



European  
Commission

# CREATIVE EUROPE

Monitoring report

2018



*Printed by Imprimerie Bietlot in Belgium*

Cover photo: Full audience at the Opening of the Transilvania International Film Festival, in the iconic cultural heritage venue Union Square of Cluj-Napoca (Romania). © Marius-Maris

All photos © European Union, unless otherwise stated.

PDF	ISBN 978-92-76-04117-7	doi:10.2759/641663	KK-04-19-449-EN-N
Print	ISBN 978-92-76-04116-0	doi:10.2759/06248	KK-04-19-449-EN-C

More information on the European Union is available on the internet (<http://europa.eu>).

Luxembourg: Publications Office of the European Union, 2019

© European Union, 2019

Reproduction is authorised provided the source is acknowledged.

For any use or reproduction of photos or other material that is not under the EU copyright, permission must be sought directly from the copyright holders.

# **CREATIVE EUROPE**

MONITORING REPORT 2018

# CONTENTS

<b>01. INTRODUCTION</b>	<b>5</b>
Executive summary	6
The creative and cultural sectors	8
The Creative Europe Programme	10
<b>02. TAKING CREATIVE EUROPE FORWARD</b>	<b>11</b>
A key year for policy development	12
A new european agenda for culture	13
Accompanying the cross-border circulation of works	14
A more ambitious Creative Europe 2021-2027	15
Renewed dialogue with stakeholders	16
Spotlight on gender balance	20
Spotlight on the European Year of Cultural Heritage	22
<b>03. DELIVERING CREATIVE EUROPE</b>	<b>23</b>
Overview of applications and grants by scheme	24
Consistently high absorption capacity	26
A relatively small budget in comparison to the size of the sectors	28
Supporting SMEs	28
Simplifying participation for beneficiaries	29
Participation of EU Member States in MEDIA	30
<b>04. SAFEGUARDING CULTURAL DIVERSITY, STRENGTHENING COMPETITIVENESS</b>	<b>33</b>
Reaching wider audiences	34
High quality, internationally recognised content	36
Leveraging investment, supporting growth	40
Equal opportunities	42

<b>05. MEDIA FOCUSING ON TALENT, CONTENT, CIRCULATION AND PROMOTION</b>	<b>44</b>
Fostering talent and skills at European level	45
High quality innovative content	47
Circulation and collaboration across borders	49
Promoting European works, reaching audiences	52
Success stories	53
<b>06. CULTURE SUB-PROGRAMME'S PRIORITIES – EUROPEAN PARTNERSHIPS, PROFESSIONAL MOBILITY AND AUDIENCE DEVELOPMENT</b>	<b>55</b>
Connecting organisations - creating partnerships	56
A diversity of sectors	58
Building capacities	59
Mobility and circulation	60
Innovative approaches – innovation for value	61
Audience development: towards accessible and inclusive culture	63
<b>07. SUPPORTING ACCESS TO FINANCE</b>	<b>64</b>
Success stories	66
<b>08. CROSS-SECTORAL COLLABORATION</b>	<b>68</b>
Success stories	69

## LIST OF MAPS, FIGURES AND TABLES

<b>Map 1:</b> Countries participating in Creative Europe	10
<b>Map 2:</b> MEDIA-supported training programmes by hosting country, 2018	46
<b>Map 3:</b> Distribution of 700 cultural organisations taking part in cooperation projects selected in 2018	56
<b>Map 4:</b> Guarantee Facility agreements with financial intermediaries, as of end-2018	65
<b>Figure 1:</b> Key themes in the Cultural Stakeholder Dialogue	18
<b>Figure 2:</b> Distribution of MEDIA budget by scheme, 2018	24
<b>Figure 3:</b> Distribution of Culture budget by scheme, 2018	25
<b>Figure 4:</b> Support per Europa Cinemas member screen (€, 2018)	27
<b>Figure 5:</b> Annual budget of Creative Europe, 2014-2018 [€ million]	28
<b>Figure 6:</b> Creative Europe institutional roles	29
<b>Figure 7:</b> Member States' share of MEDIA support relative to share of non-national film releases	30
<b>Figure 8:</b> Co-production in TV Production scheme between different capacity countries	31
<b>Figure 9:</b> Split of MEDIA grants between partners in TV co-productions, 2018	32
<b>Figure 10:</b> Profession of the participant, as declared in a survey during training programmes, 2018	45
<b>Figure 11:</b> Relations between schemes in Culture, 2018	57
<b>Figure 12:</b> Main sectors financed through the cooperation, network, platforms and literary translation calls in 2018	58
<b>Table 1:</b> European Film Forum meetings in 2018	17
<b>Table 2:</b> Schemes with the highest shares of high quality applications rejected due to insufficient budget, 2018	26
<b>Table 3:</b> MEDIA-supported films recognised with an award announced in 2018	36
<b>Table 4:</b> Culture-supported awards	39
<b>Table 5:</b> Top cinema admission results for MEDIA-supported films, 2018	50

# 01.

## INTRODUCTION

This Report illustrates the achievements of Creative Europe in 2018, in line with its mission to safeguard cultural diversity and strengthen the competitiveness of the cultural and creative sectors, in particular the audiovisual sector. In presenting the wide range of activities undertaken and the results achieved, the report shows the value of Creative Europe as a whole, which is greater than the sum of its individual parts.

The results of the Programme need to be assessed both in terms of their cultural and artistic value as well as their economic value, reflecting the dual nature of the cultural and creative sectors. To do so, we have drawn on qualitative and quantitative evidence from a variety of sources, including the programme beneficiaries, and have used performance indicators where relevant.

This Monitoring Report is a response to the recommendation of the mid-term evaluation of Creative Europe to strengthen the monitoring of results on an annual basis. As such it aims to shed further light on the strengths of the Programme and the areas for improvement in the context of the ongoing discussions on the successor Programme under the Multiannual Financial Framework 2021-2027.

## EXECUTIVE SUMMARY

The Report begins by looking at how Creative Europe in 2018 accompanied the development of policy on the cultural and creative sectors. The Programme has played a direct role in supporting the Agenda for Culture, and the implementation of actions therein, and will support the New European Agenda for Culture. Furthermore, Creative Europe supported the cross-border circulation of works, in line with the objectives of the Audiovisual Media Service (AVMS) and Copyright Directives. In 2018 there was a special focus on gender balance, where the audiovisual sector is a trend setter, and in contributing to the European Year of Cultural Heritage.

The second chapter illustrates **how policy was translated into practice** through the effective delivery of support. Creative Europe achieves added value by supporting transnational projects, for example co-productions, which mobilise collaboration between creative professionals across Europe. The beneficiaries are at the heart of the Programme and therefore we are always striving to improve and simplify the implementation processes. **In 2018 we again spent 100% of the budget.** This could be achieved thanks to the big number of high quality project proposals received. However, we could not support many of them due to budget constraints, in particular under the MEDIA and Culture sub-programmes. The Commission proposal for a new Creative Europe programme for the period 2021-2027 contains an ambitious budget corresponding to an increase of approximately 34 % in comparison to the current programme, in order to create more opportunities as well as to support innovation and tackle new priorities.

Progress in meeting the overall objectives of Creative Europe, i.e. safeguarding cultural diversity and strengthening competitiveness, is presented in chapter 3. The measurement through key performance indicators shows in particular how diversity was strengthened by helping European content reach wider audiences, one of the key challenges for the cultural and creative sectors. 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 the MEDIA and Culture Sub-programmes and a Cross-sectoral Strand. Chapters 4-7 look in more detail at how each part has performed.

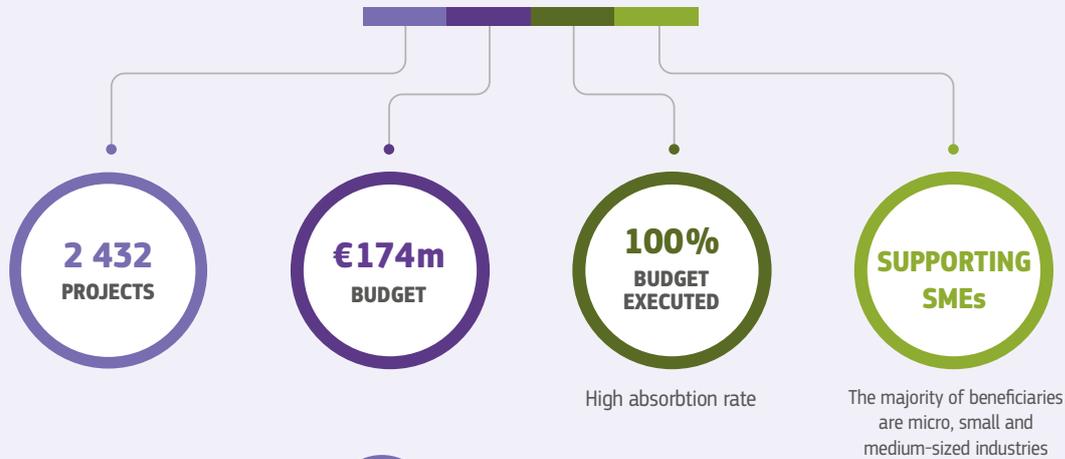
MEDIA is active in key parts of the audiovisual industry's value chain. In 2018 MEDIA continued to provide support to a high volume of new content, providing development support to over 413 films, **equivalent to about 25% of Europe's production.** High quality TV drama, which is capturing the imagination of new cross-border audiences, was another highlight. 2018 was also a year of innovation in distribution and promotion through a prototype online Directory of European Films on VOD platforms and the promotion of European works online.

The Culture Sub-programme continued with its support to hundreds of partnerships between thousands of cultural and creative organisations from all across Europe. **In 2018, 130 new partnerships were created,** adding to those started in previous years, but still very much alive. The result was an impressive mass of projects in the form of international co-productions, co-creations, tours, residencies, literary translations or learning opportunities, showcasing the fabulous creativity of European talent and boosting cultural diversity. **2018 was also the European Year of Cultural Heritage,** and the Culture Sub-programme contributed to the resounding success of this Year that reached close to 12.8 million people through 23 000 events across Europe.

**The results of the Cultural and Creative Sectors Guarantee Facility (CCS GF) surpassed expectations.** This market instrument complements grant funding by encouraging financial intermediaries to lend to cultural and creative projects. 2018 was only the second full year of operation of this new instrument, but there was strong market demand. In response, the European Fund for Strategic Investment was mobilised to top up the CCS GF by EUR 60 million, equivalent to 50% of the initial budget. In 2018 a further three guarantee agreements were signed with financial intermediaries, bringing the total to 12 agreements in 9 participating countries by the end of the year.

Other types of cross-sectoral projects were also supported **to encourage collaboration across industry silos.** The most recent example, the Masters Module on technology and the arts, addresses the skills gap which exists at the crossroads of creativity and technology.

## CREATIVE EUROPE IN 2018



Simplification of the programme is a priority  
Applicants are given highly appreciated support by Creative Europe Desks and EACEA

## THE CREATIVE AND CULTURAL SECTORS

Culture and creativity play a crucial role in our societies today and in shaping our European future, because of their dual cultural and economic role, triggering positive impact in other sectors of society, such as education, innovation or healthcare. Audiovisual content, such as films and television series, as well as music, literature, theatre and other forms of cultural expression, **connect people across borders** through powerful human stories and narratives. Thus, Europe's rich and diverse cultures manifest themselves strongly in the daily life of the Union's citizens and enrich their lives as well as strengthening mutual understanding. Furthermore, Europe's culture and creativity are recognised throughout the world and contribute **to strengthening the image of Europe as a creative continent and promote our values.**

The cultural and creative sectors fully contribute to the Union's economic development, generating jobs and growth, and are thus key for Europe's future. The insights gained through the Cultural and Creative Sectors Guarantee Facility (which is discussed in a discussed in chapter 7) reveal several positive trends. The latest market analysis <sup>(1)</sup> confirms that the cultural and creative sectors (CCS) represent **a significant share of the EU economy (over 4% of EU GDP)** and provide quality jobs (6.7 million jobs) especially for young people. In fact, the sectors' share of EU GDP is comparable to those of the ICT and the Accommodation and Food Services sectors. CCS businesses are resilient, outperforming the survival rates of service enterprises. Since 2008, the number of CCS companies has been growing by 4.3% annually and they now account for at least 10% of the service sector in most countries. Overall, employment has been stable since 2008, with an annual growth of 1%, but with some sectors, such as audiovisual and media, growing by 3% annually. Moreover the shift to a EUR 1.85 billion surplus in the EU trade balance for cultural goods indicates an increase in global demand for EU cultural goods. European companies are amongst the leading world brands. At the same time, the cultural and creative sectors have a positive impact on other industries that depend on their creative content, such as consumer electronics, telecoms services and tourism.

<sup>(1)</sup> Market Analysis of the CCS in Europe, European Investment Fund, 2019

Creative Europe supports the CCS in helping them adapt in order to address the challenges they face and take advantage of great opportunities. The European CCS are highly diverse, reflecting Europe's unique cultural diversity. As a consequence, cultural markets have tended to be fragmented along national and linguistic lines, and this is in particular reflected in the fabric of the audiovisual industry or the music industry, which are made up of small independent companies. It is therefore challenging for European companies to compete with Hollywood studios or online global players which enjoy economies of scale and network effects. At the same time, diversity is part of Europe's cultural richness and gives the CCS a distinctive appeal. Therefore, there is **an opportunity to increase collaboration across borders to produce unique content**, for example through co-production of works for cinema, TV, music, theatre or publishing. This will also create new opportunities for the CCS to play a greater social role, as a catalyst for greater mutual understanding and a shared sense of belonging amongst European citizens.

**Globalisation and the digital shift** continue to transform the economic and social landscape and have a profound impact on the way cultural content is created and disseminated. Thus, whilst cinema is a favourite cultural activity for Europeans, European films account on average for only one third of audiences as the box office remains dominated by US productions. In addition, whilst the share of EU films available on VOD is increasing, they are available in fewer countries compared to US productions <sup>(2)</sup>. Yet the digital shift is creating new opportunities for growth, e.g. new subscription models for music and audiovisual streaming services, and new types of storytelling such as virtual reality. Technology such as artificial intelligence can also be an enabler to address key challenges for the CCS, such as reaching wider and younger audiences, and enriching their experience. Thus, support is needed to create content which appeals to audiences across borders and to disseminate it through different channels.

<sup>(2)</sup> European Audiovisual Observatory



▲ © Bart Heemsker

Access to sustainable and **diversified funding** remains a key issue. Public funding for culture has been dropping in recent years in most EU Member States. Access to private funds remains a challenge as commercial financial institutions have traditionally viewed cultural projects as excessively risky because their assets are intangible, i.e. talent and creativity. For example, debt financing represents only a marginal share of film financing, accounting for 2% of the budgets of European films.

However, the experience gained through the implementation of the Cultural and Creative Sectors Guarantee Facility shows there is great potential for bridging the financing gap. A key factor will be changing the perception of the financial sector about the CCS, through targeted, up to date business information about the new opportunities. This could create a virtuous circle of investment and renewed growth.

## THE CREATIVE EUROPE PROGRAMME

Creative Europe is the European Union's framework programme for support to the cultural and creative sectors, with a total budget of EUR 1.46 billion for the period 2014-2020. It brought together three earlier programmes (MEDIA, Culture and MEDIA Mundus) to create a single comprehensive instrument to increase efficiency, more effectively seize the opportunities of the digital shift and address market fragmentation.

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.

