festivals:

Go Short – International Short Film Festival Nijmegen (NL)

- International Short Film Festival Oberhausen (DE)
- Vienna Shorts – International Short Film Festival (AT)
- Short Waves Festival (PL).

In 2020 the network received a EUR 140 000 grant from MEDIA for joint activities.

Founded in 2018, the ESFN pursues the goal of working closely together on common projects, making European short films and industry knowledge more accessible, and jointly mastering the coming challenges in the international festival landscape. The technological basis for the network is the festival management system Filmchief initiated by Go Short. This is used by all ESFN members and has since been developed further collaboratively.

THIS IS SHORT is a collaborative online project by the ESFN, prepared with the support of a MEDIA grant in 2020. It is a central access point for mainly European short films: with joint programming, shared programmes, and one common gateway to the online presentations of four European film festivals, thus creating a joint online festival experience. The first edition of THIS IS SHORT was active in April-June 2021.

Already before the pandemic, our network had developed some ambitious plans to strengthen the common online strategy of the participating festivals. When COVID-19 eventually made physical festivals impossible, MEDIA funding allowed us to tackle these plans concretely and to establish ONE joint online platform to achieve the highest possible visibility for European short films. We now want to continue working on this in close cooperation.

Doris Bauer,
Vienna Shorts Festival Director & Executive

MEDIA co-finances the Europa Cinemas network of cinema theatres, which maintain a repertoire focused on European film and commit to initiatives in film education. With over 1 000 cinemas in 33 countries, Europa Cinemas has helped audiences for European films to grow and to discover a highly diverse range of films from all over Europe. Its reach has been growing – 76 million admissions in 2018 and 79 million in 2019 – but received a heavy blow in 2020 when the COVID-19 epidemic forced many cinemas to close. Altogether the members of the network were able to sell **slightly below 31 million admissions**, including some for virtual screenings.

VIRTUAL SCREENINGS AMIDST LOCKDOWN

Virtual screening technology allows for real-time streaming of a film to a restricted number of persons who buy admissions and are located within a certain radius of the physical venue of a given cinema theatre. These limitations make sure that the cinemas' business models are not overstretched.

Some virtual screening platforms were developed in previous years with MEDIA On-Line tools support. The European Cinema & VOD Initiative project, which brings together the creators of La Toile in France, PICL in the Netherlands and Kino on Demand in Germany, was supported between 2016 and 2018 as a consortium with a total EU support of EUR 1 380 237.30, and then again separately in 2020 with total support of EUR 709 960.47. Whilst virtual screening technology had limited reach in the early years, it became very useful during lockdowns and enabled cinemas to stay connected to their audience. The number of **cinemas involved in ECVI rose from 59 in 2017 to more than 1 000 in 2020**. In addition, the ECVI platforms provide key audience data to their local stakeholders – cinemas and distributors – on a weekly and monthly basis.

The share of European and especially non-national films amongst admissions is always high among network members and this has proved relatively stable even in the pandemic. In 2018, European films' share of admissions was 55% and non-national European was 30%; in 2019, the figures were 53% and 29% respectively, and in the difficult year of 2020, they were **55% and 27%.**

A comparison with market trends indicates the added value of MEDIA support. In 2019 the share of admissions to European films in the EU was reduced to 26.2%, whilst sales of US-produced films increased[26]. On the other hand, Europa Cinemas achieved 53% of admissions for European films, **almost twice the market average**.

CONSIDERING THAT THE TOTAL NUMBER OF ADMISSIONS TO NON-NATIONAL EUROPEAN FILMS IN ALL CINEMAS IN THE EU IN 2019 WAS 71 MILLION, ALMOST EVERY THIRD TICKET SOLD TO A NON-NATIONAL EUROPEAN FILM WAS FOR A SCREENING IN EUROPA CINEMAS (UP FROM EVERY FOURTH IN 2018).

26 EAO Yearbook Market Trends 2020/2021 p.40

Italy

Cinema Orione, Bologna

Cinema Teatro Orione is a single-screen theatre linked to a parish and is a member of the Catholic association of cinema exhibitors (ACEC). It has played an important role in the Bologna city area for years.
As a contingency during those dramatic days this year, we gave life to an experiment. We wanted to focus on doing, acting from our ideals and values, so that the quality of those actions and the symbolic value of our work for the community could also be at the core of our experience.
With our DIS\|CHIUSO (DIS\|CLOSED) experience, from March 15 to June 2, we offered twelve intense weeks of free virtual screenings, via a streaming platform, to our e-newsletter subscribers: a 44-day programme, with 88 titles, the participation of 20 directors, a total of over 46 000 viewers and an extended newsletter base to 26 000 subscribers.
If the cinema, as a sort of piazza, a physical place for congregation, was closed, DIS\|CHIUSO was intended as a virtual square, to reinstate an opportunity to meet together, at the same time, sharing culture. We had no desire to replace or supplant the magical and inseparable combination of art and physical place that is Cinema, we had only the need and the will to stay connected by making culture, in renewing and adapting the parameters of the cultural outposts that are suburban movie theatres.
The connection with our audience was nothing short of exciting and motivating. It was wonderful to have felt so close.

Enzo Setteducati, Cinema Manager

Belgium

Quai10, Charleroi

Exhibition had to stop suddenly, from March 1 until July. In Belgium, reopening was allowed from July 1 but cinemas closed again on October 29.
With only five months of opening out of the whole year, the stakes were high: we had to maintain the economic stability of our cinema as well as maintaining a connection with our audience.
So, we decided to implement a series of measures to reach those two goals – with a team who were presently unemployed. A real headache! However, we succeeded, and we are really proud of the actions we've set up: we've joined a VOD platform called „Ciné chez vous" in collaboration with a Belgian film distributor; we've sold more than 1 000 subscriptions, available upon our reopening; we took part in European Cinema Night; we created a special Christmas offer which can be gifted under the Christmas tree; and we are organizing special online family screenings every Friday night at 6pm. These actions have allowed us to exist and offer qualitative services dedicated to our audience during this difficult year, but the survival of our cinema depends on a quick return to normality in 2021.
Indeed, due to the current crisis, we recorded a decrease of 75% in our annual sales in 2020. During our summer reopening, we noticed that arthouse cinemas were less impacted by the crisis than multiplexes, but the figures were still poor, with 50% fewer viewers than between July and September in 2019, due to the lack of tentpole releases over this period.

