



17.5.2021

## NOTICE TO MEMBERS

**Subject: Petition No 0845/2020 by Maria Kirilova (Russian), on behalf of We Are Live Professionals, on a Covid-19 aid package for the live events industry**

### 1. Summary of petition

The petitioner claims to represent an alliance of the most influential associations in the events industry from over 14 countries in Europe and act in the interest of over 20,000 companies with more than 500,000 employees and more than 200,000 apprentices. She further claims that, in total, the events industry in Europe generates EUR 172.6 billion in direct GDP, supporting 2.9 million direct jobs. In view of the above considerations, she calls for this important industry to be recognized by national and regional governments for its value now, and not when it is beyond salvation as a result of the Covid-19 outbreak. Part of the problem, in her view, is that most of the decisions affecting the events industry are made locally and that the authorities who organize live events can be very different in different countries. She submits that this disunity condemns the industry to a lack of common solutions, help and strategies for its survival at the European level. Accordingly, she calls on the EU and its Member States to swiftly implement a number of urgent measures to provide direct aid to the events industry and save millions of jobs: 1. Fixed cost contribution, 2. Adaptation of loan programs, 3. Suspension of EU aid framework and, most importantly, 4. Required rescue dialogue for the events industry (and she details such measures in the petition).

### 2. Admissibility

Declared admissible on 13 November 2020. Information requested from Commission under Rule 227(6).

### 3. Commission reply, received on 17 May 2021

The Commission's observations

The Commission recalls that in the aftermath of the COVID-19 outbreak, Member States have adopted budgetary, liquidity and policy measures to provide relief to those sectors that are particularly impacted, such as the events industry. Abrupt reductions in spending on such sectors can prove counterproductive to achieve a swift recovery. In a spirit of solidarity to counter the economic fallout and mitigate the negative social impacts of the crisis, the Union has adopted a series of measures complementing Member States' actions.

*Inter alia*, the Commission has adopted a comprehensive economic response, applied the full flexibility of the EU fiscal and State aid rules and put in place a State aid Temporary Framework. The Coronavirus Response Investment Initiative (CRII)<sup>1</sup> and the Coronavirus Response Investment Initiative Plus (CRII+)<sup>2</sup> both helped to mobilise EU budget resources to provide financial support to Member States. These included redirecting cohesion funds and assisting Member States in channeling money where it was most needed and as quickly as possible. The European Investment Bank group created as well the European Guarantee Fund, which scaled up its support to small and medium-sized companies.

In addition, the Commission proposed far-ranging measures to mobilise the EU budget to protect lives and livelihoods and launched a new initiative called SURE - temporary Support to mitigate Unemployment Risks in an Emergency<sup>3</sup>. SURE provides for €100 billion of financial assistance, in the form of loans, to help Member States finance, primarily, short-time work schemes or similar measures aimed at protecting employees and the self-employed and thus reducing the incidence of unemployment and loss of income. Nineteen Member States have requested support so far.

The Commission also enabled Member States to take action, under the Temporary State Aid Framework adopted in March 2020<sup>4</sup>, to provide direct grants, loans, guarantees or other instruments on very favorable terms for larger amounts; or, in some cases, to grant compensation to businesses for damage suffered due to the pandemic under Article 107(2)(b) of the Treaty on the Functioning of the EU (TFEU). The Commission has thus far amended the Temporary Framework five times<sup>5</sup> in order to ensure that it addresses the needs of businesses

---

<sup>1</sup> Regulation (EU) 2020/460 of the European Parliament and of the Council of 30 March 2020 amending Regulations (EU) No 1301/2013, (EU) No 1303/2013 and (EU) No 508/2014 as regards specific measures to mobilise investments in the healthcare systems of Member States and in other sectors of their economies in response to the COVID-19 outbreak (Coronavirus Response Investment Initiative), OJ L 99, 31.3.2020, p. 5.

<sup>2</sup> Regulation (EU) 2020/558 of the European Parliament and of the Council of 23 April 2020 amending Regulations (EU) No 1301/2013 and (EU) No 1303/2013 as regards specific measures to provide exceptional flexibility for the use of the European Structural and Investments Funds in response to the COVID-19 outbreak, OJ L 130, 24.4.2020, p. 1.