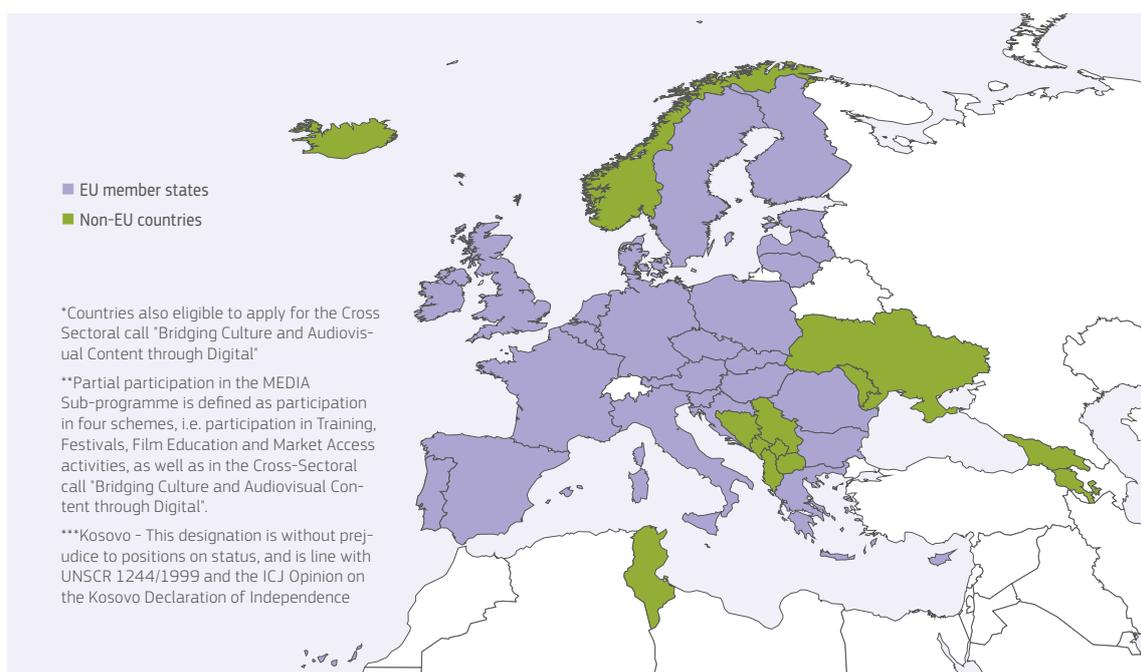
- › Created in 1991 as a complement to the Television Without Frontiers Directive, MEDIA as it is now known, targets the audiovisual sector, fosters the creation of audiovisual content (films, TV series, video games) and its access to European and global audiences through all distribution channels.

- › The Culture Sub-programme covers cultural sector initiatives, such as those promoting cross-border cooperation, platforms, networking, 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 in all participating countries, which reach out to stakeholders.

The Programme complements actions at national level in the field of culture and the audiovisual sector, reflecting the policy priorities of the EU in the cultural and creative fields.

Creative Europe is open to cultural and creative organisations from EU Member States, as well as, under certain conditions, to some non-EU Member States. Currently, Creative Europe includes EU countries and 13 non-EU participating countries. Participation in MEDIA is subject, in particular, to alignment with Directive 2010/13/EU (Audiovisual Media Services Directive – AVMSD).

Map 1: Countries participating in Creative Europe



# 02.

## **TAKING CREATIVE EUROPE FORWARD**

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

## A KEY YEAR FOR POLICY DEVELOPMENT

In 2018, a new phase began as the European Union strengthened the framework for the cultural and creative sectors, with a focus on:

- Adopting a New European Agenda for Culture, setting out a vision for cultural cooperation at EU level to better address common challenges together;
- Stimulating the cross-border circulation of works, in particular with the adoption of the revised Audiovisual Media Services Directive and progress in the negotiations on a new Copyright Directive as well as on a new directive on online transmissions of broadcasting organisations and retransmissions of television and radio programmes replacing the satellite and cable broadcasting (“SatCab”) Directive;
- Proposing a new Creative Europe Programme post-2020, to build on achievements so far and scale up efforts in response to recent developments.

Action was taken on key themes for the cultural and creative sectors. The **European Year of Cultural Heritage** celebrated our common heritage as a resource for Europe’s future, underlining its social and economic value. Also, in 2018, Creative Europe recognised the strategic importance of gender balance in the creative and cultural sectors, in particular in audiovisual, and took several measures to address this.

Throughout 2018 a **structured dialogue with stakeholders** was pursued to ensure that their concerns and proposals were fully taken on board, in a spirit of partnership.

The results achieved in these areas are discussed in the next section.



^ EFF in the Berlinale, 2018  
© EU

## A NEW EUROPEAN AGENDA FOR CULTURE

A major contribution to cultural cooperation at EU level, and a key achievement in 2018, was the Commission's adoption of a New European Agenda for Culture (22 May) and the corresponding Council adoption of Conclusions on the Work plan for Culture 2019-2022 (27 November).

The New European Agenda for Culture (the "New European Agenda") responds to the European Leaders' invitation to do more, through culture and education, to build cohesive societies and offer a vision of an attractive European Union<sup>(3)</sup>. It aims to harness the full potential of culture to help build a more inclusive and fairer Union, supporting innovation, creativity and sustainable jobs and growth.

**The New European Agenda has three strategic objectives, focusing on social, economic and external dimensions.** The social dimension implies using the power of culture and cultural diversity in favour of social cohesion. Among other objectives, the document emphasises the need to protect and promote Europe's cultural heritage as a shared resource. Under the economic dimension, the New European Agenda supports jobs and growth in the cultural and creative sectors, by promoting arts and culture in education. It also calls for boosting relevant skills such as digital, entrepreneurial, traditional and specialised, and encouraging innovation in culture. The external dimension focuses on strengthening international cultural relations, as well as reinforcing cooperation on cultural heritage.

In the 2018 European Year of Cultural Heritage, a lot of activities were taking place at local, regional and national levels across the EU. To make sure these efforts leave a legacy beyond 2018, the New European Agenda highlights that the European Commission proposes to support long-term projects under four core objectives: Engagement, Sustainability, Protection, and Innovation.

As announced in the New European Agenda, the European Commission presented an Action Plan for Cultural Heritage as a follow-up to the Heritage Year, asking Member States to draft similar plans at national level and follow up on the 10 European themes. The New European Agenda also foresees to incorporate outcomes of the Year into future EU programmes and Cohesion Policy. Finally, the document supports the enforcement of the future EU Regulation on the import of cultural goods through an Action Plan on illicit trade in cultural goods. The establishment of a science policy stakeholder social platform on endangered cultural heritage is also mentioned.

The New European Agenda and Work Plan are aligned with the proposals for the new Creative Europe Programme 2021-2027. **They propose a stronger involvement of Member States in policy collaboration** and implementation of policy results through joint actions. Results from the Open Method of Coordination between Member States will also feed into the new Programme in areas such as gender equality, social cohesion and audiovisual co-productions.

The Council's new Work Plan will pursue and build on the outcomes of the work carried out so far. In particular, it will enable the continuation of the dialogue between Member States on cultural issues initiated in 2008 following the adoption of the very first Agenda for Culture.

---

<sup>(3)</sup> [Bratislava declaration, September 2016](#)

## ACCOMPANYING THE CROSS-BORDER CIRCULATION OF WORKS

A key objective of MEDIA has been to increase the cross-border circulation of European works, in line with the Digital Single Market strategy, at the same time as protecting and promoting the European ecosystem, values and culture. In 2018 important steps were taken to strengthen and update the framework for the audiovisual sector in this regard. The online challenges for audiovisual content are now better addressed by the revised Audiovisual Media Service Directive, which was adopted in November 2018. In particular, the Directive reinforces the obligations applicable to on-demand service providers to promote European works. The revised rules contain a clear obligation on such providers to secure at least a 30% share of European works in their catalogue, as well as to ensure prominence for these works. This will make sure that there is a minimum presence of European works across Member States.

In addition, political agreement was reached in December 2018 on the Directive on online transmissions and retransmissions of radio and TV programmes. The new rules will contribute to a wider distribution of radio and TV programmes across the EU, making it easier for European broadcasters to make certain programmes available online and for retransmission operators to offer more radio and TV channels from different Member States <sup>(4)</sup>.

Significant progress was also achieved in 2018 in the negotiations on the proposed Directive on Copyright in the Digital Single Market, with the adoption by the Council and the European Parliament, of their respective mandates. One of the objectives of the Directive is to ensure more cross-border and online access to copyright-protected content for citizens, in particular by facilitating the licensing of audiovisual and out-of-commerce works. The Commission assisted the co-legislators in the intense trilogue negotiations that started in October 2018 <sup>(5)</sup>.

Another achievement was the Regulation on cross-border portability of online content services, which allows Europeans to enjoy online content services when travelling in the EU. This became applicable on 1 April 2018.

The regulatory instruments and funding support thus mutually reinforce each other in the drive to strengthen cross-border circulation. The strengthened regulatory framework underpins the presence and visibility of European works in line with the objectives of MEDIA. At the same time, MEDIA accompanies the evolving regulatory framework by fostering collaboration across the value chain in order to support projects with high circulation potential.

Furthermore, in 2018 the Commission supported a dialogue between Member States, through the Open Method of Coordination, on improving the circulation of European films. This process led to the production of a practical toolkit based on best practices for policy makers, industry players and creators to inspire them when devising support schemes or producing films. The group produced 10 recommendations, including boosting the promotion of films, for example by using the cast in promotional tours, sharing and using data to better target audiences, and incentivising co-productions.

---

<sup>(4)</sup> Negotiations were successfully concluded leading to the adoption of Directive 2019/789/EU on 17 April 2019.

<sup>(5)</sup> Negotiations were successfully concluded leading to the adoption of Directive 2019/790/EU on 17 April 2019.

## A MORE AMBITIOUS CREATIVE EUROPE 2021-2027

The Commission tabled a proposal for a new Creative Europe Programme post-2020 in May 2018, and negotiations began on this text with all relevant Union institutions and bodies. **The proposal builds on the achievements of the current Programme whilst strengthening the response to address the transformation of the cultural and creative sectors.** To do so, it combines additional resources and a strengthening of existing actions with the introduction of new activities and innovative approaches. The new Creative Europe Programme will contribute to reaching the objectives of the Audiovisual Media Services Directive and the new European Agenda for Culture by funding relevant support measures.

For the next long-term EU budget 2021-2027, the European Commission in 2018 proposed funding for Creative Europe to EUR 1.85 billion, an increase of some 34% compared to the current programme, in particular the MEDIA and Culture sub-programmes. The proposal maintained the existing architecture of the Programme of two Sub-programmes and a Cross-sectoral Strand, which are outlined below.

### 1. MEDIA:

EUR 1 081 billion would fund audiovisual projects and stimulate competitiveness in the audiovisual sector in Europe. MEDIA would continue to support developing skills and talent as well as the development, distribution and promotion of European films, TV programmes and video games. The overall objective will be stimulate circulation and consumption of audiovisual works across the EU and beyond with the view to harness industry's competitiveness and expose audiences to Europe's cultural diversity. There would be a focus on the power of networks and cooperation. We plan to expand the existing Europa Cinemas network, one of the biggest successes of the Programme and, based on this example, new networks for festivals and VOD services are envisaged. In the years ahead, more money would be invested in the international promotion and distribution of European works and innovative storytelling, including virtual reality. The online Directory of European Films available on VOD would be continued in order to reinforce the circulation of European works.

### 2. CULTURE:

EUR 609 million from the new budget would be allocated to promoting Europe's cultural and creative sectors. Cooperation projects, networks and platforms would be set up to connect talented artists and cultural organisations across Europe and **make it easier for creators and professionals to cooperate across borders.** New actions, such as a mobility scheme for artists and targeted support to specific sectors, such as music, publishing or architecture, would be introduced to enhance the structuring effect of the Programme. Special actions, such as the European Capitals of Culture, the European Heritage Label, EU cultural prizes or European cultural organisations with a broad geographical coverage would be supported. A stronger international dimension would be developed, including international promotion and support to exports.

### 3. ACROSS CULTURAL AND MEDIA SECTORS:

EUR 160 million would support activities which address the cultural and creative sectors as a whole. Policy cooperation and outreach would be promoted, including through cross-border exchanges of experience and support actions. A Creative Innovation Lab would be introduced to foster innovation at the crossroads of the cultural and creative sectors, including through technology, to facilitate access, distribution, promotion and monetisation of content. The new Programme would support the news media sector to promote a diverse and pluralistic media, strengthening quality journalism and fostering media literacy. The Creative Europe Desks would continue to be supported. Whereas this strand in the past supported access to finance through the Guarantee Facility, this would happen in future through InvestEU, a new centralised instrument outside Creative Europe.

## RENEWED DIALOGUE WITH STAKEHOLDERS

The European Commission attaches priority to maintaining a continuous and structured dialogue with the stakeholders of Creative Europe. With the cultural and creative sectors undergoing a profound transformation, dialogue is crucial in order to build a common vision by exchanging on recent developments, focusing on the priorities for the future and exploring opportunities for innovation.

Over time, the stakeholders – which include industry leaders, representative associations, local, national and international funding bodies – have developed a sense of ownership and of community around Creative Europe thanks to the strong relationships built this way.

Thus, the dialogue with stakeholders has become an integral part of the Programme, helping to chart its course and ensure its relevance and added value. At the same time, the dialogue is an opportunity for the Commission to exchange on the wider context of EU policies, including synergies with other relevant EU programmes.

The following section presents how stakeholders dialogues are organised by MEDIA and Culture.

### EUROPEAN FILM FORUM

The European Film Forum is a structured dialogue with stakeholders which aims to develop strategic orientations for strengthening the audiovisual industry in the digital era. The meetings take place throughout the year, taking advantage of festivals which bring the industry together.

In 2018 the exchanges were deepened on what should be the focus of Creative Europe MEDIA post-2020, as preparations for the new Programme need to be made well in advance. The Forum provided a great setting for exchanges with representatives from across the industrial value chain, including producers, distributors, cinemas, broadcasters and online platforms, as well as members of the European Parliament and Member State funding bodies. Overall, the discussions showed strong support for a more ambitious programme to enable industry to be competitive in the digital era, on the European stage and beyond.

### ANNUAL EVENTS WITH BENEFICIARIES

Culture has a tradition to organise yearly events with beneficiaries. The purpose of those events is not only to provide projects with advice on how to run their projects – which sometimes are highly complex – but equally importantly to build a sense of community between Creative Europe beneficiaries and the Commission as there are shared common objectives. For instance, the following events have been organised in 2018:

- **Meeting with new projects selected in the frame of European Year of Culture Heritage – Berlin, June 2018** - The meeting was set up in conjunction with the European Culture heritage Summit organised by Europa Nostra (a Creative Europe funded network), the German Cultural Heritage Committee (DNK) and the Prussian Cultural Heritage Foundation (SPK). Our beneficiaries had full access to the Summit. The Summit, with the motto “Sharing Heritage – Sharing Values”, was the largest European event taking place during the Year with more than 1500 participants.
- **Annual European network meetings – Brussels, June 2018:** The Commission annually meets the 28 Creative Europe funded networks <sup>(6)</sup> to exchange on current and upcoming policy initiatives in the field of culture. Creative Europe networks represent more than 4000 organisations and artists across all creative and culture sectors. As representative bodies, their feedback is important to help the Commission steer culture policy.
- **Cooperation kick off meeting – Brussels, October 2018.** Every year, newly selected cooperation projects are invited to Brussels for 2 days of intense plenary meetings and workshops with representatives of the Commission and the Education, Audiovisual and Culture Executive Agency. In 2018, more than 350 people took part in this event share their project objectives, challenges and solutions. These events also bring together representatives of networks and platforms with these fresh beneficiaries to engage in exchange and dialogue.