Matthieu Bakolas, Director

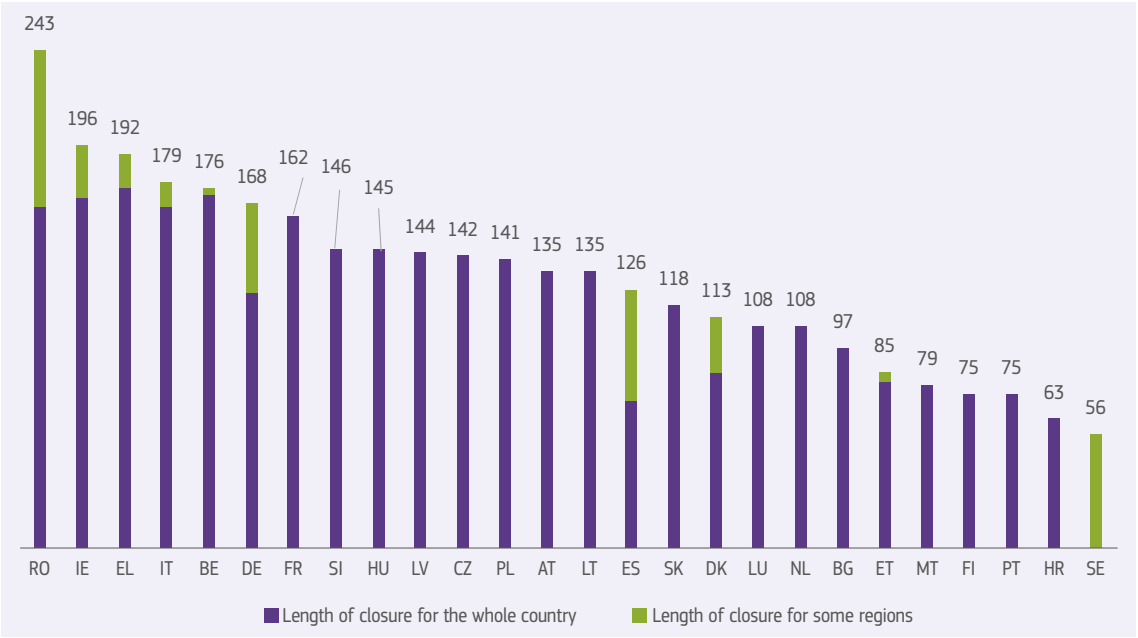
Slovenia

Mestni Kino Domžale, Domžale

What does a cinema even do when it is closed? We are learning how to project the feeling of cinema onto our audiences via different digital outlets.
We went online, tried to stay in touch with our audiences, shot videos – we even did Facebook Live screenings – but, most of all, we were brainstorming reopening strategies. The first thing we did in an uncertain and impulsive national reopening schedule was to take advantage of the nearby parking lot and put up a drive-in cinema. That was the beginning of an intensive open-air cinema season. We figured people would feel uncomfortable in closed spaces, so we kept the indoor screenings to a minimum and went for fresh air instead: first in our cinema's backyard, followed by a month-long residency in a nearby botanical garden with the screen set up on a lovely meadow.
Up until the second lockdown, things were looking better for indoor screenings, and even though the box-office numbers will be down by two thirds this year, we were better prepared, especially as an online outlet for school screenings and youth activities. It is important for us to maintain our position as a content provider, which has led to reconfiguring our web page to facilitate access to all the educational videos we have made during lockdown.
What the team has had to adapt to in the meantime is quick thinking, finding new solutions, constant learning and, most importantly, initiative. We know this will be more than a useful legacy once we are able to reopen and it will help us grow again.

Jure Matičič, Programmer and Cinema Manager

Figure 12. Length of forced closure of cinemas in 2020 across Member States, including regions [days]



Source: Members of Europa Cinemas

MEDIA CLOSE TO THE AUDIENCES

The third edition of the **European Cinema Night** event, which celebrates MEDIA's role in Europe, took place successfully from 16-20 November, despite the fact that organising it required a lot of last-minute changes and adaptations, since many governments had to reinstall overnight restrictions in the preceding weeks due to the worsening epidemiological situation. Thanks to the determination and flexibility of Europa Cinemas, **67** out of 70 planned events took place. **39** of those took the form of **virtual screenings** and **1** was held in a **hybrid** way (virtual and physical), altogether attracting an audience of **at least 6 000**, including **at least 3 000 online**. The local participating cinemas chose 47 different non-national European film titles for their audiences.

More than half the European Cinema Night screenings were accompanied by meetings/discussions: with experts on the topic of the film, ranging from oncologists and psychologists to a bee preservation specialist, with diplomats and with film critics and creators, including Fatih Akin, Alice Rohrwacher, Céline Sciamma and Jonas Trueba.

The ECN was intensively promoted by the hosting cinemas, which in turn was picked up by local press. Some of the most successful cinemas reached dozens of thousands in their communities (e.g. Cork's Triskell reached almost 10 000 views with just one post). Altogether **at least 200 000 Europeans saw information about the ECN**.

MEDIA has supported the promotion of European works online through the marketing of European VOD services, increasing the number of European films in VOD catalogues and stimulating innovative distribution strategies. Some positive results have been achieved. The seven supported VOD services with the widest reach showed an **increase of over 373 000 subscribers in 2020, almost doubling their total to over 830 000.** The biggest challenge remains that overall the services are primarily national and have limited audiences compared to their global competitors. Therefore the collaboration between VOD players will be strengthened under MEDIA post-2020.

FilmIn is a VOD platform active in Spain and Portugal. Set up in 2007, it specialises in independent European cinema and is the Spanish market leader.

Throughout the years, as the company was developing and innovating, it received support from MEDIA. Thanks to the latest grant in 2020 it introduced:

The Filmin Times, an initiative helping to teach European history through film

1. Filmin Timeline – a personalised notification project that permits subscribers to improve searches and receive news based on watching history

2. Filmin Atlantida 2020 International Edition – the expansion of a festival organised by FilmIn each year. In 2020, with the collaboration of CineSquare (also a MEDIA beneficiary), the festival reached five new territories online: Albania, Bulgaria, Greece, North Macedonia and Serbia. It presented 113 films from 25 different European countries, including many premieres.

3. Filmin Education – which includes access to the platform's catalogue through the Spanish public library network, a marketing campaign to promote film education and Filmin Educa Sites (microsites for kids and students).

This active and innovative approach, combined with the COVID-19-related trends in the market, worked to the company's benefit. Its subscriber base increased from 65 000 in July 2019 to 180 000 (+180%) by July 2020 and to 257 450 by the end of the year. The quarterly number of watched works surged from 3 million in the first half of 2019 to 11 million in the respective period 2020 (+400%). In addition, the strong market position achieved by the projects developed with the support from MEDIA made it an attractive investment opportunity for equity investors by the end of 2020, giving the company a boost to expand further. At the beginning of 2021 Filmin started production of its first high end miniseries.

Finally, MEDIA also supports audience development from a longer-term perspective by supporting cross-country projects on educating youth about film and using audiovisual materials in education on other topics. In 2020, five such film education projects were selected, for a total of EUR 7.4 million.

05.

CULTURE: FOCUS ON EUROPEAN PARTNERSHIPS, GREEN AND MUSIC

The geographical fragmentation of European markets along linguistic and national lines and the increasing need for artists and cultural organisations to be connected are significant challenges for the European cultural and creative sectors. The Culture Sub-programme's priorities are to reinforce sector professionals' capacity to develop international partnerships, to increase the transnational mobility of artists, to encourage the transnational circulation of works and ideas, and to develop new ways of reaching out and engaging with the audience so that European cultural wealth is accessible to all!

