## Creative Europe programme 2014-2020

2011/0370(COD) - 23/11/2011 - Legislative proposal

PURPOSE: to establish the Creative Europe Programme 2014-2020, following on from the Culture, MEDIA and Media Mundus.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: the Commission adopted a proposal for the next <u>multi-annual financial framework for the period 2014-2020</u> on a budget for delivering the Europe 2020 strategy. In its proposal, the Commission decided that support for the cultural and creative sectors (CCS) should remain an essential element of the next financial package and proposed a single "Creative Europe" framework programme, bringing together the current Culture, MEDIA and MEDIA Mundus programmes, and including a new financial facility to improve access to finance for small- and medium-sized enterprises (SME) and organisations in the cultural and creative sectors.

This approach recognises the important contribution these sectors make to jobs and growth, representing 4.5% of total European GDP in 2008 and accounting for some 3.8% of the workforce. Beyond their direct contribution to GDP, they trigger spill-over in other sectors of the economy such as tourism and fuelling content for ICT.

In a broader sense creativity will play an essential role in modern education. It will drive innovation, entrepreneurship, as well as smart and sustainable growth and contribute to social inclusion.

IMPACT ASSESSMENT: three impact assessments have contributed to this proposal, namely one on the continuation of the current Culture programme, a joint impact assessment on the current MEDIA and MEDIA Mundus programmes, and a separate impact assessment on the creation of a financial facility for the cultural and creative sectors.

After assessing several options, both conclude that a merger of Culture, MEDIA, MEDIA Mundus and a new financial facility within a single framework programme would have advantages compared to all other options considered in terms of achieving the necessary objectives, efficiency, cost-effectiveness (result per Euro spent), and coherence.

LEGAL BASIS: the first indent of Article 167(5) and Article 173(3) and Article 166(4) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: with this Decision, the Commission intends to establish the Creative Europe Programme for support to the European cultural and creative sectors for the period from 1 January 2014 to 31 December 2020.

European added value: the Programme shall only support those actions and activities presenting a potential European added value and contributing to the achievement of the objectives of the Europe 2020 Strategy and its flagship initiatives.

European added value shall be ensured in particular through:

- the transnational character of its activities and their impact, which will complement national, international and other Union programmes;
- the economies of scale and critical mass which Union support fosters creating a leverage effect for additional funds;
- transnational cooperation stimulating more comprehensive, rapid and effective responses to global challenges and creating long-term systemic effects on the sectors;
- ensuring a more level playing field in the European cultural and creative sectors by taking account of low production capacity countries and/or countries or regions with a restricted geographical and linguistic area.

Structure of the Programme: the Programme shall consist of the following strands:

- an Cross-sectoral Strand addressed to all cultural and creative sectors;
- a Culture Strand addressed to the cultural and creative sectors:
- a MEDIA Strand addressed to the audiovisual sector.

The indicative budgetary allocation will be 15% for the Cross-sectoral Strand, 30% for the Culture Strand and 55% for the MEDIA Strand.

Objectives of the Programme: its general objectives will be (i) to safeguard and promote the European cultural and linguistic diversity and (ii) to strengthen the competitiveness of the sector; thereby it will contribute to the EU 2020 strategy and its flagship initiatives.

The specific objectives are as follows:

- support the capacity of the European cultural and creative sectors to operate transnationally including by strengthening the relations and networks between operators;
- promote the transnational circulation of cultural and creative works and operators and reach new audiences in Europe and beyond;
- strengthen the financial capacity of the cultural and creative sectors;
- support transnational policy cooperation in order to foster policy development, innovation, audience building and new business models.

Each strand will specify its own priorities and measures, and will prioritise projects with a systemic effect on the sectors for example through support for new business models, network building and exchange of know-how in particular on the digital shift and globalisation of these sectors. Another important and new objective will be raising interest in European works through the support of audience building activities.

All the priorities by sub-heading are detailed in in the proposal and in the Annex.

The international dimension of Creative Europe will be integrated through the following measures:

- possibility for participation of acceding countries, candidate countries and potential candidates benefiting from a pre-accession strategy, EEA, countries of the European neighbourhood area and Switzerland;
- possibility for bilateral cooperation with other third countries and international organisations;
- specific actions targeted at international professionals (integration of MEDIA Mundus).

Implementation: a considerable number of simplifications were already introduced for the management of the current Culture and MEDIA programmes. However further improvements will be introduced in Creative Europe. Greater use will be made in general of flat rates, more grant decisions and framework partnership agreements, electronic application and reporting for all actions, and an electronic portal to reduce paperwork for applicants and beneficiaries.

The number of instruments and calls for proposals managed by the Executive Agency for Education, Audiovisual and Culture (EACEA) under the Culture Strand will be simplified by reducing them from 9 to 4 main categories. Operating grants, which have been confusing for applicants and beneficiaries, will be discontinued in favour of project grants.

The financial facility will lead to improved use of EU funds through the financial leverage it will generate and its re-use of revolving funds, which will offer the Commission greater efficiency than traditional grants to beneficiaries. Another significant simplification measure will be the merging of the two information networks to reap economies of scale, greater transparency for the public by having only one EU entry point, the Creative Europe desks.

The establishment of a single Programme Committee would also contribute to a more costeffective and lean management of the programme, not only via savings in implementation costs but also through more effectiveness resulting from stronger synergies among relevant policies and sectors.

Performance results and dissemination: the programme includes a monitoring and evaluation process. The results of the monitoring and evaluation process shall be used when implementing the Programme. The evaluation shall have the right scope and will be carried out in a sufficiently timely manner to feed into the decision making process. In addition to the regular monitoring the Commission shall establish an external evaluation report no later than end-2017 in order to assess the effectiveness in achieving the objectives and the efficiency of the Programme and its European added value in view of a decision on the renewal, modification or suspension of the Programme.

The Commission, in cooperation with the Member States, shall ensure overall consistency and complementarity with: (a) relevant EU policies, in particular those in the fields of education, employment, health, research and innovation, enterprise, tourism, justice and development; (b) other relevant EU funding sources.