<sup>(6)</sup> See the full list on: [https://ec.europa.eu/culture/resources/networks\\_en](https://ec.europa.eu/culture/resources/networks_en)

Table 1: European Film Forum meetings in 2018

Occasion	Title	Conclusions/Takeaways
<b>Berlin International Film Festival</b> 13 February	The Future of MEDIA: Connecting Europeans through Films	Increased access to a diversity of films and TV series, which tell powerful human stories and embody European values, will build mutual understanding and a sense of shared identity. MEDIA can contribute to the cultural dimension of the European project by helping European films reach wider and younger audiences across borders. MEDIA can effectively mobilise collaboration across industry silos to strengthen distribution and promotion of films through pan-European campaigns. However, a significant budget increase will be needed to match this ambitious goal.
<b>Cannes Film Festival</b> 14 May	Teaming Up for Wider Audiences	European films can do more to reach their audiences. Online platforms can build audiences by complementing the theatrical experience, for example by giving films an extended life after theatrical release. However, industry has been rather slow to learn how to reach wider and younger audiences online. More collaboration between platforms, producers, sales agents, distributors, cinemas and associations is key to harnessing technology, for example by pooling resources, building common tools and sharing data.
<b>CineEurope Barcelona</b> 11 June	The Business Case for European Content	Public support focuses on content creation and Europe produces high quality, diverse films. However, the audiences for independent European films are low and few are commercially viable. To ensure sustainability of the industry more investment is needed in distribution and promotion of works to raise their visibility in the context of fierce competition. A number of options were discussed. Distributors need to take risks to invest in the cross-border promotion of films. Streaming platforms could help find audiences for certain films although independent producers should be careful to ensure 'win-win' partnerships. Data can be used more to better understand audiences but whilst respecting creative freedom.
<b>Anney International Animation Film Festival</b> 14 June	Building Brands: the Road to Success	Animation works travel well at European level because they more easily capture young audiences and cross-cultural borders. The characters or brands can be reproduced through other cultural sectors such as publishing, games or fashion. Building brands is key because licensing of merchandising around content is very important for revenue. Cooperation with broadcasters and well designed marketing campaigns are key in this context. Post-2020 a strengthened Creative Europe could focus more on animation, e.g. by supporting collaboration on brand development.
<b>Venice International Film Festival</b> 1 September	Creating the Buzz around Movies: Promotion, Festivals and the role of MEDIA after 2020	Film festivals have a central role in promoting films but their effectiveness could be increased through more collaboration at a European level. Discussions showed that festivals could work together more through networks focusing on concrete synergies such as developing technology and tools, sharing data, film education and supporting smaller countries. However, there is no single formula and each network should focus on its own needs, whilst allowing each festival to maintain its identity.
<b>San Sebastián International Film Festival</b> 24 September	International Film Funds: Co-productions and Market Access	Co-production funds are a key tool for encouraging larger-scale films; they are good for their international circulation as well as for developing lower capacity countries.
<b>Lumière Film Festival, Lyon</b> 18 October	Films of the Past for the Audience of the Future	Films are jewels of our common culture and need to be preserved and treasured; today's digital technology helps increase access to classic cinema and increase its economic success; cinema classics can inspire new generations of young Europeans to love film and to love Europe. The role of MEDIA in supporting film heritage was highlighted by the launch of the Directory of European Films which will promote the circulation of films online.
<b>Tallinn Black Nights Film Festival</b> 30 November	Creativity, Technology, Finance: Sustaining European Diversity post-2020	The audiovisual industry needs to adapt to three trends which are driving innovation: new business models, e.g. using venture capital; new technologies, e.g. use of blockchain to manage transactions; development of new forms of diverse storytelling and promotion, e.g. augmented and virtual reality.

## CREATIVE VOICES OF CULTURE

As a key element of the European Agenda for Culture, **the Creative Europe Voices of Culture** provides a framework for discussions about culture between EU civil society stakeholders and the European Commission. The dialogue aims to strengthen the advocacy capacity of the cultural sector in policy debates on culture at European level, while encouraging it to work in a more collaborative way.

Engaged in 2015 as a follow-up to the structured dialogue started with cultural organisations in 2008 together with the adoption of the first Agenda for Culture, the process will have covered eight themes by 2018.

The themes were selected in accordance with the priorities of the [Work Plan \(WP\) for Culture 2015-2018](#), which sets out priorities for European cooperation in cultural policy-making. Through this strategic document, the Council also established working groups of Member States to work on the priorities within the framework of the [Open Method of Coordination \(OMC\)](#) process (a light but structured way for EU Member States to cooperate at a European level). Both Voices of Culture and the OMC feed the reflections of all relevant stakeholders – be they cultural organisations, local and national authorities or the Commission – on how best to support the further development of the cultural and creative sectors in Europe and respond to emerging challenges. The Figure below shows the wide spectrum of issues covered.

Figure 1: Key themes in the Cultural Stakeholder Dialogue



In 2018, there was a special focus on two themes:

**“Social inclusion, partnering with other sectors”:**

How can public policies foster the contribution of culture to social inclusion through partnership with other sectors? The discussions resulted in a Brainstorming report, listing critical success factors and obstacles, and giving recommendations on how to improve partnerships between the cultural and other sectors. It also addresses the problem of rising exclusionary attitudes among the wider population and proposes possible actions.

**“Voices of Culture and Heritage”:**

The aim of this call was to open a dialogue with civil society and stakeholders active in the field of cultural heritage and allow for an exchange of information on ideas and activities planned during the European Year of Cultural Heritage 2018, both by the EU and by stakeholders. The call involved creation of a Stakeholders Committee consisting of 35 organisations who together laid the foundations for the success of the year.<sup>03</sup>

## Music moves Europe

Another special action that continued in 2018 was the **Music Moves Europe** dialogue that addressed stakeholders in the music industry. Music constitutes an important pillar of European culture and is a powerful tool for cultural diversity, social inclusion and soft power diplomacy. Music Moves Europe (MME) is the overarching framework for the European Commission's initiatives and actions in support of the European music sector.

The dialogue with the sector commenced already in late 2015 to identify the main challenges facing the sector. The outcomes of the dialogue were summarised in the AB Music Working Group report\*. Since then, the Commission has regularly attended European showcases, music fairs and festivals to exchange information with the music sector. For 2018,

**The European Parliament secured a budget of EUR 1.5 million for “Music Moves Europe: Boosting European music diversity and talent”.**

The preparatory action was officially launched by Commissioner for Education, Youth, Sport and Culture Tibor Navracsics. The aim was to test suitable actions for more targeted EU funding for music post-2020. The Commission followed up with four calls on the following themes: offline and online distribution, artist and repertoire development, professionalisation and training, and export of European music outside Europe. After a successful first year of funding in 2018 the European Parliament voted an extension of the Preparatory Action, doubling the budget (EUR 3 million for 2019). The Commission launched the new Music Moves Europe dialogue with the sector in spring 2019 to discuss the most topical issues related to musical diversity in Europe and the competitiveness of the industry.



## SPOTLIGHT ON GENDER BALANCE

Equality between women and men is a fundamental EU value, an EU objective and a driver of economic growth. Creative Europe has recognised the strategic importance of gender diversity, in particular in the audiovisual sector, which is a trend setter, and in 2018 took steps to address the issue.

In 2018, Creative Europe MEDIA collected data on gender balance in the Programme. The figures show that, overall, MEDIA compares favourably with wider trends. For example, only about 20% of all European films were directed by women\* whereas 39% of films or TV projects supported by MEDIA were directed by women, while 50% of participants in MEDIA-supported training programmes were women. Furthermore, there is no negative gender bias in the selection process as the success rate of female applicants is slightly higher than that of males.

Nonetheless, the overall proportion of male and female applicants was 71%/29% in the period 2014-2018. Thus, in some parts of MEDIA there is good gender balance, but in others it is weaker. This shows that MEDIA does support change, but there is still a lot to do and improve.

European Commissioner for Digital Economy and Society, Mariya Gabriel, took the initiative to promote transparency by sharing the MEDIA gender results with stakeholders at the 2018 Cannes Film Festival. This was followed up at the Lumière 2018 Grand Lyon Film Festival in October, in particular with the screening of a film, **Women Pioneers in European Cinema**, co-produced by MEDIA and the European Women in Audiovisual Network (EWA).

Subsequently, a European Audiovisual Observatory (EAO) workshop in December concluded that the EAO would help align divergent national monitoring by preparing a common methodology based on a shared definition of the gender gap.

The steps taken in 2018 will be followed up with further measures within the current Creative Europe Programme and post-2020.

\* European Audiovisual Observatory 2016



^ Women Pioneers in European Cinema  
Pioneers 1, 2, 3.  
© EWA - european women's audiovisual network



Alice Guy-Blache – the first ever fiction film director (1896) and first woman founder of a production company (1910)

Elvira Notari – active from the silent film era, she laid the foundations for the Italian neorealist movement

Lotte Reiniger – inventor of silhouette animation, directed one of the first feature-length animated film in Europe, inspiring Walt Disney

Creative Europe Culture has also seen the emergence of more and more projects proposing concrete strategies for tackling the issue of women's and underrepresented groups' empowerment, setting clear milestones for the evolution of the sectors in terms of gender balance and challenging its capacity to be more inclusive.

For instance, **Keychange** (a supported cooperation project) a pioneering international initiative of the UK's PRS Foundation, empowers women to transform the future of music. The project and the international campaign it launched set concrete milestones to be achieved by festivals willing to show their commitment to gender equality. Sixty emerging artists and innovators from across Europe are invited to international festivals to take part in a series of showcases, collaborations and creative labs. Backed up by an innovation fund, Keychange aims to accelerate change and create a better, more inclusive music industry for present and future generations. Project partners tackle discrimination whilst enabling female artists to build a sustainable international profile, develop new business models and extend their reach to audiences in Europe and beyond.



**Wom@rts** is another example of gender-inequality awareness project that started its activities in 2018. Wom@rts" is a 4-year project proposed by ten partners from eight different European countries (Spain, Finland, Lithuania, France, Ireland, United Kingdom, Croatia and Slovenia) and 20 associated partners. The project consists in a transnational network and platform to develop awareness of gender inequality in cultural and creative industries and providing visibility to women artists. The project aims to highlight and support the creativity of women from a cross-sectoral perspective, focussing on Literature/publishing/comics, Fine & Visual arts and (incl. printmaking, lens based media, new digital tendencies), Performing arts (music & performances) and Cinema. Transversally, it plans to include particular focus on the marketing and entrepreneurial capacity of female creatives.



**Female creators and artists are clear contributors to the cultural diversity of Europe, and in line with Creative Europe general objectives, Wom@rts should contribute to save and promote such values.**

## SPOTLIGHT ON THE EUROPEAN YEAR OF CULTURAL HERITAGE

**2018**   
**EUROPEAN YEAR  
 OF CULTURAL  
 HERITAGE**  
**#EuropeForCulture**

The 2018 European Year of Cultural Heritage (EYCH) was an exceptional celebration of our common European heritage as a resource for Europe's future. The only European Year under the Juncker Commission, the European Year of Cultural Heritage was a wide-ranging and inclusive initiative involving all EU institutions, all EU Member States and nine partner countries, as well as a broad array of cultural stakeholders and international organisations, the Council of Europe and UNESCO. Its aim was to encourage the sharing and appreciation of Europe's cultural heritage, to raise awareness of common history and values, and to reinforce a sense of belonging to a common European space. The European Year was an opportunity to underline the social and educational value of heritage, its economic significance, and its role in raising the profile of the EU in the world.

More than 23,000 events were held across Europe during the year, officially launched by Commissioner Tibor Navracsics at the European Culture Forum in Milan in December 2017. Together, the events reached close to 12.8 million people. They illustrated the cultural, social and educational value of heritage, its economic significance, as well as heritage's role in raising the profile of the EU in the world. Close to 14 2000 initiatives received the official la-

bel of the European Year of Cultural Heritage. In addition, the 2018 European Heritage Days – co-funded by the Culture Sub-programme of Creative Europe – engaged up to 30 million people in over 60 000 events across Europe, raising their awareness of the European dimension of cultural heritage.

In December 2018, as a lasting legacy of the European Year, the Commission published a European Framework for Action on Cultural Heritage with 65 actions to be implemented in 2019 and 2020.

Creative Europe contributed to the success of the EYCH in a number of ways. A dedicated EUR 5 million call for cooperation projects was launched. Twenty-nine outstanding projects were selected. From remembrance to contemporary creation inspired by cultural heritage, and from gastronomy and dance to archaeology and architecture, these projects made a vibrant contribution to the Year. In addition, a special event dedicated to European Film Heritage was organised in October at Lumière 2018, the Grand Lyon Film Festival of classic films. At the same time, thanks to a budget amendment by the European Parliament, cross-sectoral initiatives promoting integration of film and cultural heritage will follow up the EYCH in 2019 (see section on cross-sectoral collaboration).



◀ **Europa Nostra**, the leading European heritage organisation supported by Creative Europe, and the European Investment Bank Institute have announced the most threatened heritage sites in Europe for 2018. This new list of **7 Most Endangered** was announced during the European Year of Cultural Heritage. The aim is to provide technical advice, identify possible sources of funding and mobilise wide support to save these heritage landmarks.

# 03.

## **DELIVERING CREATIVE EUROPE**

In 2018, a total of 2 432 projects were supported by the Programme (2 195 by MEDIA and 237 by Culture), representing EUR 174 million of EU funding. This section provides a breakdown of how that budget was allocated and spent, giving an overview of the types of projects supported, the rate of budget execution, the participation of Member States and measures taken to simplify the participation of beneficiaries.

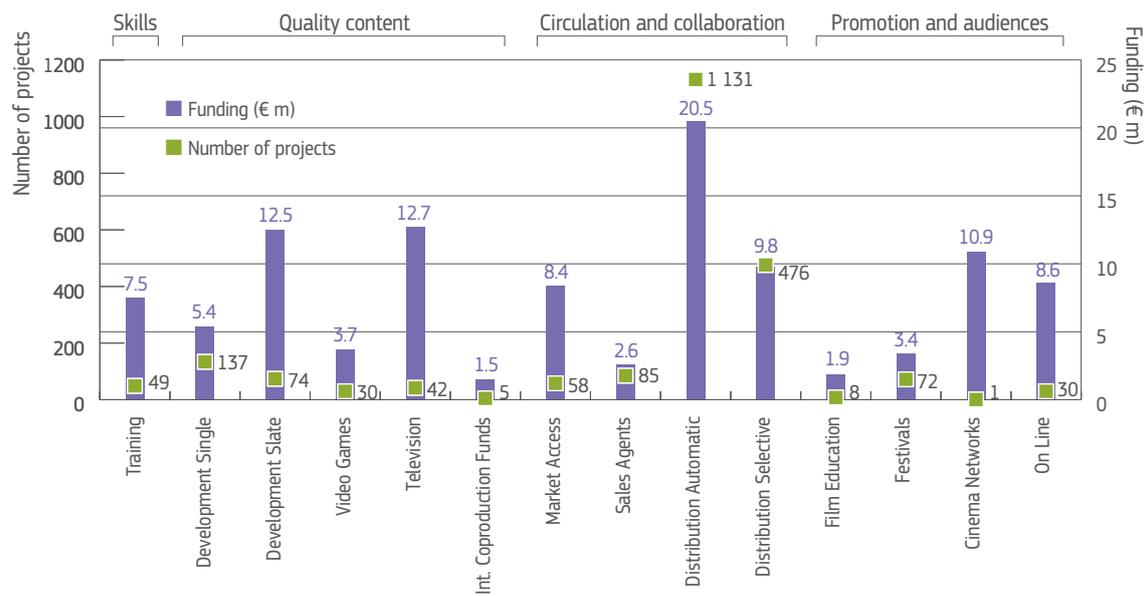
## OVERVIEW OF APPLICATIONS AND GRANTS BY SCHEME

An overview of the Sub-programmes is given below, showing how the support was organised to respond to the needs of the sectors.