5.1 CONNECTING ORGANISATIONS – CREATING PARTNERSHIPS

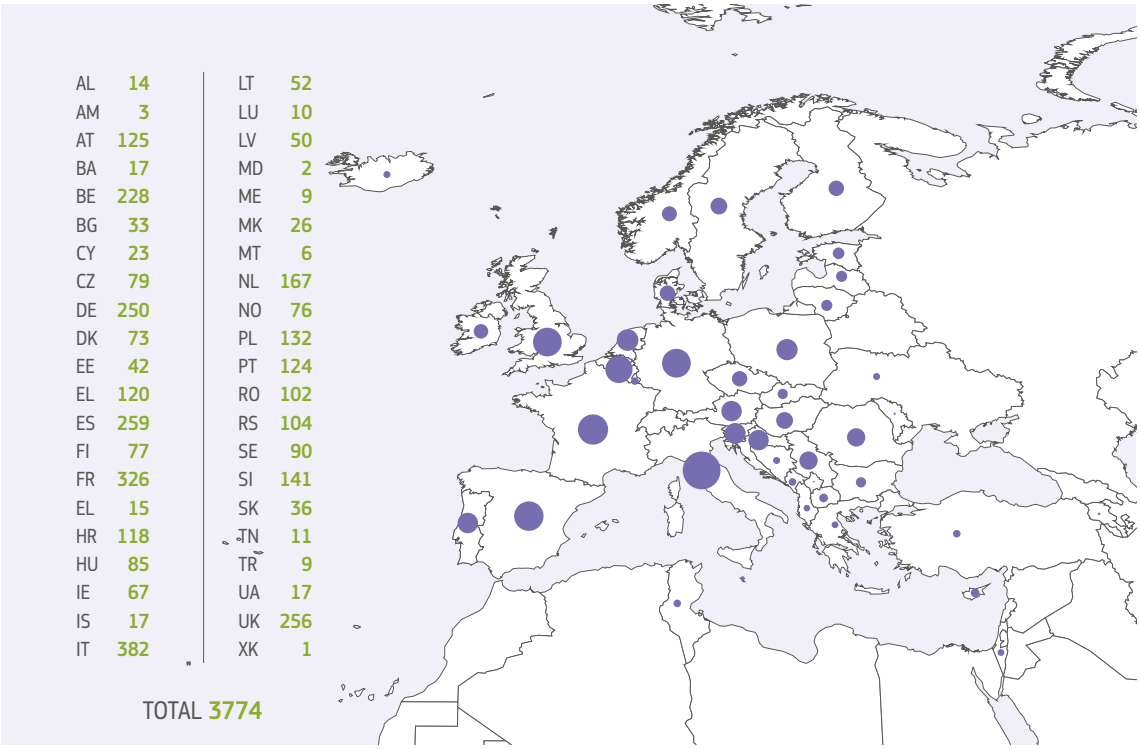
The Culture Sub-programme offers three main types of funding mechanism to facilitate multi-country and/or multidisciplinary partnerships and exchanges.

smARTplaces project ©Jerome Turner

› **Cross-sectoral cooperation** is essential to break down silos and build on cultural and creative operators' diversity. Cooperation projects give European cultural organisations of all sizes the possibility of co-producing, cooperating, experimenting, being mobile and learning from each other. **Since 2014 more than 640 cooperation projects have been funded, connecting more than 3 700 organisations**. In 2020, 115 new cooperation projects were established under the scheme. To respond better to the needs of small organisations searching for partners in Europe, Culture 2020 dedicated nearly **40% of its total budget to quality "small-scale" cooperation projects**. This has helped build capacity for cultural organisations with little experience of working at European level, involved more grassroots organisations and provided room for experimentation and innovation.

› The very low success rate in the first years of the programme was a source of concern: it was 13% in 2016, for instance, the year with the highest number of applications (more than 600). The situation has improved over the last few years with a selection rate of 30%. There were two reasons for this. On the one hand, the budget available was increased significantly; on the other, there was a slight decrease in the number of applications. This was partly the result of better information to applicants, who were more selective and targeted in their projects.

Map 2: Distribution of cultural organisations taking part in cooperation projects from 2014 to 2020



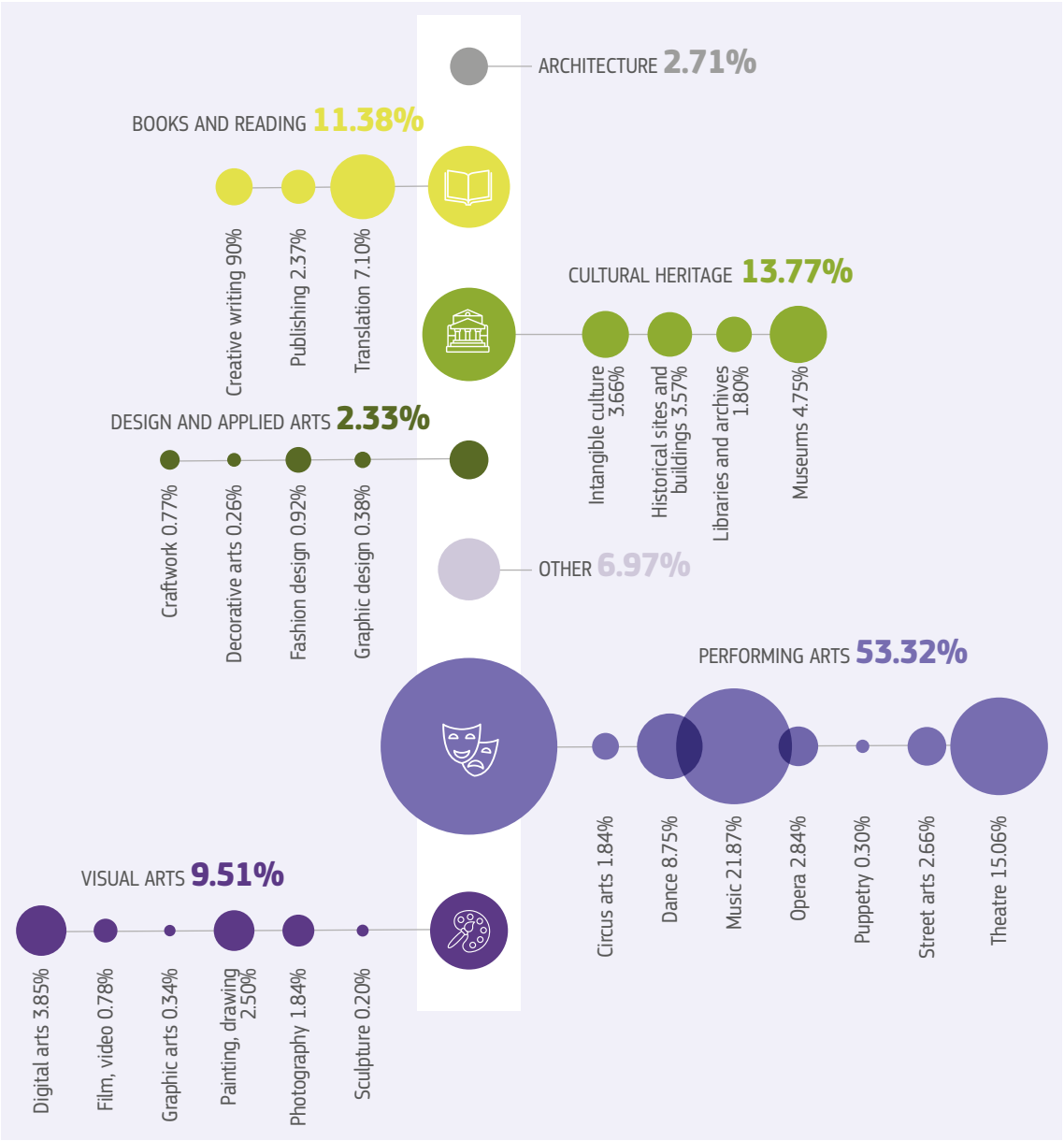
› **The European Platforms** scheme was the novelty of the Creative Europe's culture sub-programme, being the first targeted instrument of the programme to support emerging artists in the cultural and creative sectors, in a systematic way. Inspired by the Europa Cinemas concept, this support aims to set up platforms that do European programming of non-national artists and works, and promote them mainly on a European scale but also internationally. The European Platforms scheme has been a success. From five platforms initially selected in 2014, the programme now supports 15 platforms for the period 2017 to 2020, involving over 230 organisations from 37 countries. These platforms have identified promising talent and provided them with visibility, exposure and a new and bigger audience. The success of the European Platforms is also due to the fact that this scheme has often given artists routes to markets, stimulating and accelerating their early careers.

