DRAFT REPORT

on unlocking the potential of cultural and creative industries
(2010/2156(INI))

Committee on Culture and Education

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on unlocking the potential of cultural and creative industries
(2010/2156(INI))

The European Parliament,

– having regard to Article 167 of the Treaty on the Functioning of the European Union,

– having regard to the Convention on the Protection and Promotion of the Diversity of Cultural Expressions (Unesco Convention on the Protection of Cultural Diversity), adopted by the United Nations Educational, Scientific and Cultural Organisation (Unesco) on 20 October 20051,

– having regard to Decision No 2006/515/EC of 18 May 2006 on the conclusion of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions2,


– having regard to Decision No 1718/2006/EC of the European Parliament and of the Council of 15 November 2006 concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)4,

– having regard to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 3 January 2008 on Creative Content Online in the Single Market (COM(2007)0836),

– having regard to its resolution of 5 May 2010 on ‘Europeana - the next steps’5,

– having regard to its resolution of 10 April 2008 on a European agenda for culture in a globalising world6,

– having regard to its resolution of 10 April 2008 on cultural industries in Europe7,

– having regard to its resolution of 7 June 2007 on the social status of artists8,


7 OJ C 247 E, 15.10.2009, p.32.
8 OJ C 16 E, 22.5.2008, p.27.
having regard to Directive 2010/13/EU of the European Parliament and of the Council of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive)\(^1\),

having regard to the communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 26 August 2010 entitled ‘A digital agenda for Europe’ (COM(2010)0245/2),

having regard to the Commission Green Paper of 27 April 2010 entitled ‘Unlocking the potential of cultural and creative industries’ (COM(2010)0183),

having regard to Rule 48 of its Rules of Procedure,

having regard to the report of the Committee on Culture and Education and the opinions of the Committee on International Trade, the Committee on Employment and Social Affairs, the Committee on Industry, Research and Energy, the Committee on Regional Development and the Committee on Legal Affairs (A7-0000/2011),

A. whereas cultural and creative industries are characterised by a dual (economic and cultural) nature,

B. whereas, in the European Union, cultural and creative industries play a major role in promoting cultural and linguistic diversity, pluralism and social and territorial cohesion, democratising access to culture and promoting intercultural dialogue,

C. whereas these industries are a driving force for economies in the digital age, making a significant contribution to innovation and the development of new information and communication technologies (ICT), and whereas they contribute to attaining the Europe 2020 objectives,

D. whereas the digital age opens new possibilities for these industries by introducing new economic models enabling consumers to have access to a range of high-quality products,

E. whereas there must be a guarantee of strategic investments in cultural and creative industries, for example through access to funding which is adapted to their specific characteristics and needs, with the aim of boosting the European economy,

F. whereas it is essential to ensure the artistic and cultural education of citizens and to appreciate the creative process in order to develop creativity and knowledge of the arts, culture, cultural heritage and the cultural diversity of the EU,

G. whereas cultural and creative industries play a major role in developing centres of creativity at local and regional level,

Cultural and creative industries as a driving force in the European Union

\(^1\) OJ L 95, 15.4.2010, p. 1.
1. Underlines the need to analyse cultural and creative industries and the impact of their activities on the European economy, describing them each in turn;

2. Underlines the need to consider working conditions and the economic, social, legal and taxation aspects of these sectors;

**Education, training and awareness-raising**

3. Encourages the Member States and the Commission to promote artistic and cultural education among all age groups, from primary to higher or vocational education, including in the context of lifelong learning;

4. Underlines the need to pass on techniques and know-how and the value of reinforcing learning and setting up professional training programmes focused on the cultural and creative sector, providing multidisciplinary education and promoting cooperation and partnerships between schools, students, professionals from the cultural and creative sector, enterprises of all sizes, craftspeople and financial institutions;

5. Stresses the need to create optimum conditions for employing university-educated and professional young people from this sector and to train them in the specific economic, taxation, financial and technological aspects of the cultural and creative world and in communication and marketing;

6. Calls on local and regional authorities to establish meeting places in order to raise awareness in cultural and creative industries among people working in the sector, through the sharing of expertise and training in new technologies, and among the general public;

7. Calls on the European Commission to set up a multilingual platform so that people working in the cultural and creative sector can join a European-level network enabling them to share good practices and find information on the legislation in force and funding possibilities;

**Improving the distribution of works in the digital age**

8. Underlines that, in order to guarantee better distribution of European works and repertoires, initiatives must be introduced aimed at improving and promoting translation, dubbing, subtitling and surtitling of European cultural works and at drawing up specific measures in these areas as part of the new generation of MEDIA and Culture programmes for the period 2014-2020;

9. Urges the Member States and the Commission to establish technical and financial support mechanisms in cultural and creative industries with the aim of digitising cultural heritage and to introduce common European standards;

**Towards an internal market for cultural and creative content**

10. Calls on the Member States and the Commission to take the necessary steps to establish a European internal market for on-line cultural and creative content and guarantee access to this content to European citizens whilst ensuring that those entitled are protected and
properly compensated and that all funding channels for the creative sector are consolidated;

11. Calls on the Commission to consider new economic models in the creative and cultural sector which are adapted to the impact of globalisation and the challenges of the digital age, particularly with regard to content industries, to consider the best way to adapt the regulatory framework – and in particular the rules on competition policy – to the specific situation of the cultural sector in order to ensure cultural diversity and consumer access to a range of high-quality cultural content and services, and to give thought to the optimum conditions for the development of this single market, with particular regard to taxation, for example by allowing the introduction of a reduced rate of VAT for on- or off-line cultural goods and services in order to promote their development;