MEDIA provides support along the whole of the value chain and has 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.

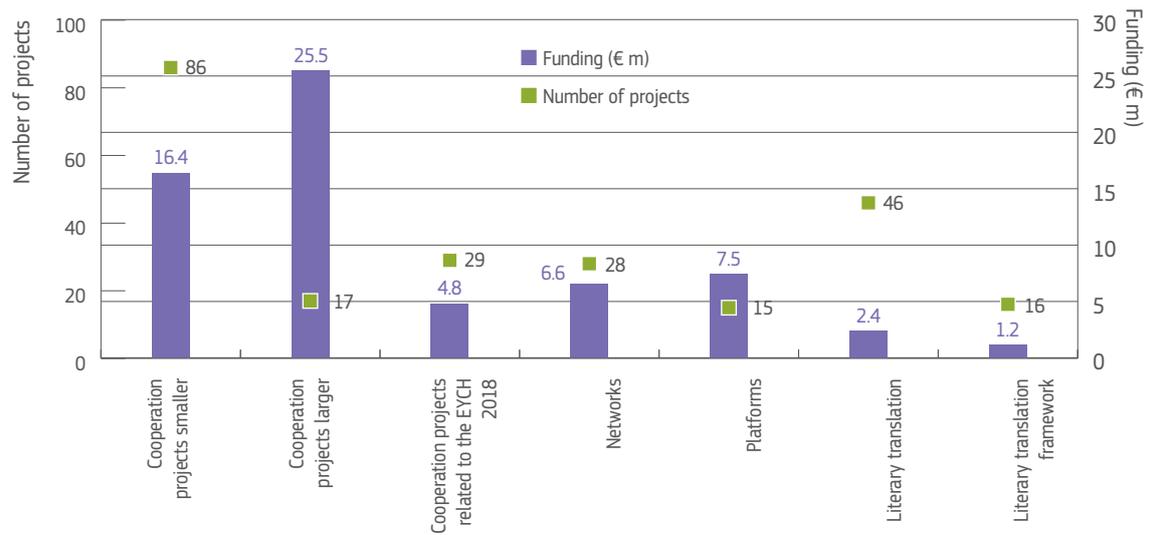
Figure 2: Distribution of MEDIA budget by scheme, 2018



In 2018, CULTURE support was channelled through four main schemes:

- > **Cooperation projects** offering an opportunity for organisations in Europe to team up and develop tailor made projects. This included a call for small and large-scale cooperation projects and exceptional cooperation linked to the European Year of Cultural Heritage (EYCH);
- > **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 books.

Figure 3: Distribution of Culture budget by scheme, 2018



## CONSISTENTLY HIGH ABSORPTION CAPACITY

The Creative Europe Programme has a consistently high absorption capacity. In 2018, under the Culture and MEDIA strands, 100% of the budget was committed and spent.

The success rate of applications is unfortunately low in several areas because a **high number of quality projects** could not be supported with the available budget. In the Culture Sub-programme, the average selection rate of the cooperation strand in 2018 was 14.8%. In MEDIA, the selection rate was as low as 1.9% in the Development Single scheme.

Table 2 illustrates the high demand for the programme and the number of high quality projects which could not be supported in 2018. It should be noted that the Commission has proposed for the period 2021-2027 a budget for the new Creative Europe programme, which corresponds to an increase of approximately 34 % in comparison to the current programme, in particular for the MEDIA and Culture sub-programmes. <sup>(7)</sup>.

Budget constraints are also apparent when beneficiaries receive reduced levels of support. The best example of this is Europa Cinemas, a very successful network of cinemas specialising in European films. Whilst the network has steadily grown by over 23% from 2209 screens in 2014 to 2709 in 2018, the budget has dropped by 1.5%, leading to a reduction in the average level of support per screen, equivalent to EUR 2.2 million.

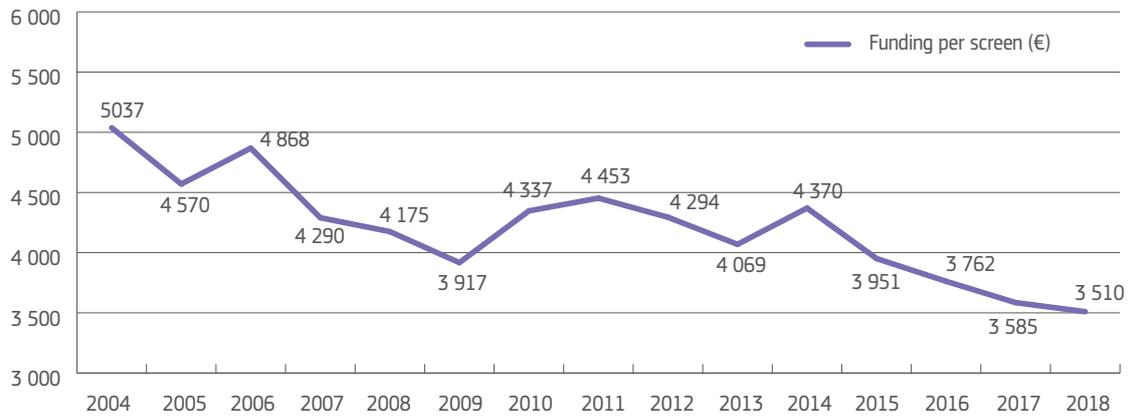
In other cases, the level of financial support has not kept up with the evolution of the market. This is the case of high quality TV series, which have become culturally more significant in recent years, attracting talent from the big screen and corresponding audiences, but whose production budgets have also grown to well over EUR 1 million per hour. For example, the series *Babylon Berlin* cost an estimated EUR 40 million whilst the MEDIA contribution was capped at EUR 1 million.

<sup>(7)</sup> Calculated on the basis of 75% as the high quality threshold

Table 2: Schemes with the highest shares of high quality applications rejected due to insufficient budget, 2018

Calls with lowest selection rate	High quality projects rejected	Hypothetical budget required to finance them [€ m]	Additional % of strand budget needed to finance them
Development Single Project	171	6.9	6.3%
Development Slate Funding	43	7.1	6.5%
TV Programming	32	11.1	10.2%
Festivals	22	0.9	0.8%
<b>SUB-TOTAL MEDIA</b>	<b>268</b>	<b>27.4</b>	<b>23.8%</b>
Cooperation projects smaller	30	5.7	8.9%
Cooperation projects larger	20	29.5	45.9%
<b>SUB-TOTAL CULTURE</b>	<b>50</b>	<b>35.3</b>	<b>54.8%</b>
<b>TOTAL CREATIVE EUROPE</b>	<b>318</b>	<b>62.4</b>	<b>35.8%</b>

Figure 4: Support per Europa Cinemas member screen (€, 2018)



^ Cinema Dom na Kinoto (Sofia, Bulgaria), member of the Europa Cinemas network. ©Alexander Stanishev

## A RELATIVELY SMALL BUDGET IN COMPARISON TO THE SIZE OF THE SECTORS

The size of the cultural and creative sectors is estimated at 4% of EU GDP or EUR 290 billion in added value <sup>(6)</sup>. The Creative Europe budget is relatively limited compared to the scale of the sector. In fact, Creative Europe funds for the period 2014–2020 are equivalent to an average of EUR 209 million per year, which represents only 0.07% of the value of the sector in Europe. This ratio emphasises the need to target support in those areas that offer most added value. **The mid-term evaluation of the Programme concluded that in order to have a structuring effect on the sector a significant budget increase would be needed.**

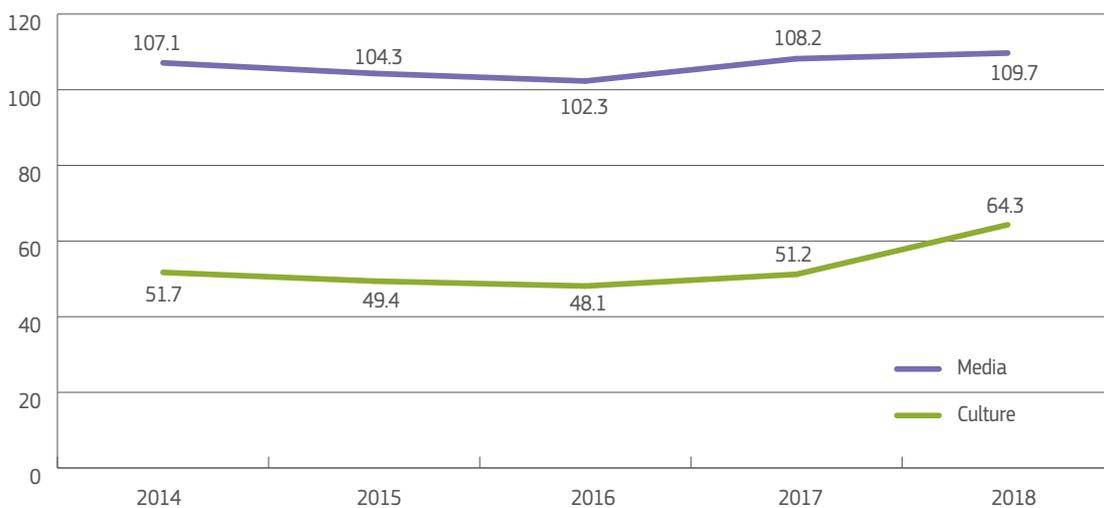
## SUPPORTING SMEs

The fabric of Europe’s cultural and creative sectors consists mainly of small or medium sized enterprises and cultural organisations. In the Culture Sub-programme, **small organisations are the main participants and beneficiaries** in cooperation projects. Over 70% of beneficiaries from 2014 to 2018 were micro or small organisations. They took part in cooperation, networking, exchange of good practice, mobility, co-production and capacity building opportunities of this scheme. In MEDIA as well the majority of beneficiaries qualify as SMEs.

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 collaboration and other business models which allow European players to scale up.**

<sup>(6)</sup> Eurostat, EIB

Figure 5: Annual budget of Creative Europe, 2014-2018 [€ million]



## SIMPLIFYING PARTICIPATION FOR BENEFICIARIES

A priority is to ensure wide and easy access to EU funds for European cultural organisations regardless of their size or location.

The Education, Audiovisual and Cultural Executive Agency (EACEA), which is in charge of implementing the Programme, **provides information and support to Creative Europe beneficiaries** (through annual kick-off meetings for example) and monitors funded projects (each project has a dedicated project officer). EACEA is moving toward paperless relations: it has created online application forms to facilitate access to the Programme and online reporting to collect data and success stories from funded projects. EACEA continuously provides feedback and policy support to the European Commission to improve guidelines and financial support.

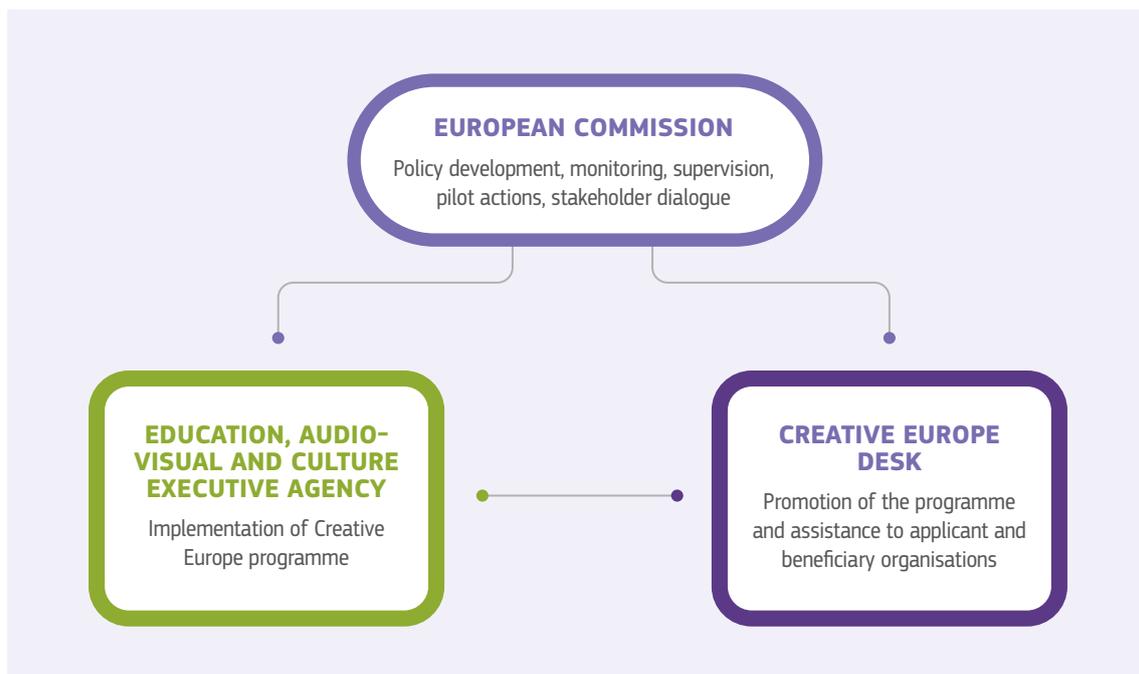
An evaluation survey sent by EACEA in 2018 to its applicants and beneficiaries showed that **79% of the Creative Europe respondents were satisfied with the service provided by the Agency**. The EACEA beneficiaries

assessed the courtesy, commitment and competence of the Agency's personnel most positively whilst the feedback on access to information, including the website and other information materials, showed there was room for improvement.

The Programme also has a **network of 44 Creative Europe Desks (CED) in all participating countries**. CEDs help the cultural and creative sectors access funding from Creative Europe (through advice and support to applicants), promote the Programme and help optimise the reach of funded projects.