› **The European Networks Scheme** offers support to pan-European Networks active in the cultural and creative sectors Their role is to strengthen or build the capacity of these sectors, represent them and advocate for them, as well as share and disseminate good practices. The 28 networks financed from 2017 to 2020 are the voice of more than 4 500 cultural and creative organisations and individual members. Altogether they cover 93 countries all over the world. 19% of the European Networks' members are national or international networks.

5.2 FUNDING OPEN TO ALL CREATIVE AND CULTURE SECTORS

Culture funding is open to all sectors (except the film and audiovisual sectors, which are covered by MEDIA). Most Creative Europe projects involve several sectors, thus reinforcing the multidisciplinary approach of cooperation projects. The figure shows the distribution of Culture Sub-programme grants per sector for the period 2014-2020 (Cooperation, Network, Platform and Literary Translation Schemes) by the sector which can be considered the main sector covered by individual projects over the duration of the Programme. More than 50% of all projects were in the performing arts sector and nearly 14% were on cultural heritage.

Figure 13. Distribution of Culture grants per sector (%)



5.3 SPOTLIGHT ON CREATIVE EUROPE SUPPORT TO THE MUSIC SECTOR

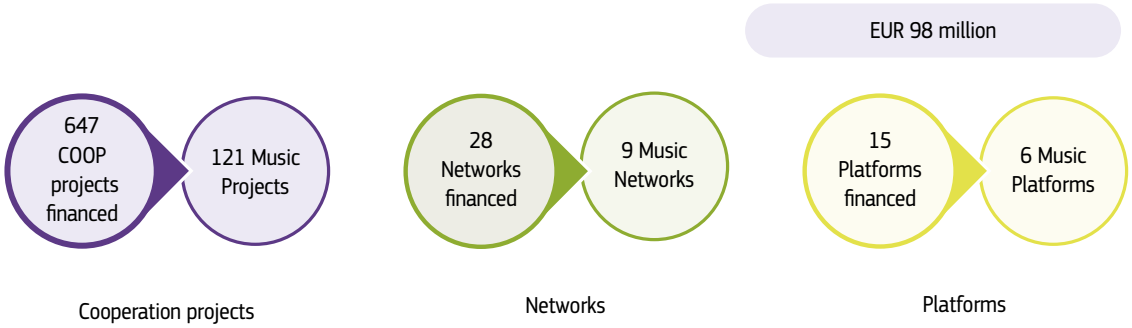
Music constitutes an important element of the Europe's cultural, artistic and economic landscape. It has the power to promote diversity, inclusion and creativity, and thus corresponds fully to the objectives and priorities of the Creative Europe programme.

The European Commission supports the Music sector through an integrated approach "Music Moves Europe", including funding, policy support, regulatory measures and dialogue.

The Creative Europe programme supports music through its different funding mechanisms (be they European Cooperation projects, European Networks of professionals or Platforms for the promotion of emerging artists) and an annual EU Prize for popular and contemporary music, the Music Moves Europa Talent Awards.

During the programming period 2014-2020, more than 130 music projects received EU funding in an amount of almost EUR 100 million. In addition, a further EUR 7 million were dedicated to a Preparatory Action (PA), "Music Moves Europe: Boosting European music diversity and talent". This supported more than 60 small-scale music projects (training, music education, small venues, co-creation, sustainable recovery) and several studies, inter alia on an EU export strategy in this field. The PA aimed to pave the way for "sectoral support for music" in the new Creative Europe Programme (2021-2027).

Figure 14. Music projects financed



The projects funded address key challenges that the music ecosystem is facing in the era of digitisation. This has changed the way music is created, produced, distributed, consumed and monetised. Many projects face those challenges, proposing capacity-building activities enhancing the digital competencies and entrepreneurial skills of musicians or professionals, or exploring new business models for the sector. Most of the music projects put the artists (mainly young and emerging talents) at the centre of their work, giving them the necessary support to nurture, develop and accelerate their international careers. These projects also promote new co-productions, cross-border circulation of European music and distribution of new musical repertoire in Europe and beyond.

Figure 15. Music sectors and main themes

Music is a powerful agent of social change. It can reach millions of people, raising awareness of social, economic and environmental challenges. Funded proposals addressed those challenges in many different ways; here are some inspiring examples:

- **ENOA – Empowering Opera: breaking boundaries for institutions and artists** – European network of opera academies, which supports and works with opera sector artists – creators and performers – in developing their professional careers.

#Cooperation Project #large #2020

Association pour le Festival international d'art lyrique et l'Académie européenne de musique d'Aix-en-Provence (FR) ; Stichting Nationale Opera & Ballet (NL), Fundacao Calouste Gulbenkian (PT), Teatr Wielki Opera Narodowa (PI), Foundation Operosa (SRS, Palau de les Arts, Fundacio de la Comunitat Valenciana (ES), Bayerische Theaterakademie August Everding Im Prinzregententheater (DE), Théâtre Royal De La Monnaie (B3), Ville De Luxembourg (LU), Chapelle Musicale Reine Elisabeth (B3), Snape Maltings (UK), Lod (BE)

- **European Music Managers Mentorship Activation –** The main objectives were the development of managers' know-how, researching new European business and leadership models and increasing international co-operation and career opportunities for managers and their artists.

#Cooperation Project #small #2019

Manager's Forum Finland (FI), Music Manager Forum France (FR), Norwegian Entertainment Managers & Agents Association (Nemaa) (NO), Music Managers Forum Netherlands (NL), Music Managers Forum Sweden (SE)

Small Festivals Accelerator © Roberto Panucci

ENOA project ©Marcia Lessa

- **Europavox Project** – Fosters European musical diversity at European level through festival production, online media and capacity building opportunities for European artists. The project wants to refocus the public's attention and curiosity on original creative output and raise awareness of civic issues and European values, especially amongst younger generations.