<sup>3</sup> Regulation (EU) 2020/672 of the Council of 19 May 2020 on the establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak, OJ L 159, 20.5.2020, p. 1–7.

<sup>4</sup> Communication from the Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak 2020/C 91 I/01, OJ C 91I, 20.3.2020, p. 1–9.

<sup>5</sup> Communication from the Commission - Temporary framework for State aid measures to support the economy in the current COVID-19 outbreak (OJ C 91I, 20.3.2020, p. 1), as amended by Commission Communications C(2020) 2215 (OJ C 112I, 4.4.2020, p. 1), C(2020) 3156 (OJ

affected by the outbreak. Most recently, on 28 January 2021, the Commission adopted a fifth amendment to the Temporary Framework. Among other things, that amendment introduced the following changes: (i) prolonged the Temporary Framework until 31 December 2021; (ii) increased the aid ceilings for limited amounts of aid (up to EUR 1.8 million) and support for uncovered fixed costs (up to EUR 10 million); and (iii) enabled Member States to convert loans and other repayable instruments into grants until 31 December 2022. The Commission will continue monitoring the development of the COVID-19 outbreak and its economic impact with a view to adjusting the Temporary Framework, if necessary, on the basis of important competition or economic considerations.

On the fixed cost contribution and the adaptation of the current loan program requests mentioned in the petition, the Commission recalls that the Recovery and Resilience Facility will make available €672.5 billion<sup>6</sup> in loans and non-repayable financial support for reforms and investments undertaken by Member States with the aim to mitigate the economic and social impact of the COVID-19 pandemic and make European economies and societies more sustainable and resilient. Among other policy areas, the Facility will finance Member States' smart, sustainable and inclusive growth, including economic cohesion, jobs, productivity, competitiveness, research, development and innovation, and a well-functioning single market with strong small and medium-sized enterprises (SMEs).

Member States are working on their Recovery and Resilience Plans to access the funds under the Facility. For the preparation of their plans, Member States will have to submit details on the consultation processes, conducted in accordance with the national legal framework, of local and regional authorities, social partners, civil society organisations, youth organisations, and other relevant stakeholders<sup>7</sup>.

On the implementation of a rescue dialogue for the events industry, the Commission services established in spring 2020 an informal network including international organisations and European associations representing various sectors of the tourism sector in order to exchange information about the impacts of the COVID-19 pandemic on tourism and travelling and to discuss measures to mitigate or minimise the negative implications for the ecosystem. These regular exchanges have been providing input to the Commission to help the European economy and businesses.

On the specific measures to finance cultural events, seminars and education, the new Creative Europe programme<sup>8</sup> continues to support cross-border multi-country cooperation projects. These will allow the cultural and creative sector to invest in the rebuilding of its capacity via an exchange of experience and best practice and concrete co-creation, circulation of works and innovation. This support will be available also for those sectors depending greatly on live events for revenue. Further, the new sectoral approach in favour of music as a part of the Music Moves

---

C 164, 13.5.2020, p. 3), C(2020) 4509 (OJ C 218, 2.7.2020, p. 3), C(2020) 7127 (OJ C 340I, 13.10.2020, p. 1) and C(2021) 564 (OJ C 34, 1.2.2021, p. 6).

<sup>6</sup> Council of the European Union, EUCO 10/20, 21 July 2020, point A14.

<sup>7</sup> Commission Staff Working Document, Guidance to Member States on the Recovery and Resilience plans, SWD(2021) 12 final.

<sup>8</sup> Proposal for a regulation of the European Parliament and of the Council establishing the Creative Europe programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013, COM(2018) 366 final.

Europe Initiative<sup>9</sup> will allow tackling this issue. A new platform for the cross-border online and offline distribution of performing arts works<sup>10</sup> was launched at the end of January 2021.

### Conclusion

The Commission informs the petitioner about the EU response to the COVID-19 outbreak, in particular on the events industry. The Commission encourages the petitioner to engage a dialogue with the Member State authorities in charge of designing the Recovery and Resilience Plans and involved in the management of cohesion policy programmes, to explore the availability of supporting measures for the events industry.

---

<sup>9</sup> See [https://ec.europa.eu/programmes/creative-europe/actions/music-moves-europe\\_fr](https://ec.europa.eu/programmes/creative-europe/actions/music-moves-europe_fr)

<sup>10</sup> Available at <https://performeurope.eu/>