More than three quarters of all applicants under Culture in 2018 indicated that they had contacted their local Creative Europe Desks before submitting an application. The share was lower in the MEDIA Sub-programme (43%) where some schemes with a high volume of applications do not need specific advice (e.g. Distribution Automatic). **Almost all applicants (99%) who contacted the desks before applying were satisfied with the services provided.**

Figure 6: Creative Europe institutional roles



## PARTICIPATION OF EU MEMBER STATES IN MEDIA

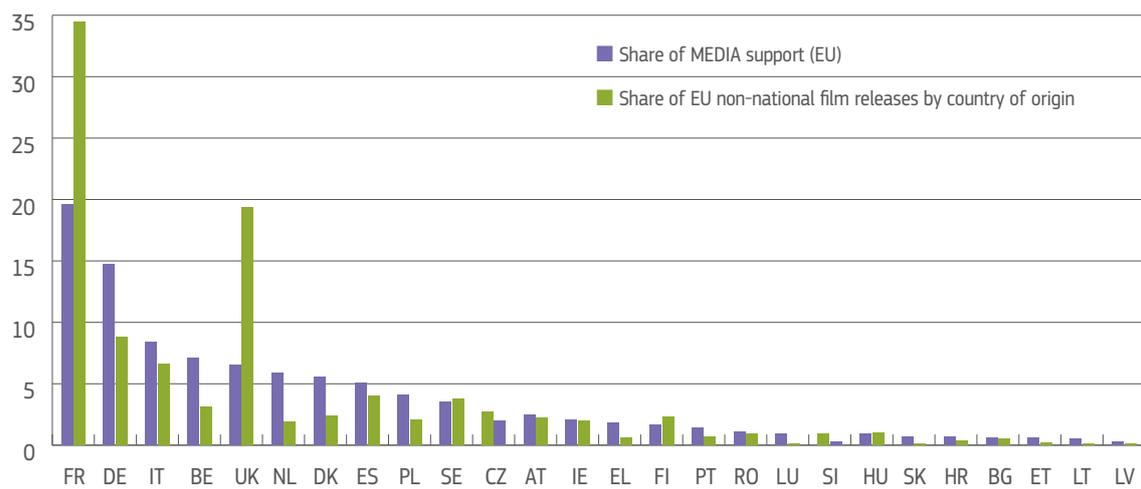
Creative Europe funds are awarded to projects on the basis of objective criteria, in order to identify the best, high quality applications, regardless of their origin. The participation rates of Member State participation in MEDIA vary widely and reflect, in particular, the differences between countries in their size and 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 a tendency for “lower capacity” countries to participate above the level that their relative size would suggest. Therefore MEDIA has an inclusive effect at the European level. The participation of EU Member States in MEDIA is given in Figure 7.

Furthermore, the transnational value of MEDIA needs to be fully acknowledged. It supports local distributors to distribute works from other countries and thus the producers are indirect beneficiaries. For example, in 2018, EUR 2.2 million were granted around Europe to distribute Belgian films and EUR 2 million for both Danish and Polish films.

MEDIA also supports European networks. In Table 3 the support to the members of the Europa Cinemas network is broken down on a country by country basis. However, the figure for Belgium includes 13 networks which for historical reasons are officially located in Brussels but in fact provide support to their members all over Europe.

MEDIA also prioritises support to co-productions, which bring creatives together to collaborate across borders. Whilst the budgeting is accounted for according to the split of the grant between co-beneficiaries, it should be recalled that these are joint projects. In the field of high quality TV series, where production costs are rising as competition for audiences stiffens, co-productions have added value as they can help bring together financing from different sources. Thus, co-productions help scale up productions and make them more competitive. MEDIA support is shared amongst the partners in line with their co-production agreements.

Figure 7. Member States' share of MEDIA support relative to share of non-national film releases



Source: 2017, Lumiere Database, European Audiovisual Observatory.

MEDIA is working towards a level playing field to ensure the participation in MEDIA of Member States with different capacities in the audiovisual field. A study published by MEDIA in 2018 makes recommendations for a comprehensive approach and suggested the following definition of a level playing field:

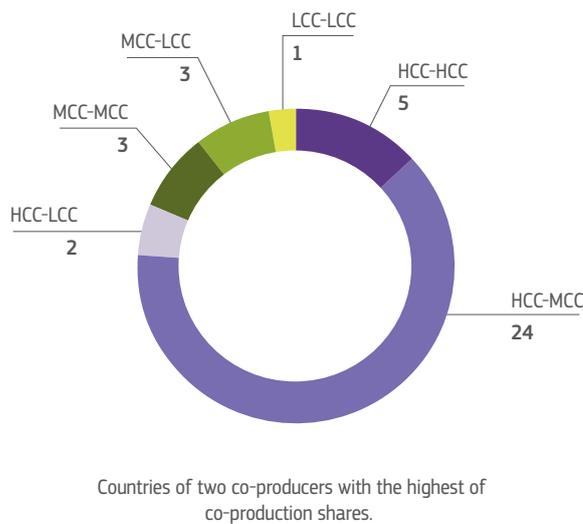
“A level playing field ensures that the MEDIA Sub-programme supports the best talent, wherever located, to operate across borders and internationally. It also ensures that MEDIA supports the needs of low capacity countries and or countries and regions with a restricted geographical and/or linguistic area, in particular through the transnational circulation of high-quality works that have the potential to travel from all Member States to audiences in all Mem-

ber States. It therefore supports the objective of MEDIA to foster cultural and linguistic diversity across Europe.”

In particular, the report recommended that both the production and distribution parts of the industry should be taken into account in assessing capacity in order to give a more holistic view. The study also proposed a number of options for measures to effectively support a level playing field whilst avoiding unintended distortions of MEDIA support.

The Commission will take the study into account and continue the dialogue with Member States. On this basis it will prepare proposals for a revised approach, under the successor programme post-2020, to facilitate participation of all Member States in MEDIA.

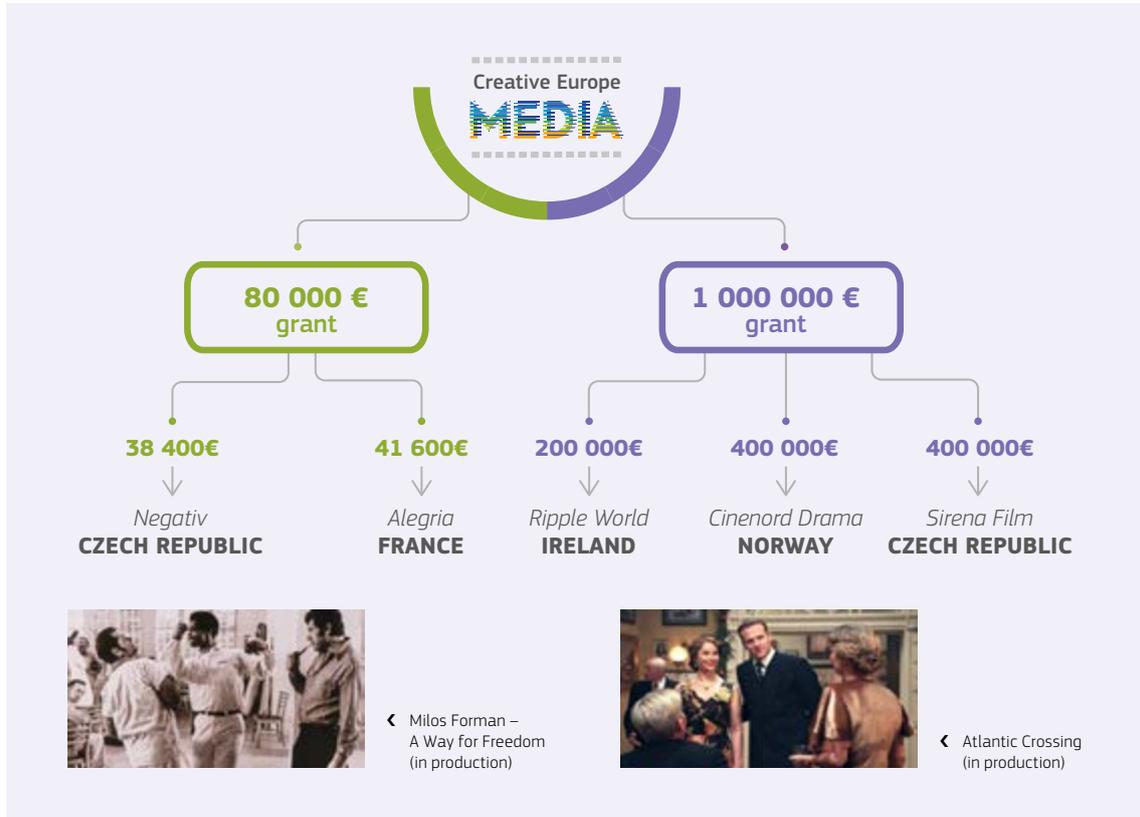
Figure 8: Co-production in TV Production scheme between different capacity countries



**Co-productions and TV works**

Co-productions are always a centre of attention in MEDIA schemes supporting the TV production phase. In support to TV series, co-productions account for almost 80% of all projects. Most involve countries with different languages and a party in a high audiovisual capacity country (HCC) and a medium audiovisual capacity country (MCC). The figures show that MEDIA has helped promote collaboration across borders, but there is more to do to promote more collaboration with low audiovisual capacity countries (LCC).

Figure 9: Split of MEDIA grants between partners in TV co-productions, 2018



# 04.

## **SAFEGUARDING CULTURAL DIVERSITY, STRENGTHENING COMPETITIVENESS**

Creative Europe support has two interlinked general objectives: to safeguard cultural and linguistic diversity and to strengthen competitiveness. European film and other cultural expressions reflect the diversity of Europe, while also showcasing our similarities. They thus 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, the cultural and creative sectors need to be economically robust industries to face **global competition** for investment and for audiences in a market which continues to grow worldwide and is driven by creativity and innovation. Creative Europe contributed to meeting these objectives in a number of ways, as explained in the next pages.

## REACHING WIDER AUDIENCES

**Audiences are at the heart of Creative Europe.** MEDIA helps European films and series find their audiences in competition with the dominance of Hollywood studios at the box office as well as the rise of global online platforms. The growing number of productions means that the competition for eyeballs is tougher than ever. Firstly, MEDIA supports distribution of content to people across different channels from cinema to TV and VOD. Secondly, it helps stimulate the demand and appreciation for the unique character of European films by supporting film festivals and film education activities, focusing on the young to help build the next generation of cinema lovers.

In 2018, completed MEDIA projects reached an audience of than 122 million people through all these activities <sup>(9)</sup>.

**MUSIC**, supported by the Culture Sub-programme, is a good example of a sector where Creative Europe can bring benefits by helping less represented genres or countries expand their audience outside their home country in Europe and beyond. In 2018 an estimated 20 music projects were financed by the Culture Sub-programme across different schemes, linking the diversity of European music to new audiences.

<sup>(9)</sup> The number of 122 million is based only on reports from distributors which were MEDIA beneficiaries, which means that the overall consumption of MEDIA-supported works may be higher.

**FEDORA** – The European Circle of Philanthropists of Opera and Ballet (supported platform) – has developed new business and funding models: it offers prizes for promising opera and ballet co-production teams. When it received a grant from Culture, corpo-

rate sponsors perceived it as an endorsement of the platform's credibility and ambitions, and subsequently FEDORA managed to obtain new private sources of funding.



◀ Le syndrome ian 1  
© Marc Coudrais

**LITERATURE** is another example where safeguarding diversity at European level requires positive action. European books – 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. The Culture Sub-programme supports European publishers in their relentless efforts to bring European books to diverse readerships. It supports around 60 publishers every year, and in 2018 an estimated 440 books were translated and promoted via traditional and digital channels. With more than 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.

Thanks to the Culture Sub-programme, Croatian publisher VBZ has raised its profile in its own country by creating a prestigious "Around Europe in 30 books" collection with books from 30 countries demonstrating the richness of European literature, whilst Iperbora, an Italian publisher specialising in Nordic literature, has been able to diversify into children's books.

**LIVEUROPE** (supported platform) is a platform supporting concert venues in their effort to promote the circulation of emerging European artists outside their home country. It works as a safety net to encourage music venues to take risks and book more acts outside their geographical comfort zone. Thanks to the Culture Sub-programme of Creative Europe,

Liveurope has established an incentive funding mechanism encouraging venues to book more young European artists. Since its launch in 2014, Liveurope has supported over 1 800 artists (on average 360 artists per year) of more than 30 nationalities and currently has members in 14 countries.



◀ Liveurope KinoSiska  
© NejcKetis

## 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.

In 2018 (Table 3), **34 films supported by MEDIA won 61 major international prizes**, compared to 50 prizes won in 2017.

The Programme also supports prizes and awards across the other cultural and creative sectors. These are organised by representative organisations to reward emerging talents and give more visibility to European cultural richness and creativity.

Table 3: MEDIA-supported films recognised with an award announced in 2018

Film (original title, director)	Country of production	No of awards	Ceremony	Category
<b>COLD WAR</b> (Zimna wojna, dir. Pawel Pawlikowski)	PL, UK	6	Cannes	Best Director
			European Film Awards	Screenwriter; Film; Director; Actress; Editor
<b>GIRL</b> (dir. Lukas Dhont)	BE, NL	6	Cannes	Un Certain Regard Best Performance; Un Certain Regard FIPRESCI Award; Camera d'Or
			San Sebastian	Audience Award for Best European Film; Premio Sebastiane
			European Film Awards	European Discovery – FIPRESCI Award
<b>DOGMAN</b> (dir. Matteo Garrone)	IT, FR	4	Cannes	Best Actor
			European Film Awards	Actor; Costume Designer; Hair and Makeup Artist
<b>THE HEIRESESSES</b> (Las Herederas, dir. Marcelo Martinessi)	PY, FR, DE, BR, IT	4	Berlinale	Silver Bear Alfred Bauer Prize; Silver Bear for Best Actress; FIPRESCI Critics Prize; Teddy Readers' Award
<b>THE BREADWINNER</b> (dir. Nora Twomey)	IE, CA, LU, US	3	Annecy	Jury Award; Audience Award; Best Original Music
<b>RED</b> (Rojo, dir. Benjamin Naishtat)	AR, BR, FR, NL, DE, BE	3	San Sebastian	Silver Shell for Best Director; Silver Shell for Best Actor; Best Cinematography
<b>ANOTHER DAY OF LIFE</b> (Un día más con vida, dir. Raúl de la Fuente; Damian Nenow)	PL, ES, DE	2	San Sebastian	Audience Award
			European Film Awards	Animated Feature Film
<b>BORDER</b> (Gräns, dir. Ali Abbasi)	SE, DK	2	Cannes	Un Certain Regard
			European Film Awards	Visual Effects Supervisor

Film (original title, director)	Country of production	No of awards	Ceremony	Category
<b>CALL ME BY YOUR NAME</b> (Chiamami col tuo nome, dir. Luca Guadagnino)	IT, FR, BR, US	2	Oscar	Best Adapted Screenplay
			European Film Awards	People's Choice
<b>IN THE AISLES</b> (In den Gängen, dir. Thomas Stuber)	DE	2	Berlinale	Prize of the Ecumenical Jury; Guild Film Prize
<b>THE FAVOURITE</b> (dir. Yannis Lanthimos)	IE, UK, U	2	Venice	Silver Lion Grand Jury Prize; Coppa Volpi for Best Actress
<b>TOUCH ME NOT</b> (dir. Adina Pintilie)	RO, DE, CZ, BG, FR	2	Berlinale	Golden Bear for Best Film; GWFF Best First Feature
<b>UTØYA: JULY 22</b> (Utøya 22. Juli, dir. Erik Poppe)	NO	2	Berlinale	Special Mention Ecumenical Jury;
			European Film Awards	Cinematographer (Prix Carlo di Palma)
<b>3 DAYS IN QUIBERON</b> (3 Tage in Quiberon, dir. Emily Alef)	DE, AT, FR	1	European Film Awards	Composer
<b>A FAITHFUL MAN</b> (L'homme fidèle, dir. Louis Garrel)	FR	1	San Sebastian	Best Screenplay (ex aequo)
<b>A FANTASTIC WOMAN</b> (Una Mujer Fantástica, dir. Sebastián Lelio)	CO, DE, ES, US	1	Oscar	Best Foreign Language Film
<b>BERGMAN – A YEAR IN A LIFE</b> (Bergman – Ett År, ett Liv, dir. Jane Magnusson)	SE, NO	1	EFA	Documentary
<b>CLIMAX</b> (dir. Gaspar Noe)	DE, BE	1	Cannes	Directors' Fortnight Art Cinema Award
<b>DONBASS</b> (dir. Sergei Loznitza)	DE, UA, FR, NL, RO	1	Cannes	Un Certain Regard Best Director
<b>FUNAN</b> (dir. Denis Do)	FR, LU, BE	1	Annecy (MIFA)	Crystal for a Feature Film
<b>HAPPY AS LAZZARO</b> (Lazzaro Felice, dir. Alice Rohrwacher)	IT, CH, FR, DE	1	Cannes	Best Screenplay
<b>HIGH LIFE</b> (dir. Claire Denis)	UK, FR, DE, PL, US	1	San Sebastian	FIPRESCI Prize
<b>IN THE FADE</b> (Aus Dem Nichts, dir. Fatih Akin)	DE, FR, IT	1	Golden Globe	Best Motion Picture – Foreign Language
<b>MUG</b> (Twarz, dir. Malgorzata Szumowska)	PL	1	Berlinale	Silver Bear Grand Prix Jury
<b>QUIÉN TE CANTARÁ</b> (dir. Carlos Vermut)	ES, FR	1	San Sebastian	Premio FERROZ Zinemaldia
<b>THE BIG BAD FOX AND OTHER TALES...</b> (Le Grand Méchant Renard et Autres Contes, dir. Patrick Imbert, Benjamin Renner)	FR, BE	1	Annecy	André-Martin Award for French Feature Film