#Cooperation Project #large #2020

Association Europavox (FR), Europavox (FR), Centre Culturel de la Communauté Française Le Botanique (BE), Vibro Limes D.O.O. (HR), Expresion C&M Srl (RO), Viesoji Istaiga Menu Fabrikas (LT), Estragon Società Cooperativa (IT), WUK (AT)

- **Footprints** – Is a new collaborative project that aims to reform the jazz music sector and introduce the values of social, economic and environmental responsibility to its activities. Footprints will introduce a series of activities aimed at helping all the actors in the music sector to move around the European music market and at consolidating the European creative music community around the values we currently need more than ever.

#Cooperation Project #large #2020

Musik Informations Centrum Austria (AT), Stichting Bimhuis (NL), Stiftelsen Oslo Jazzfestival (NO), Fundacja Wytwórnia (PL), Druga Godba Zavod za Organizacijo in Izvedbo Kulturnih Prireditev (SI)

- **European Music Council – Network of European Music Organisations** – Is the umbrella organisation for musical life in Europe. It acknowledges the significant role that music and culture play in the political and societal development of a peaceful and integrative Europe. Therefore, it advocates at local, national and European levels for an appropriate framework, respecting equal rights and opportunities for music, music professionals and access to music.

#network

European Music Council e.V. (DE)

- **Sound, Heterogeneous Art and Performance in Europe (Shape)** – Is a platform for innovative music and audiovisual art from Europe. It consists of 16 festivals and art centres, and aims to support, promote and exchange innovative and aspiring musicians and interdisciplinary artists with an interest in sound.

#Platform

MEETFACTORY OPS (CZ)

Find other inspiring examples of funded music projects in this publication and on the Creative Europe Project Results platform.

Ulysses concert ©Quentin Chevrier

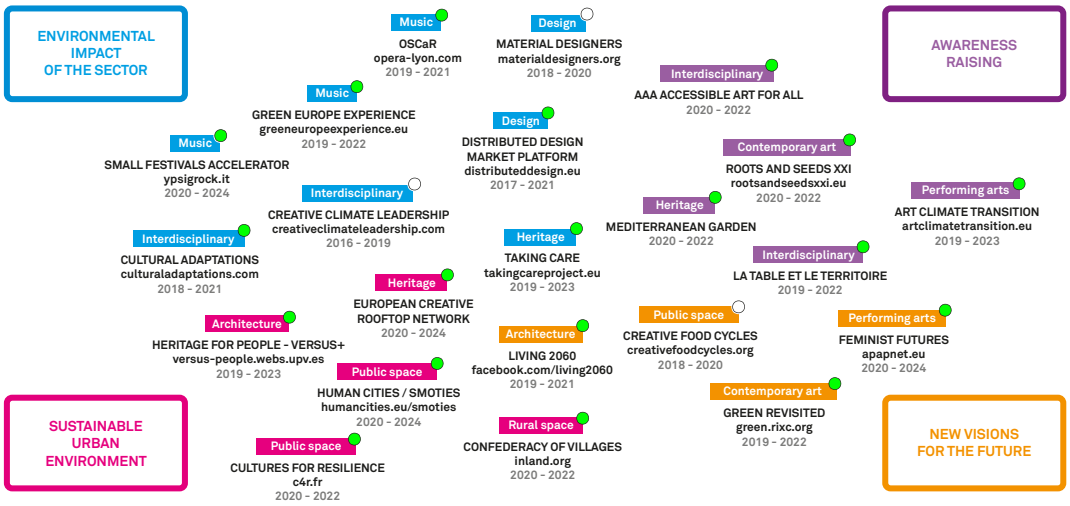
5.4 FOCUS ON PROJECTS ON SUSTAINABLE DEVELOPMENT

Over the course of the 2014-2020 Creative Europe Culture programme, cultural organisations showed an increased interest in the topic of environmental sustainability. The sector is sending a clear message: culture is committed to sustainable development.

Acting in advance of the European Commission's Green Deal priorities being fully integrated into the 2021-2027 Creative Europe Culture programme, many 2014-2020 Culture-funded projects took ownership of these issues and demonstrated their capacity to explore and experiment with various ways in which the sector can contribute to sustainable development practices.

A mapping of recent projects shows that the sector can contribute to sustainable development and the Green Deal via four main approaches:

Figure 16. Mapping of how Culture projects contribute to sustainable development



ENVIRONMENTAL IMPACT OF THE SECTORS

The cultural and creative sectors must reduce their impact on the environment and need to challenge the values on which the sector bases its practices.

The digital shift offers many opportunities for the development of new business models with a reduced impact on the environment. For instance, the Fab Lab movement has shown that more and more products can be produced locally according to demand, rather than being mass produced and transported to users. The **Distributed Design** project is an outcome of the intersection of two global trends: the Maker Movement and the digitisation of the design discipline. This convergence has led to the rise of a new market, in which creative individuals have access to digital tools that allow them to design, produce and fabricate products themselves, or to easily connect to a global network of collaborators to undertake aspects of this process with them.

Circular economy and environmental impact assessment: Several projects have offered training and capacity-building activities to young creators and cultural managers, such as Material Designers (see below) or Oscar, an *Opera de Lyon* project on opera scenery circularity and resource efficiency, which explores how to integrate circularity principles in the creative process. Other projects, such as Green Europe Experience, Small Festivals Accelerator or Creative Climate Leadership (see below), aim at developing methodologies for festivals and the music sector to better assess the environmental impact of these activities.

MaDe

- **Material Designers (MaDe), Boosting talent towards circular economies** – This project promotes the training and exposure of new material designers with the goal of achieving a better circular economy. It addresses the positive impact this has on the industry and the generation of a new design discipline which advocates environmental sustainability. http://materialdesigners.org/

#Cooperation Project #small #2018

Elisava Barcelona School of Design and Engineering (ES), Politecnico di Milano (IT), Ma-tt-er (UK)

- **Creative Climate Leadership** – This programme supports artists and cultural professionals in their exploration of the cultural dimension of climate change and prompts them to take action creatively and resiliently. https://www.creativeclimateleadership.com/

#Cooperation Project #small #2016

Julie's Bicycle (UK), Kulturno izobrazevalno drustvo PiNA (SI), On the Move (BE), Centar za Internacionalnu Kulturnu Saradnju Krug (ME), Nordkolleg Rendsburg/Ars Baltica (DE), EXIT Foundation (RS), COAL (FR).

AWARENESS-RAISING ON THE URGENCY OF THE ENVIRONMENTAL CRISIS

The Mediterranean Garden

Art and cultural activities are also tools for exploring environmental issues in new and different ways. Many projects – such as **The Mediterranean Garden** or **Roots and seeds XXI** (see below) – focus on topics such as healthy eating and biodiversity. Through their artistic creations, these projects go beyond the scientific approach to these issues, which are often difficult to grasp for non-experts (**AAA Accessible arts for all**). Playing with the senses, creativity and emotions has proved to be a successful strategy to raise awareness and knowledge about environmental issues. By addressing hearts and minds, these projects rediscover the cultural dimension of these issues and bring this global issue into our daily lives (Creative food Cycles – see below).

- **Roots & Seeds XXI. Biodiversity Crisis and Plant Resistance** – Roots & Seeds XXI aims to reflect on the biodiversity emergency, analysing from different perspectives the transformation, adaptation and resilience of plants, while promoting the intersection of Art and Science as the main platform to raise awareness about these issues, analyse their causes and possible solutions.