Funding cultural and creative industries

12. Recalls that all policies and measures to support and fund cultural and creative industries must take into account the characteristics of each branch of the sector;

13. Calls on all the actors concerned to consider introducing new, innovative financial instruments which are adapted to the specific needs of these industries, such as bank guarantee measures, repayable advances and venture-capital funds;

14. Proposes the introduction of short-term microfinancing to encourage experimentation and the development of innovative cultural and creative projects;

15. Underlines the importance of patronage and public-private partnerships in the financing and support of cultural and creative activities and calls for better access to credit for these sectors;

16. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.
EXPLANATORY STATEMENT

This is a good time for the European Commission’s Green Paper, officially endorsing the economic and social importance of the sector, to prompt discussion on ‘unlocking the potential of the cultural and creative industries’. The growth of cultural and creative industries (CCI) in the European Union since the 1990s has been exponential in terms of job creation and their contribution to GDP.

The challenge of globalisation and the arrival of the digital age are providing these industries with major new opportunities to develop and can improve their hitherto largely untapped potential to create growth and jobs. There is a need for strategic investment to enable cultural and creative industries to invigorate cultural diversity, social and territorial cohesion, growth and employment. To this end there must be adequate funding, support for CCIs to develop in their local and regional environments and a move towards a creative economy by catalysing their spill-over effects on a wide range of economic and social contexts. The greater the availability of European audiovisual content, the more will content which is characteristically European be able to influence cultural diversity. In addition, the creative sector makes a significant contribution to the development of information and communication technologies and plays a major role at local, regional and national levels.

In this context there is a need for Community-wide momentum to encourage cultural and creative industries, which is why they must adopt innovative economic models and have access to new, legal on-line service provision. It is therefore necessary to create a genuine single market for on-line content and services, take specific measures aimed at increasing the role of cultural and creative industries as catalysts for innovation and structural change, bring together actors at regional, national and European level and create new products and services to generate growth and jobs.

In Europe, the cultural sector plays a key role and attracts citizens, enterprises and investment, thereby highlighting Europe as a dynamic, stimulating place to live and work. An energetic, growing cultural sector is clearly necessary for Europe’s success as a creative, knowledge-based economy. The cultural sector also attracts well-qualified, creative people. CCIs are currently also important drivers of economic and social innovation in many other sectors.

At a time when some of our international partners are already tapping into the multifaceted resources of CCIs to a broad extent, the EU is yet to develop a strategic approach to make its strong and attractive cultural assets the basis of a powerful creative economy and a cohesive society.

In this respect the Green Paper must do more. In order to be able fully to unlock their dual cultural and economic potential, CCIs need to increase their capacity for experimenting and innovating and take advantage of the right mix of skills and access to funding. The creative economy means that those working in the cultural sector are the drivers of the knowledge-based society and are becoming a source of economic development and social harmony. With our economies increasingly based on intangible services, cultural and creative industries provide creative added value with a broader dimension. The driver of sustainable growth is based in particular on long-term investment in Europe’s creative potential.
The creation of a genuine internal market is a priority if we are to boost employment and social cohesion and achieve sustainable economic growth aimed at making the European Union the economy which is founded on the most competitive and most dynamic knowledge-base in the world alongside a quantitative, qualitative improvement in employment. We must therefore acknowledge the specific characteristics of the cultural sector as a whole and take them into consideration when formulating European rules on international trade, the internal market, competition and taxation.

Cultural and creative industries are characterised by a dual nature (which makes them different from any other industry): in an economic sense, in terms of their contribution to employment, growth and wealth creation, and – primarily – in a cultural sense, in terms of their activities, which contribute to development and citizens’ social and cultural integration. By encouraging creativity and by improving the distribution and production procedure through innovation, these industries play a major role in the European Union in promoting cultural and linguistic diversity, pluralism, social and territorial cohesion and the democratisation of access to culture and the promotion of intercultural dialogue. In this regard, proper remuneration for the creative industry through intellectual property rights is a vital precondition for the preservation of European cultural diversity.

There must also be a focus on mobility and attractiveness. Promoting the mobility of artists, cultural practitioners and works is a way of helping European cultural and creative industries make, in particular, the leap from local to national level. If this is to happen, there is a need to set up balanced partnerships with European professionals based on regular consultation mechanisms in order to keep pace with a rapidly developing sector, remove obstacles to mobility and ensure monitoring of the tools developed at all levels.

The European Union must introduce measures to support the creative sector. We would like to see this Green Paper have a short and long-term impact through specific developments at European level in such areas as taxation adapted to on-line cultural goods and services and the possibility of exploiting the financing facilities available through the EIB and the EIF. If cultural and creative industries are to maximise their energising role, financing facilities backed up by solid expertise in the characteristics of cultural industries and an adapted taxation system must be introduced.

To sum up, unlocking the potential of cultural and creative industries necessitates the development, inter alia, of high-quality artistic and cultural education, territorialisation, local partnerships, creation and creativity, the sharing of expertise, financing, public-private partnerships and the exchange of good practices. We must create competitiveness between CCIs whilst bearing in mind the characteristics of each branch and the fact that they require different forms of support.