Film (original title, director)	Country of production	No of awards	Ceremony	Category
<b>THE CAPTAIN</b> (Der Hauptmann; dir. Robert Schwentke)	DE, FR, PL, CN	1	European Film Awards	Sound Designer
<b>THE DAY I LOST MY SHADOW</b> (dir. Soudade Kaadan)	SY, FR, LB, QA	1	Venice	Lion of the Future (L. de Laurentiis Venice Award for a Debut film)
<b>THE DEATH OF STALIN</b> (dir. Armando Iannucci)	UK, FR, BE, CA, US	1	European Film Awards	Comedy
<b>THE PRAYER</b> (La Prière, dir. Cédric Kahn)	FR	1	Berlinale	Silver Bear for Best Actor
<b>THE TROUBLE WITH YOU</b> (En Liberté! dir. Pierre Salvadori)	FR	1	Cannes	Semaine de la Critique SACD Award
<b>SAMOUNI ROAD</b> (La Strada dei Samouni, dir. Stefano Savona)	IT, FR	1	Cannes	Golden Eye
<b>SOFIA</b> (dir. Meryem Benm'Barek-Aloisi)	FR, QA, BE, MA	1	Cannes	Un Certain Regard Best Screenplay
<b>WOMAN AT WAR</b> (Kona fer í stríðu, dir. Benedikt Erlingsson)	IS, FR, UA	1	Cannes	Semaine de la Critique SACD Award

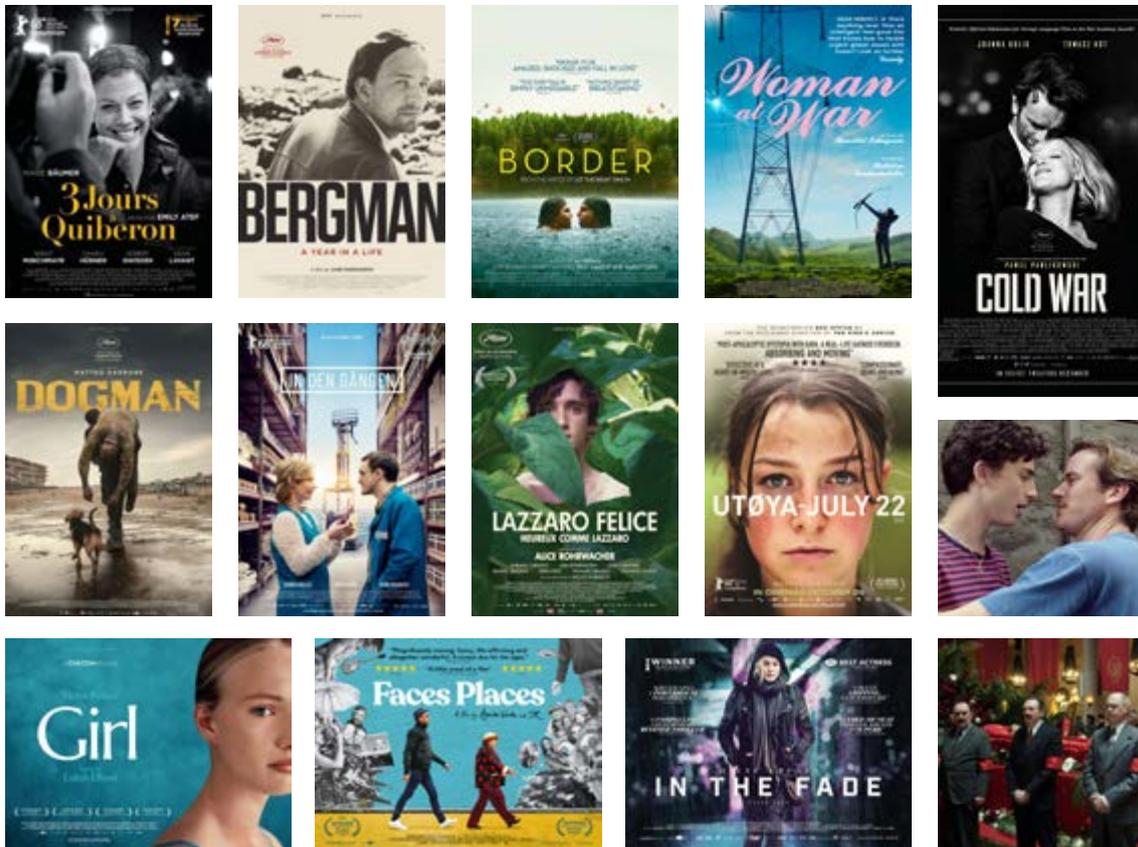


Table 4: Culture-supported awards



### YOUNG TALENT ARCHITECTURE AWARD (YTAA)

2018 saw the second edition of the YTAA, a joint initiative of Creative Europe, the Fundació Mies van der Rohe, the Architects' Council of Europe and the European Association for Architectural Education. It supports recently graduated Architects, Urban Planners and Landscape Architects by rewarding the best diploma projects of the last two years in Europe and beyond (with China and South Korea as guest countries in 2018). The four winners in 2018 – selected from 334 projects submitted by 451 students – were Hendrik Brinkmann (DE), Julio Gotor Valcárcel (ES), Matthew Gregorowski (UK) and Loed Stolte (NL).



### 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, 108 emerging authors from 37 European countries have been translated into several languages and reached new markets thanks to this Prize. In 2018, to celebrate the prize's 10th anniversary, all the laureates were invited to take part in a special contest on Europe: "A European story: EUPL winners write Europe".



### MUSIC MOVES EUROPE TALENT AWARDS (MMETA)

In 2018 the MMETA replaced the European Border Breakers Awards (EBBA) as the annual EU prize for popular and contemporary music. In past years, the EBBA has launched the careers of Adele, Stromae and Dua Lipa. In 2018 the aim remained the same: to reward the transnational and cultural ambitions of young musicians, like the Spanish artist Rosalia (R'N'B/Urban), British Bishop Briggs (Pop), Icelandic Reykjavíkurdætur (rap) or Swedish Albin Lee Meldau.



### EUROPA NOSTRA AWARDS

Also called European Heritage Awards, these recognise exemplary accomplishments in conservation, research, dedicated service, education and awareness-raising in the area of heritage. In 2018 there were 29 laureates, including the network of NGOs protecting Venice and a public educational programme for youth in Finland.

## LEVERAGING INVESTMENT, SUPPORTING GROWTH

Creative Europe achieves an economic impact that is greater than its financial support by encouraging investments from multiple partners to build projects together.

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 quality mark and to leverage funds from other sources. In 2018 total MEDIA support of EUR 110 million leveraged EUR 350 million from other funding sources for a total of EUR 460 million. This represents a leverage ratio of more than three.

In addition, MEDIA beneficiaries, which are typically audiovisual SMEs, report that the support has helped them to consolidate their position in a very competitive environment, with 98% of beneficiaries reporting an improved market position due to MEDIA support <sup>(10)</sup>.

**Creative Europe funding acts as guarantee** of quality which helps organisations to attract other investments (be it public or private). For instance, the 237 Culture projects selected in 2018 raised more than EUR 50 million of investments 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, enhance cultural participation, as well as improve accessibility to cultural works.

### INVESTING IN THE DEVELOPMENT OF PROJECTS

In 2018 EACEA conducted a survey among producers who had received MEDIA grants in 2014 and 2015 for the development of their projects (Development Single, Development Slate and Video Games). This survey collected data on whether the projects were finally produced and, if so, how they performed. A total of 613 ex-beneficiaries responded (response rate of 66%), with 51% reporting that their projects had either been produced or were still in production. The remaining projects were either still in development, abandoned or put on hold.

Of the film projects produced or in production, 59% became co-productions with a company from another country. Looking back, 89% of beneficiaries reported an increase in the market position of their company. **The MEDIA support is identified as a seal of quality and the funding was often crucial for the feasibility of the projects**, whether the beneficiary was producing the EUR 40 million Babylon Berlin or a EUR 70 000 creative documentary.

<sup>(10)</sup> EACEA final reports

## EUROPEAN CAPITALS OF CULTURE

The European Capital of Culture (ECOC) initiative has proved to be an excellent stimulus for cultural diversity, creativity and... investment. The two 2018 ECOCs, Leeuwarden in the Netherlands and Valetta in Malta, received EUR 1.5 million from Creative Europe (the Melina Mercouri Prize). In 2018, Friesland, the region around Leeuwarden, was visited by a record number of 5.4 million tourists. The economic impact of the ECOC in the region, including the spending generated by extra tourists and revenues for the cultural sector, is estimated at around EUR 300 million. There were a total of 1 600 international cultural collaborations during the year while 70% of the Frisian population was involved in ECOC-related projects and 10% acted as volunteers.

In 2018, the Commission received the ex-post evaluation of the previous edition\*, when the ECOCs were Danish Aarhus and Cypriot Pafos. The study found that Aarhus 2017 reached an audience of 3.3 mil-

lion people, helped create 1 965 full-time jobs in the Central Denmark Region and increased private sector turnover by EUR 159 million, while the return on public investment in the initiative was 300%. With a population of only 35 000, Pafos was one of the smallest ECOC hosts ever. The city's small size inspired all citizens, both local residents and the international expatriate community, to actively engage with the Programme, including through a Volunteer Programme that mobilised more than 350 people. Pafos 2017 also offered a platform for physical improvements to cultural facilities.

Matera (Italy) and Plovdiv (Bulgaria) are the two 2019 ECOCs. Upcoming ECOCs are: Rijeka (Croatia) and Galway (Ireland) in 2020; Eleusis (Greece), Timișoara (Romania) and Novi Sad (Serbia) in 2021; Kaunas (Lithuania) and Esch (Luxembourg) in 2022; and Veszprém (Hungary) in 2023.

\* [https://ec.europa.eu/programmes/creative-europe/sites/creative-europe/files/ecoc\\_2017\\_ex\\_post\\_evaluation\\_final\\_report.pdf](https://ec.europa.eu/programmes/creative-europe/sites/creative-europe/files/ecoc_2017_ex_post_evaluation_final_report.pdf)



◀ Leeuwarden-fryslân 2018  
© Chris Mangion (Valletta) 2018

## EQUAL OPPORTUNITIES

Creative Europe Culture has also placed emphasis on sustaining projects that seek to remove barriers and that encourage the social inclusion and the cultural participation of underrepresented and disadvantaged groups, contributing to social wellbeing and solidarity. To this end, nearly all funded projects address one or several equal

opportunities themes. Gender equality, migrants, race and ethnic origin are especially high on the agenda together with disability and special needs. Other frequently addressed themes are ageing, sexual orientation and religion/beliefs.

### EQUAL MASTERY OF ARTISTS WITH DISABILITIES

**UN-LABEL** – New Grounds for inclusive Performing Arts (supported cooperation project) aims to celebrate uniqueness under the simple assumption that 'there is no identity without otherness'. Professional performers, experienced cultural workers, scientists and artists invested their skills and creativity in a dynamic inclusive dialogue. A group of eight mixed-abled young artists were trained through tandem workshops to form the core team of the project. The project worked with over 100 artists with and without disabilities from 13 European countries to explore the artistic possibilities of multidisciplinary inclusive stage works.



▲ Performance UnLabel  
© Ylmaz Ulus



### HERITAGE AND EQUAL OPPORTUNITIES

**HERITAGE CONTACT ZONE** (supported cooperation project) has as its goal the promotion of a new and inclusive sense of inheritance of European cultural heritage. Starting from the idea that heritage sites constitute powerful 'contact zones' for processing contested aspects of history, the project created five local exhibitions of 'new' European heritage, which include objects and stories of marginalised communities. Public spaces in France, Greece, Hungary, the Netherlands and Romania testified to conflictual and neglected narratives of European heritage, including Dutch colonialism, the North African diaspora, Roma heritage, totalitarianism, or

European wars. The project developed participatory capacities at cultural and heritage institutions to enhance a sense of belonging for all citizens.



▲ Heritage Contact Zone  
© Lena Birkhold



## INTERCULTURAL DIALOGUE

**ORPHEUS & MAJNUN** (supported cooperation project) is a participatory opera project fusing the ancient Greek myth of Orpheus and Eurydice with the famous Arab love story of Layla and Majnun, which both reflect basic, essential human experiences: love, existential loss and longing. It connected seven European partnering institutions, their stakeholders and community groups. It was also a flagship event of Valetta, European Capital of Culture 2018.



Orfeo & Majnun\_Rehearsal  
© H. Segers - La Monnaie De Munt



**PHONE HOME** (supported cooperation project) was inspired by real-life stories related to displacement and migration. By bringing together community-based theatre work, new forms of interaction and audience participation, spectators were conducted into a thrilling experience: three theatres from different countries co-generated a performance to be watched simultaneously at the respective venues, while being interlinked via video-conferencing. This use of technology corresponded to the topic of the project: miscommunication on all levels with regard to refugees and migration.



**THE ROSE AND THE THORN** (supported cooperation project) is a 2018 circus variation on Shakespeare's Romeo and Juliet. JR Circus's project held workshops in Italy, the Netherlands, Romania and the UK to unite the international crew and develop the show. It transformed Romeo and Juliet into an acrobatic struggle between love, hate, intercultural dialogue and EU integration.



# 05.

## **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. At the same time, global online players are growing 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 find markets and be seen 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.

## FOSTERING TALENT AND SKILLS AT EUROPEAN LEVEL

Few other industries have adopted the on-the-job, learning-by-doing, lifelong-learning approach to the extent present in the audiovisual industry. A university degree is never enough in this sector, so participating in professional training is a must for every beginning and experienced filmmaker. This is why MEDIA devotes considerable amounts to supporting the most cutting-edge workshop organisers in Europe. Some of the training courses supported in 2018 targeted precise groups of film professionals (e.g. scriptwriters), some a special market segment (e.g. animation) and some were aiming at inter-sectoral creative cross-fertilisation.