#Cooperation Project #small #2020

Quoartis Fundacion (ES), Ars Electronica Linz Gmbh & Co Kg (AT), Universitat De Barcelona (ES), Association Leonardo (FR)

- **Creative Food Cycles** – This project seeks to enhance innovative and creative practices among food, architecture and cities by setting up activities aimed at boosting the circular economy, fostering the exchange of good practices, reducing skill gaps and enhancing audience development while increasing the visibility of the role of European architects.

#Cooperation Project #small #2018

Gottfried Wilhelm Leibniz Universitaet Hannover (DE), Institut d'Arquitectura Avançada de Catalunya (ES), Università degli Studi di Genova (IT)

SUSTAINABLE MANAGEMENT OF RESOURCES IN URBAN AND RURAL SPACES

Projects dealing with the shared management of public and common space, be it urban or rural, propose an eco-system approach. They involve all the stakeholders of such spaces, from public administrations to private organisations and businesses, and from local structured civil society organisations to citizens (European Creative Rooftop Network). They explore ways to share the governance of urban and rural resources, new ways of acting together and building these spaces. Citizen participation is at the heart of these projects (HUMAN CITIES - Creative works with small and remote places). Together with citizens they invent tools and methodologies aiming to develop convivial and resilient models for our cities (Cultures for resilience – see below). The rediscovery of traditional skills and knowledge among citizens is a major focus for these projects to develop a sense of belonging (Confederacy of villages – see below)

› **Confederacy of villages –** This project advocates the protection of a common European culture rooted in the rural by recovering rural communities' traditions, skills, knowledge and methods (e.g. vernacular farming, timber architecture, etc.)

#Cooperation Project #small #2020

Asociación Campo Adentro (ES), Ayl Arvest Social and Cultural Nongovernmental Organization (AM), Associazione di Volontariato Casa delle AgriCulture Tullia e Gino (IT), Kulturföreningen Huset Ideell Förening (SE), Grizedale Arts (UK)

› **Cultures for Resilience –** The C4R project proposes a holistic approach to resilience using immersive cultural practices and collaborative tools as bridges to increase resilience, diversify modes of involvement in "territorial empowerment", and promote capacity building, creativity and education in peripheral territories.

#Cooperation Project #small #2020

Atelier d'Architecture Autogérée (FR), Stichting Casco (NL), Asociatia Tranzit.ro (RO)

^ Cultures for resilience

NEW IMAGINARIES FOR THE FUTURE

Many projects concentrate on critical approaches to environmental issues, closely linking them with many other societal issues. They open up the idea of sustainable development to new interpretations, experimenting and proposing solutions around the key questions: How do we want to live on Planet Earth, and what new relationships do we want/need to build with our fellow humans and with the non-human environment? This approach examines our current models through a critical lens, from dwellings (Living 2060) to food production (La Table et le territoire), and from questioning Europe's colonial past to proposing the decolonisation of our imaginaries, specifically within cultural organisations (Taking care). Thus, environmental issues offer us the possibility of rethinking the past, present and future missions of European cultural institutions from a different perspective.

› **La Table et le Territoire** – This is a transdisciplinary European project to develop, link and enable a community of cultural actors engaged in the ecological transition and sustainable food.

#Cooperation Project #small #2019

COAL (FR), Parti Poétique (FR), ArtDialogue (CZ), Campo Adentro (ES), Parco Arte Vivente (IT), Locus Athens (EL)

^ La table et le territoire

› **TAKING CARE - Ethnographic and World Cultures Museums as Spaces of Care –** This project places ethnographic and world cultures museums at the centre of the search for possible strategies to address environmental shifts and crises which have produced anxieties about the future of the planet.

#Cooperation Project #large #2019

KHM-Museumsverband, Weltmuseum Wien (AT), Statens museer för världskultur (SE), Mucem – Musée des civilisations de l'Europe et de la Méditerranée (FR), Nationalmuseet (DK), Linden-Museum Stuttgart (DE), Slovenski etnografski muzej (SI), Museu Etnològic i de Cultures del Món/Institut de Cultura de Barcelona (ES), MARKK – Museum am Rothenbaum. Kulturen und Künste der Welt (DE), Pitt Rivers Museum Oxford – University of Oxford (UK), Royal Museum for Central Africa (BE), Stichting Nationaal Museum van WereldCulturen (NL), Museum of Archaeology and Anthropology – University of Cambridge (UK), Museo delle Civiltà – Ministero per i beni e le attività culturali (IT), Culture Lab, Tervuren (BE)

06.

ACHIEVING UNPRECEDENTED ACCESS TO FINANCE

Access to finance is more challenging for SMEs in the cultural and creative sectors (CCS) than for other SMEs and has been identified as a core barrier to growth in the sector.

The Cultural and Creative Sectors Guarantee Facility has been one of the main innovations and biggest successes of Creative Europe since its launch in 2016. As a market-led financial instrument it has widened the range of support available and tapped into new, greater sources of funding by reaching out to the financial sector, thus enabling investment and growth.

Traditionally in Europe, banks and other lending institutions perceived the cultural and creative sectors as being high-risk, and therefore even profit-oriented CCS companies found it difficult to obtain a loan. As the CCS organisations could not fully diversify their funding structure, they became more reliant on the support from the public side in the form of grants. In order to increase access to debt financing the CCS Guarantee Facility (CCS GF) was introduced. It reduces the financial institutions' risk by providing guarantees and counter-guarantees as well as a training programme for financial institutions interested in making use of the facility (capacity building).

[Picture caption:] *Training in Brussels, 2019, preparing financial institutions interested in signing agreements with the EIF*

Training in Brussels, 2019, preparing financial institutions interested in signing agreements with the EIF

The CCS GF was launched in July 2016. It is funded under Creative Europe and implemented by the European Investment Fund (EIF). The initial budget was EUR 121 million, but, because **the market response to this new possibility surpassed expectations**, it was increased in 2019 with a EUR **60 million top-up** (from the European Fund for Strategic Investment (EFSI)) and then again with **EUR 70 million** in 2020.

The CCS GF uptake has grown every year. By end 2020, **5 500 loans, worth over EUR 935 million** had been granted to more than 4 362 SMEs from the creative sectors. **2 815 companies benefited from this scheme in 2020 alone**. There is potential to increase this number significantly in the years ahead, as some new financial intermediaries have already signed agreements with the EIF but have not used them yet. By the end of 2020, **20** intermediaries had an agreement with the EIF, including **8 who joined in during 2020**. Those agreements are expected to generate over EUR 2.3 billion of debt financing for companies from the cultural and creative sectors by the end of implementation period in 2023.