MEDIA-supported professional training courses cover the full spectrum of skills needed in the audiovisual world: high-tech technical, business-related and creative. There was an even split of male and female participants among the total number of **2 839 professionals** trained. Every project recruited participants from different countries. The following endorsement by the accomplished Serbian

documentary filmmaker Mila Turajlić, shows the added value of this action:

“ The pan-European system of training programmes created by MEDIA has been incredibly important for my professional career – from the practical learning to the network and friends and collaborators, it essentially provided me with a roadmap through the European audiovisual landscape, and for this I am incredibly grateful. It also opened the doors to the industry for me when I was starting out, because it sets in place relationships where young and first-time filmmakers can easily access their more experienced colleagues which made me feel like a welcome member of the community ”

In 2018 **54 training courses in 16 countries were held with MEDIA support**. 2 839 participants in those courses came from a broad range of countries, with those from smaller countries participating relatively more.

Figure 10: Profession of the participant, as declared in a survey during training programmes, 2018



**SERIAL EYES**



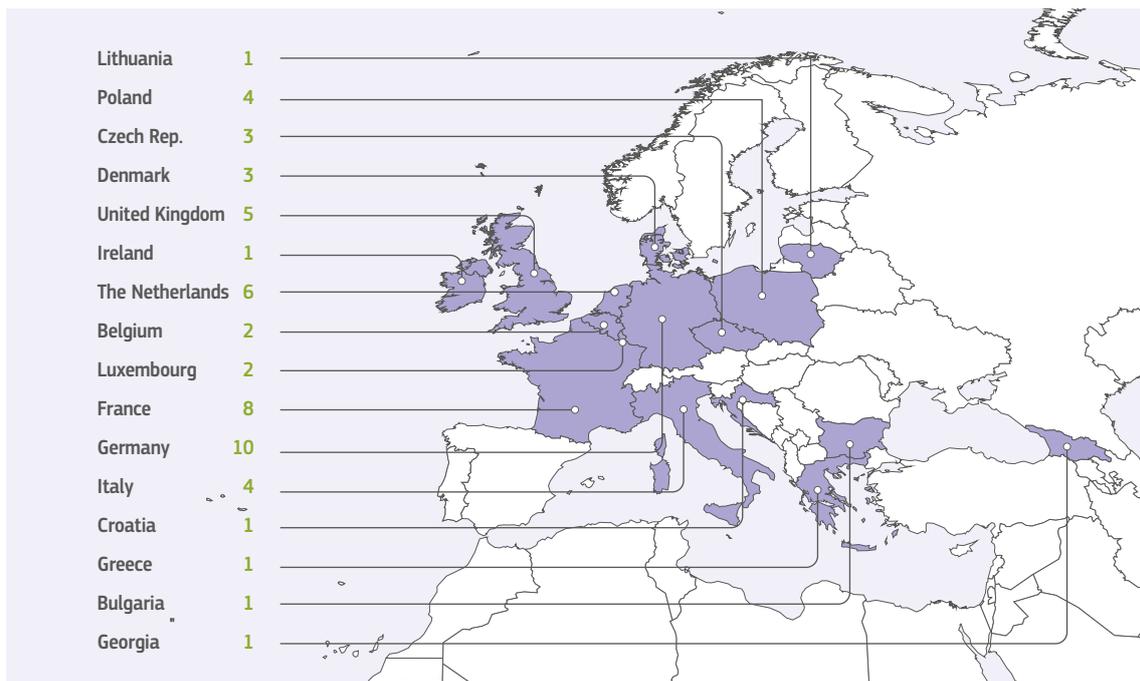
Serial eyes prepares the next generation of European TV writers and producers to bring first-class storytelling to television screens. The writers' room experience is at the core of the Programme: the twelve Serial Eyes participants learn to work as a group and develop a European model of showrunning. They are taught in Germany, the UK and Denmark by US and European showrunners, head writers, producers and commissioning editors who mentor, lecture and train in writing and pitching.

**ACE**



ACE is an exclusive network of experienced independent film producers from Europe and beyond. It has 220 members, who often collaborate. 16-20 new producers are selected every year for the ACE programme of advanced training, after which they are welcome in the network. During the year of training they receive advice on their projects from consultants with outstanding track records in story development, financing and international distribution. The alumni include producers of such significant 2018 films as Girl and Happy as Lazzaro.

Map 2: MEDIA-supported training programmes by hosting country, 2018



## 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 2018 MEDIA dedicated 31% of its budget to the creation of quality content.

Development funding supports the crucial phase when a project is born. The key elements are brought together, including the financial partners, the script and the distribution strategy. This will help determine if production should go ahead. Altogether **in 2018 MEDIA secured financial resources for the development of around 413 new film concepts for a total of over EUR 17 million**. Priority is given to co-productions as they are more effective in reaching audiences, representing 60% of cross-border audiences for films.

TV remains the most popular form of cultural expression and is a very dynamic area, reaching cross-border audiences with compelling, new types of stories <sup>(11)</sup>. MEDIA

contributes to this creativity by supporting the production of TV series 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. In 2018 almost EUR 13 million was made available to 42 TV works (series and documentaries), with four co-productions being awarded the maximum grant of EUR 1 million.

The experience of 2018's *My Brilliant Friend* shows how MEDIA's contribution to high-budget drama pays off. The EUR 1 million investment helped secure a top-level budget, allowing the production of a high quality series which was sold in many territories and was able to compete in the market against big budget US productions.

Looking ahead, MEDIA will contribute to identifying solutions for simplification of the co-production process in order to exploit their potential more fully.

<sup>(11)</sup> *Production and circulation of TV fiction*, European Audiovisual Observatory, January 2019. TV series of 3-13 episodes, which can be regarded as high-end TV series, account for 45% of all titles and 22% of all hours. This is the format that travels best and represents the majority of non-national titles.



◀ SeriesLab at TorinoFilmLab  
©TorinoFilmLab

**FEMALE CHARACTERS STOLE THE LIMELIGHT IN 2018**

**MY BRILLIANT FRIEND (L'AMICA GENIALE),**  
dir. Saverio Costanzo

My Brilliant Friend was co-produced by Italian Wildside and Belgian Umedia, with the backing of broadcasters including Italian RAI and US based HBO, which secured sales to over 150 territories. It was a unique, creative example of private and public broadcaster collaboration. This eight-episode drama series is based on the acclaimed novel by Elena Ferrante, which tells the story of spontaneous, life-long, difficult friendship of two talented girls growing up in the poverty of post-war Naples. The Italian premiere attracted almost 8 million viewers (30% of the total audience). MEDIA contributed EUR 1 million to this EUR 30 million budget production.



See trailer at: >



**THE FAVOURITE,**  
dir. Yorgos Lanthimos

In the autumn of 2018 one of the most acclaimed European directors of his generation, Yorgos Lanthimos presented audiences with a period comedy-drama about plots, ambition, jealousy and power. The story is based on real events at the British court of Queen Anne. Deborah Davis started writing the script in 1998! When it was ready in 2003, it was developed by the British company Scarlet Pictures with the support of EUR 50 000 from MEDIA. When it was finally produced in 2018 it became “the favourite” of juries immediately upon release, starting with winning Silver Lion Grand Jury Prize in Venice. This dissecting, precise drama revolves around three female characters. British actress Olivia Colman’s lead role was awarded with an Oscar, Venice’s Coppa Volpi, a Golden Globe, a BAFTA and Rachel Weisz received the BAFTA award and Oscar nomination for a supporting role.



See trailer at: >



## CIRCULATION AND COLLABORATION ACROSS BORDERS

MEDIA support is key to allow films to be distributed across Europe, with a focus on reaching the magic of the big screen in cinemas through dedicated support for distribution as well as for online, with the aim of reaching wider audiences. **In 2018 MEDIA supported the theatrical release of over 500 films across borders.**

Distributors and sales agents are given support to distribute films of their choice. The funding is calculated on the basis of their box-office results in order to reward success in reaching audiences, as experience shows that distributors are prudent when targeting territories, with an average reach of 2.4 territories per film in 2017. Implementation was simplified in 2018, so that each distributor was awarded a single grant covering the different films in their portfolio, thus lightening the application process. In addition, 19 films were selected for wide distribution across an average of 25 countries through consortia of distributors. Online release costs were also eligible, to accompany the theatrical release where relevant.

In 2018, a new approach was developed to enable sales agents and distributors in consortia to work much more closely together to give European films the best possible chance to reach audiences. This approach will be rolled out in 2019. A film for distribution, which will be selected on the basis of the content as well as the marketing strategy, will be supported through a single grant covering multiple territories. This will make for better co-ordination not just across EU borders but also across the value chain. Thus producers, sales agents and distributors will share marketing material, know-how and important feedback to increase the impact of promotion campaigns.

Support was also given in 2018 to facilitate the release of works in multiple territories through business-to-business promotional activities as well as facilitating access for European professionals to audiovisual markets and exhibitions, in Europe and beyond.

The latest data available shows that the circulation of films evolved positively over the period 2013-2017. In particular, the number of films with more than five release markets increased by 11% to 225 and the number of films with more than 10 release markets increased by 19% to 129. In addition, the market share of European films distributed across borders has grown. Whereas in 2013, 26% of audiences for European films were cross-border, this had grown to 30 % by 2017 <sup>(12)</sup>. Audience results in 2018 are illustrated by Table 6 on the top cinema admissions for MEDIA supported films:

Together, these figures show that there has been structural growth in the circulation and audiences of European films within the EU. Thus, the support that MEDIA has consistently given to building a European audiovisual ecosystem has contributed to a positive impact.

Furthermore, there has been an increase in the export of European films to global markets. In 2013, 566 films were exported, whereas by 2017 this had increased to 671, a rise of 19%. MEDIA has contributed to this growth through its support to the promotion of European cinema in global markets, including the US and in Asia.

The answers of 2014-2015 Development beneficiaries in the survey cited previously and whose projects had been distributed by 2018 show that 80% of the finished projects were distributed in another country. On average, a film was distributed in 9.7 countries (6.9 MEDIA countries). Between MEDIA countries, there are certain patterns, with distribution focusing on neighbouring countries or countries with the same language. In terms of distribution elsewhere, 40% of the projects were distributed in the USA, 30% in Canada, 23% in Japan and 20% in China.

<sup>(12)</sup> European Audiovisual Observatory Lumière Database

Table 5: Top cinema admission results for MEDIA-supported films, 2018 \*

TITLE	Film Nationality	Main producer	Admissions in EU, outside country of origin
PADDINGTON 2	UK	Marmalade Films	4 545 730
DEMAIN TOUT COMMENCE	FR	Mars Films	3 716 760
VALERIAN AND THE CITY OF A THOUSAND PLANETS	FR	Valerian SAS	3 689 547
THE SON OF BIGFOOT	BE	Movi3D: nWave Pictures	2 346 096
HAPPY FAMILY	DE	United Entertainment	1 132 863
THE SQUARE	SE	Platform Produktion	1 112 100
TOIVON TUOLLA PUOLEN	FI	Sputnik Oy	754 756
A UNITED KINGDOM	UK	Pathe Productions Ltd	702 645
OZZY	ES	Pachacamac	695 325
THE LITTLE VAMPIRE 3D	DE	First Look	628 206

Source: MEDIA Sub-programme data

**COLD WAR** – One of the most awarded European films of 2018 was Pawel Pawlikowski's Cold War (original title: Zimna wojna). This Polish-French-UK coproduction depicts an intimate love story between two fatefully mismatched Polish musicians who cannot stand being apart but also sometimes cannot stand each other either. The film is inspired by the director's parents and set against the background of the Cold War in the 1950s in Poland, Berlin, Yugoslavia and Paris. It received the award for Best Di-

rector at the Cannes Film Festival in 2018; was the great winner of the European Film Awards 2018 with several prizes and was nominated for the Oscars. It is a good example of a Creative Europe MEDIA-supported success story as it received EUR 60 000 from MEDIA Slate funding development in 2014 and was later supported in distribution for a total amount of nearly EUR 1.1 million for the release in 26 territories. Its global box office by spring 2019 was estimated at EUR 18 million.



^ See trailer at:



## LUMIÈRE VOD, THE ONLINE DIRECTORY OF EUROPEAN FILMS

Lumière VOD aims to increase the circulation of European films by facilitating greater availability of works online through video on demand services (VOD). The project was launched by Commissioner Mariya Gabriel in 2017 as an important tool in ensuring that European films attract the audiences they deserve.

The principal function of the online Directory of European Films is to collect and show, in a clear and user-friendly way, where European films are available online. Such a clear database will contribute to identifying new market opportunities for European films and to the emergence of innovative businesses in the growing online market (e.g. other online tools). At the same time, the Directory is a support to the correct implementation of the provisions on promotion of European works in the AVMS Directive (monitoring of the quotas, i.e. the requirement for platforms to offer – and display prominently – 30% of European films in their catalogues). VOD services will update the information from their catalogues on a voluntary basis.

The Directory is a free, publicly available website catalogue, which is an **on-line transparency tool** featuring data on European films and their availability in VOD services in different Member States. It will be useful as a reference point to many groups of users:

- › consumers interested in watching a film online (the catalogue will be searchable by the title, name of director etc.);
- › national authorities to be better informed on the offer of European films in their country;

- › producers, distributors, VOD services etc. to adapt their activities and improve the availability of films.

The Directory is the fruit of collaboration between MEDIA and the European Audiovisual Observatory, which is responsible for the development and maintenance of the tool. The concept was refined and adapted during four rounds of consultations with industry stakeholders. It has received wide support from the industry and during the 2018 Cannes Film Festival numerous film organisations \* signed a Manifesto committing to participate by providing the data.

The prototype of the Directory was presented at Lumière 2018, the Grand Lyon Film Festival, in October 2018 and the beta version was launched in April 2019 at a ceremony at the European Parliament in Strasbourg. The full service will be launched by the end of 2019. The launch of this database, Lumière VOD, was made possible thanks to the support of Amazon Prime Video, Ampere Analysis, Apple, CNC, EuroVOD, FilmDoo, Filmin, Filmtoro JustWatch, Kino Fondas, La Cinetek, La Pantalla Digital, Le Kino.ch, Médiathèque Numérique, Netflix, realez, uncut, UniversCiné, VOD Club, VOD.lu and Vodeville.

\* Including European Film Agency Directors, European Film Academy, Studio Canal, Bertelsmann, ARTE, Europa Distribution



## 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 film or TV with potential audiences in Europe and in global markets.

In 2018, MEDIA supported promotion activities in several ways:

- support to festivals and audience development;
- support to cinema networks;
- promotion of European works online;
- pan-European screening of MEDIA-supported films.

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. In 2018, MEDIA co-financed a total of 72 festivals, of which 27 were in low production capacity countries. Overall, a total of over EUR 3.4 million was awarded to European festivals, which reached about four million people. In order to maximise the impact of this support, a study was conducted to assess the potential for greater collaboration among festivals. The study analysed existing models of collaboration between festivals and found that some collaboration already exists but there is scope for deepening partnerships in order to innovate and have a greater impact, for example in the discovery of new

talent or building online platforms to increase access to films. The results of this study will be taken into account already in the relevant call for applications in 2019.

MEDIA also co-finances the Europa Cinemas network of cinema theatres. 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. In 2018, 60% of the screenings in Europa Cinemas theatres featured European films, including 33% which were non-national European films, i.e. films from another country. The network sold 39 million admissions to European films (7.5% more than in 2015).