Map 3. Guarantee Facility agreements with financial intermediaries, as of end-2020

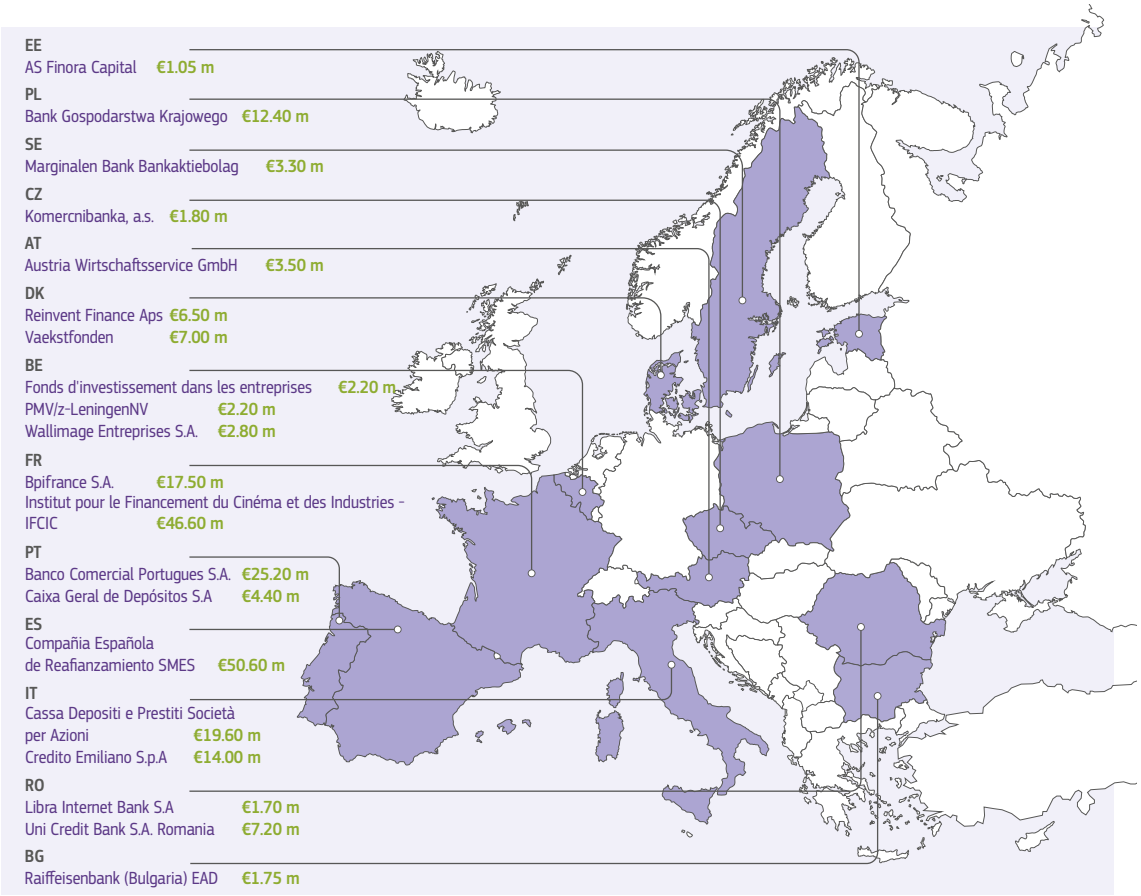
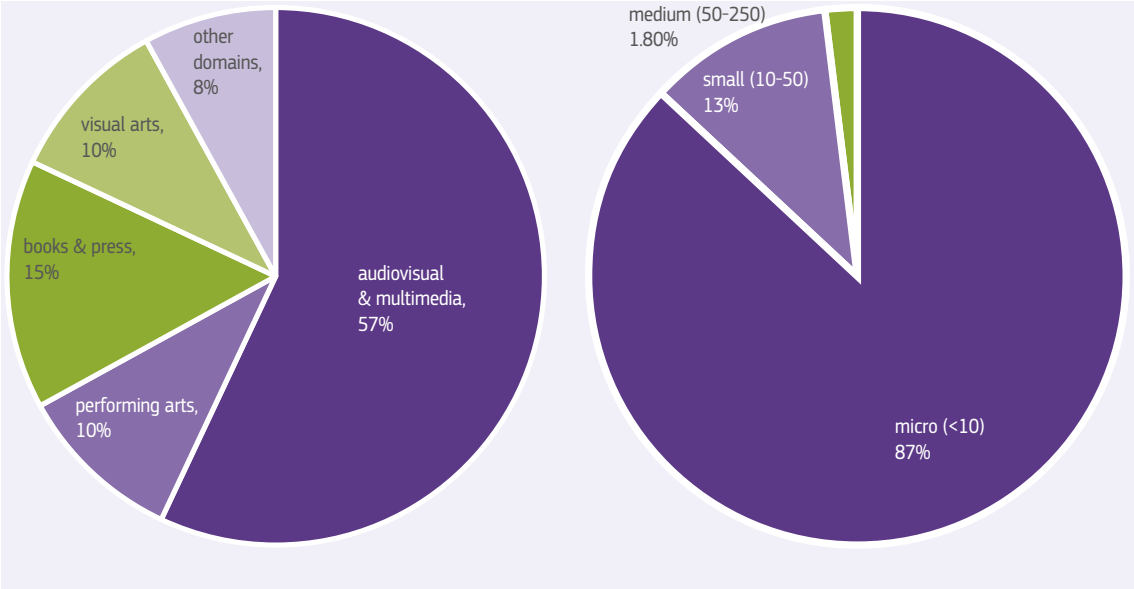


Figure 17. Profiles of companies which obtained loans backed by the CCS GF and share of financing amount per sub-sector (%)



The effects of setting up the CCS GF will continue in the coming years under the SME Window of the 2021-2027 InvestEU. Moreover, the interest shown by financial institutions and CCS companies in this financial tool inspired establishment of a new equity investment initiative (MEDIAInvest) to bridge the equity financing gap in these industries.

STORY OF MY WIFE – FROM BANK TO RED CARPET

One of our latest projects was a European co-production entitled Story of my Wife. We worked with entities from Hungary, Germany and France. The entire project cost close to EUR 10 million. The Italian part was around EUR 1.4 million, which is still a large amount for a small company like ours. Making movies costs money. Sadly, banks are often not accustomed to film production. It's difficult for them to understand this sector. We're a new company as well, so it's perhaps normal that banks were extra-prudent.

Flaminio Zadra, Molliwood Films production company

still from *Story of My Wife*

Molliwood Films received a CCS-GF-backed loan from Cassa Depositi e Prestiti in 2019. The film premiered at the Cannes Film Festival in 2021, where it took part in competition.

JUNIORFEST: POPULARISING CHILDREN'S FILMS

Juniorfest was set up in Pilzen in 2008 out of a concern that many high quality children's films do not reach the Czech public through standard distribution. The festival targets children (aged 5-11) and youth (12-16). Juniorfest is mainly sustained by hard-working volunteers. It is upbeat, expanding and growing – present in five cities and attracting over 15 000 spectators. Its programming policy is to choose films that "help children see things differently, becoming more tolerant, more courageous, more objective about their problems, and inspiring them to be more ambitious in life."

The problem is that the invoices all arrive at the same time, and we are strapped for cash. Fresh financing from sponsors often takes until the new year to arrive and it's not easy to press them. This leaves us with a cashflow problem.

Judita Soukupova, Head of Juniorfest

In order to get through the difficult cashflow period in 2019 Juniorfest took a CCS GF-backed loan from Komercni Banka.

ARTBOOST – DEMOCRATISING ART

Artboost is an online platform connecting buyers in 130 countries and thousands of artists. The idea of the company, launched in 2014, was born when Anders Cederholm, co-founderrealised the prohibitively high prices of artworks when decorating his appartment. By-passing galleries and auction-houses, the mission of Artboost is to make art accessible to everyone, also to people who are not used to buying it, and to create a bigger market for unknown artists. The platform uses AI to match users with artwork they might like. It works also for companies looking for art for offices, as Artboost has focused on this thriving market.

In order to scale-up, Artboost took a CCS-GF-backed loan in from Vaekstfonden:

Debt financing is less time-consuming than equity. The loan has allowed us to meet our working capital needs comfortably so that we can focus on growing the business. The day the loan came through we immediately hired one more employee, and we're looking at up to five new hires going forward. To have an impact in the B2B space you've got to invest in sales and marketing, with more people on the ground.

Anders Cederholm, co-founder of Artboost

07.

CROSS-SECTORAL COLLABORATION

The cross-sectoral strand connects the Culture and MEDIA sub-programmes by focusing on issues and projects at the cross-roads of different parts of the creative and cultural sectors. This allows Creative Europe to strengthen collaboration across industry silos, promote innovation and respond in an agile way to the opportunities and challenges faced by the creative sectors.

Under the Cross-sectoral Strand, Creative Europe supports several activities, in particular:

- The Creative Europe Desks, which provide assistance to potential applicants and are well placed to foster cross-sectoral collaboration;
- Studies and data analysis, in cooperation with the European Audiovisual Observatory and under the European Agenda for Culture;
- Communication activities to increase awareness and raise the visibility of Creative Europe;
- Policy cooperation and innovation by empowering players to work across sectors;
- Cross-sectoral projects with participants from audiovisual combined with other cultural sectors such as publishing, music or museums.

The activities around the first four have remained stable, but the support to cross-sectoral projects has developed in the last few years with immediate effect for the new programme.

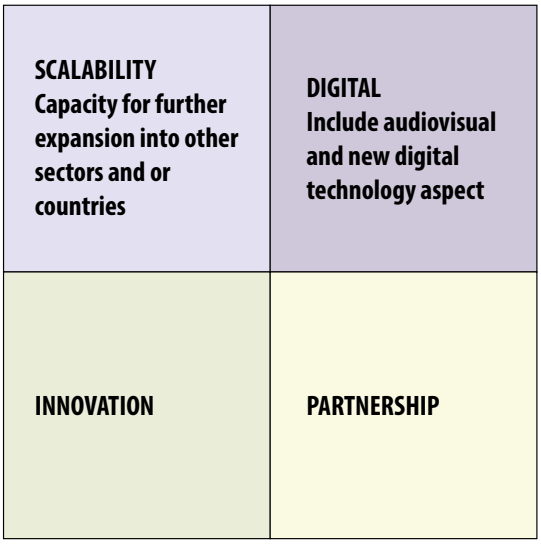
EVOLUTION OF BRIDGING CULTURE AND AUDIOVISUAL THROUGH DIGITAL

The cultural and creative sectors face common challenges, such as the arrival of global platforms, fragmentation along national lines, the weakening of traditional business models and new ways of producing and distributing content. Therefore there is an opportunity to reinforce the collaboration between the content and tech industries, to anticipate new forms of cultural expression and business models. Against this background, the Commission proposed launching a Creative Innovation Lab post-2020. The Lab will create space for experimenting and taking risks, for prototyping solutions which could then be scaled up. To be effective it should focus on where European added value is highest, through a cross-border dimension which will help structure emerging markets.

In order to prepare for the Creative Innovation Lab, pilot calls for proposals were launched entitled *Bridging Culture and Audiovisual through Digital*. The scope of the 2019-2020 calls was deliberately very broad – they aimed to assess the nature and the extent of the needs of the targeted markets. The lessons learned from these pilot projects will be used to shape the future Creative Innovation Lab.

The level of interest in the calls exceeded expectations – the 2019 edition, with a budget of only EUR 1.75 million attracted 63 applications, and the 2020 edition, with a budget of EUR 3.2 million, 115 applications. Only the eight 8 best could be selected, representing consortia of 47 organisations.

Figure 18. The priorities of the *Bridging...* calls



The topics of the projects selected covered such interdisciplinary issues as: distribution and monetisation of content; virtual and digital tools for live experiences; data analytics for audience development; 3D modelling and heritage promotion. These first two calls highlighted a need for more focused support to best accompany the adaptation to the new requirements driven by the digital revolution.

Based on these experiences, the 2021 call will put special emphasis on:

- The solidity of the business approach;
- Environmentally respectful activities;
- Using creativity as a way to tackle relevant societal topics;
- Respecting gender balance, diversity and inclusivity.

The projects will be encouraged to focus on the topics of:

- Rights management and monetisation (including transparency and fair remuneration);
- Data collection and analysis;
- Greening the value chains (including actions that contribute to the New European Bauhaus);
- Using creativity to tackle societal issues (such as disinformation, fake news etc.)

DIGITAL CROSS OVER

The Digital Cross Over project, selected in 2019 and implemented in 2020, included discussion of new approaches and business models by industry experts, thus creating a network, and identifying the cultural and creative sectors' needs and challenges through a survey and a series of in-depth interviews.

Due to the COVID-19 epidemic all physical meetings and workshops were transformed into online versions.

The project found inter alia that:

- The key challenges for the CCS are **visibility, finding partners and access to finance;**
- The key opportunities for cross-sectoral collaboration are **diversification, widening audiences and developing IP strategies;**
- There is a need for a **European data space for Culture** which respects privacy and remuneration of creatives. Data standardisation and widespread use of metadata are key in this, allowing new algorithms to be created (e.g. based not only on past behaviour, but on mood etc.)

The consortium partners included:

- IMZ International Music + Media Centre (AT)
- Ars Electronica (AT)
- Centrica-Virtultaly (IT)
- Frankfurt Book Fair-THE ARTS+ (DE)
- Izneo (FR)

It is an honour for us to have been part of this project, whose profile is perfectly aligned with our mission. It gave us the opportunity to contribute with the expertise of our entire network and to ensure the sustainability of our specialised industry in the digital age. We are convinced that the project is an important signal for further cross-sectoral funding programmes and a pioneering step into the future of the creative + cultural industry.

Katharina Jeschke, Secretary General, IMZ International Music + Media Centre

GETTING IN TOUCH WITH THE EU

In person

All over the European Union there are hundreds of Europe Direct information centres.
You can find the address of the centre nearest you at: https://europa.eu/european-union/contact_en

On the phone or by email

Europe Direct is a service that answers your questions about the European Union.
You can contact this service:

— by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),

— at the following standard number: +32 22999696 or

— by email via: https://europa.eu/european-union/contact_en

FINDING INFORMATION ABOUT THE EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website at: https://europa.eu/european-union/index_en

EU publications

You can download or order free and priced EU publications at:
https://op.europa.eu/en/web/general-publications/publications.

Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see https://europa.eu/european-union/contact_en).

EU law and related documents

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex at: https://eur-lex.europa.eu

Open data from the EU

The EU Open Data Portal (https://data.europa.eu/en) provides access to datasets from the EU. Data can be downloaded and reused for free, for both commercial and non-commercial purposes.

CreativeEuropeEU

@MEDIAprogEU and @europe_creative

https://ec.europa.eu/programmes/creative-europe/

Publications Office
of the European Union