MEDIA has supported the promotion of European works online through marketing of European VOD services, increasing European films in VOD catalogues and stimulating innovative distribution strategies. Some positive results have been achieved with the revenue of supported services growing at an average of 14% and the number of subscribers by an average 25%. Some innovative services were supported, such as Medici TV which is presented below. Nonetheless, the services are primarily national and have limited audiences compared to the wider market trends. MEDIA support so far has had a limited impact in fostering cross-border VOD collaboration between existing European VOD services and this aspect will need to be strengthened in response to the increasing competition from global players.



◀ Open-air screening of the Thessaloniki Film Festival at the Port of Thessaloniki, Greece  
© Thessaloniki Film Festival archive

## SUCCESS STORIES

### TRANSILVANIA INTERNATIONAL FILM FESTIVAL

TIFF is the most important film-related event in Romania and combines a public film festival with an industry section. It has maintained audience development as a constant priority and in 2018 the audience increased to 133 000 compared to 125 000 in 2017. The Festival is constantly looking at how to develop new ways of engaging with wider audiences and the festival team is continuously innovating for this purpose through studies and outreach.

EducaTIFF is a longstanding educational programme and a well-established brand that reaches out to young audiences, up to 6 500 in 2018. Innovation is also supported through InfiniTIFF, a platform dedicated to new forms of audiovisual storytelling aiming to connect moviegoers and artists to cutting-edge ideas in VR and interactive cinema.

The TIFF industry section supports the development of new projects in a variety of ways:

- **Transilvania Pitch Stop** with the traditional development workshop addressed to first and second-time directors from Romania and the Republic of Moldova, and the newly established co-produc-

tion market open to projects coming from countries around Romania and the Black Sea;

- **Transilvania Talent Lab** – a hands-on training programme for professionals active in the management of a cinema;
- **Less is More**, the European platform for developing low budget scripts, initiated by Le Groupe Ouest (France);
- **First Films First**, the intensive training programme for young cineastes from the Southeast of Europe preparing their first feature fiction film.



▲ Dan Grigore, Let's Go Digital, award ceremony

### MEDICI.TV

This innovative service, which uses the power of audiovisual to reach out to music lovers, has in 10 years become the world's leading SVOD platform for videos of classical music and the performing arts. The platform proposes 2 200 programmes (mostly European) available worldwide, with an additional 120 live events featuring the best artists and musical institutions of our time: Vienna Philharmonic, Salzburg Festival, Tchaikovsky Competition... The platform also has an innovative business model, including sponsor-

ship. Some of the live events are offered free as a marketing tool to drive wide audiences. Thanks to the investment in marketing and promotion activities, the platform had achieved more than 16 000 subscribers by the end of 2018, a 46% year-on-year increase. MEDICI.TV was supported in 2017 with a MEDIA grant of EUR 280 000.



## EUROPEAN CINEMA NIGHT

From 3-7 December 2018, 34 cinemas belonging to Europa Cinemas network in 27 EU countries organised special screening events, choosing 21 different European films which had received a MEDIA grant.

It was a first of its kind initiative, based on the grass-roots engagement of the Europa Cinemas members. It was a unique occasion to unite over 7 000 Europeans in all the diversity of their cinema and for MEDIA to bond with the audiences at an emotional level. European cinemagoers were able to learn more about how the Programme benefits their own lives and meet the staff of the Creative Europe Desks, who were coordinating the events locally.

The events had a common branding, but the cinema managers were free as to the concepts for their edition. All events featured a post-screening discussion. Directors were present at eight screenings, distributors at six, producers at five and lead actors at three. In some locations the discussion was organised around a social problem which was tackled in the featured film, e.g. in Bratislava the issue of domestic violence was addressed. In Estonia, the event featured a children's animation film and an entertainment show afterwards.

The popularity of this initiative outgrew expectations with almost all the seats booked ahead. It caught the interest of many local media outlets, also thanks to the strong engagement of European Commission Representation offices.



^ Kino Europa, Zagreb (Croatia) during the screening of 'Cold War' during the European Cinema Night 2018  
© Zagreb Film Festival/Samir Ceric Kovacevic



# 06.

## **CULTURE SUB-PROGRAMME'S PRIORITIES – EUROPEAN PARTNERSHIPS, PROFESSIONAL MOBILITY AND AUDIENCE DEVELOPMENT**

The geographical fragmentation of European markets along linguistic and national borders, and the relative isolation of artists and cultural organisations represent important challenges for the European cultural and creative sectors. The priorities of the Culture Sub-programme are to reinforce the capacities of the sectors' professionals 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 richness is accessible to all!**

## 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.

- > **Cross-sectoral cooperation** is essential to break down silos and build on the diversity of the cultural and creative operators. Cooperation projects give European cultural organisations of all sizes the possibility to co-produce, cooperate, experiment, be mobile and learn from each other. Since 2014 more than 395 cooperation projects have been funded, connecting more than 2 500 organisations. In **2018, 130 new cooperation projects were created under the scheme.**
- > To better respond to the needs of small organisations searching for partners in Europe, Culture opened up new opportunities for cross-border cooperation in 2018 by dedicating **40% of the total budget – for quality small cooperation projects.** This has helped build capacity for cultural organisations with
  - > little experience of working at European level, involve more grassroots organisations and provide room for experimentation and innovation.
  - > To reflect the audience development priority, a **new platform scheme** was launched in 2014 to support initiatives helping emerging artists and creators find audiences outside their home countries. This tool has proved to be well suited to the needs of the sectors: from five platforms initially funded in 2014, **15 platforms were financed in 2018. They involve over 230 organisations from 37 countries.**
  - > The network scheme offers long-term support and continuity to pan-European cultural networks. The 28 networks financed in 2018 represent more than 3 000 cultural and creative organisations across most of the Creative Europe programme countries. Their role is to strengthen the capacity of the cultural and creative sectors, and disseminate good practices.

Map 3: Distribution of 700 cultural organisations taking part in cooperation projects selected in 2018

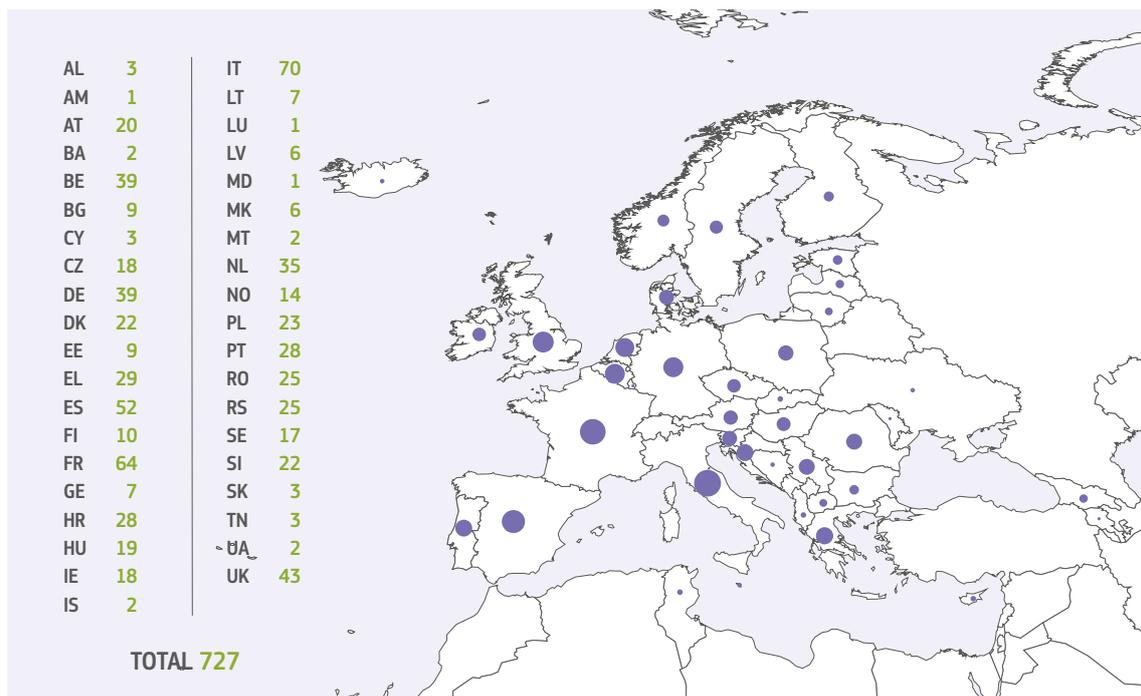
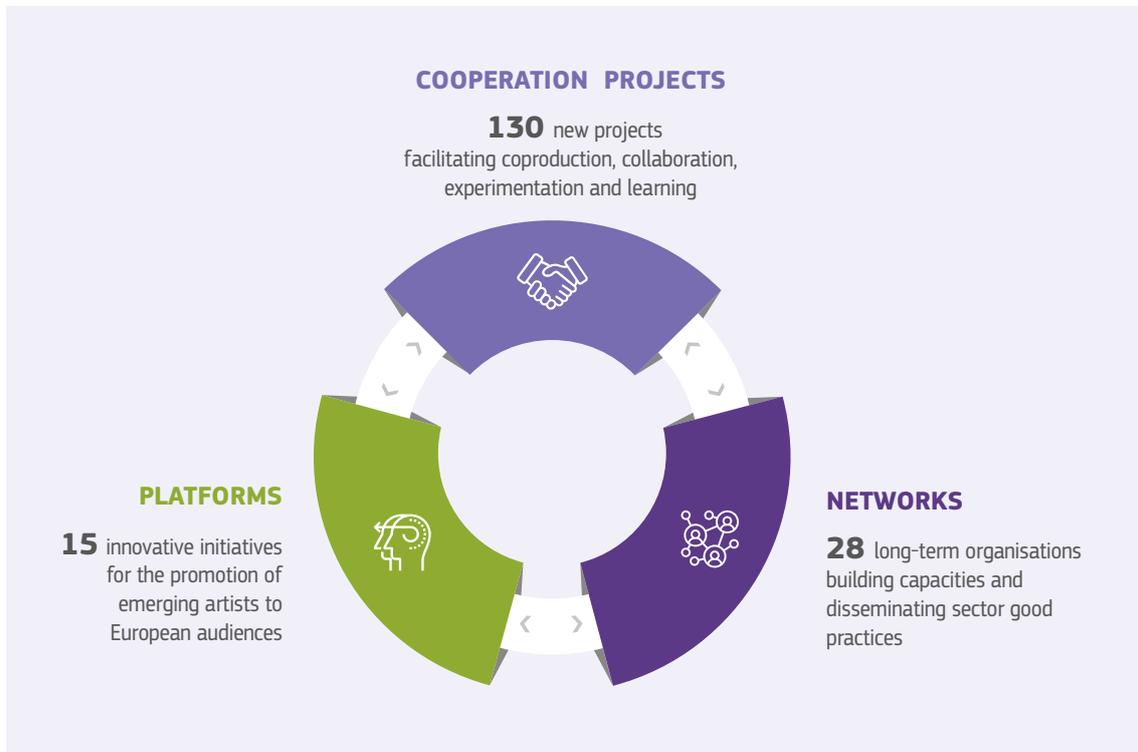


Figure 11: Relations between schemes in Culture, 2018



One of the supported networks is the **ARCHITECTS' COUNCIL OF EUROPE**, whose broad activities in 2018 included negotiating mutual professional recognition with Japan and South Korea and the preparation of a study of the architecture sector in Europe.

The results of the study show that there are more than 500 000 architects in Europe, with women accounting for 53% in the 30-39 age group (compared to only 32% in the 50-59 group). The market for architectural services was worth EUR 16.4 billion.



ARCHITECTS' COUNCIL OF EUROPE  
 CONSEIL DES ARCHITECTES D'EUROPE



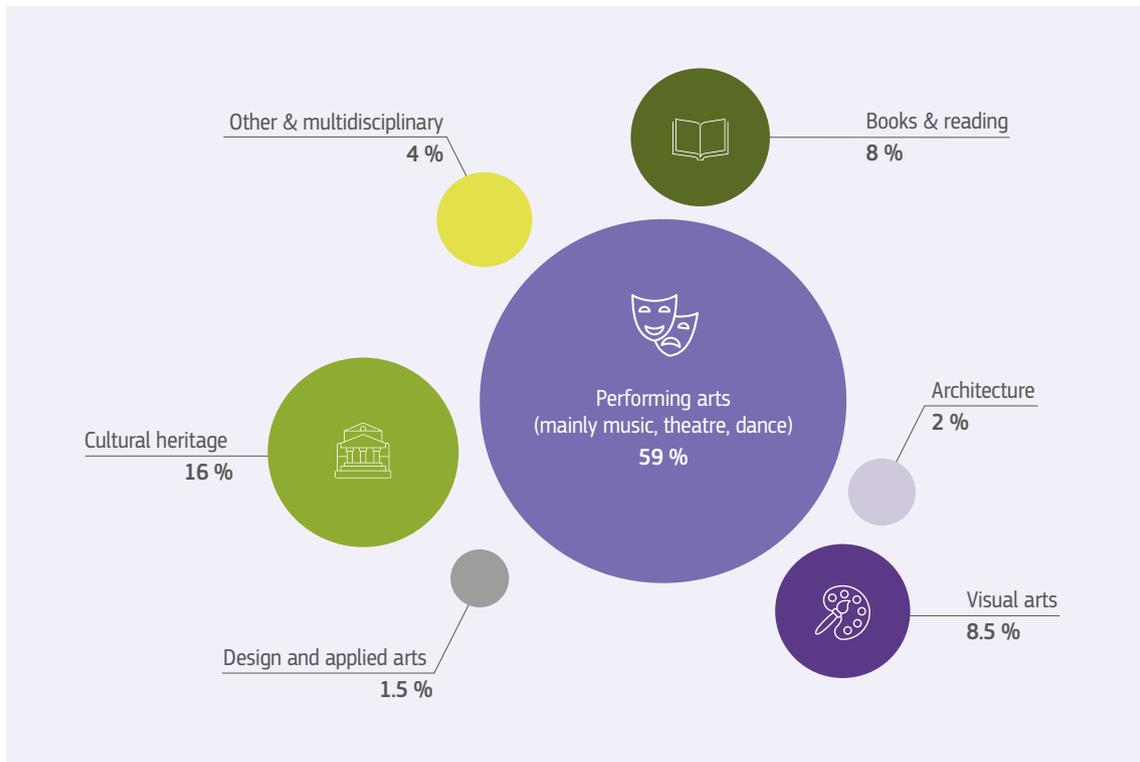
^ ACE leaflet to promote European architects outside the EU © ACE

## A DIVERSITY OF SECTORS

Culture cover a variety of sectors. More than half of all projects were in the sector of performing arts. In 2018 there was a significant positive change for heritage

stakeholders thanks to the special call related to the European Year of Cultural Heritage 2018.

Figure 12: Main sectors financed through the cooperation, network, platforms and literary translation calls in 2018



## BUILDING CAPACITIES

The Culture Sub-programme supports capacity building for cultural and creative operators in terms of new business models and digitisation or to increase the

capacity of professionals to operate internationally. In 2018 approximately **2 600 learning experiences were implemented.**

**EUROPEAN MUSIC INCUBATOR** (supported co-operation project) is an innovative support tool to break the boundaries between music and other creative sectors at local and European levels. Five partners, including French coordinator Trempolino, working through the music value chain, created an experimental transnational skills training and mentoring programme aimed at musicians interested in developing an entrepreneurship mindset, new business models and diversification of activities.



^ EMI Meet-up  
© David Gallard

The **EUROPEAN TALENT EXCHANGE PROGRAMME** (ETEP) (supported platform) was created by Stichting Eurosonic Noorderslag to boost the international careers of European artists. It facilitates bookings of European acts at international festivals. Since the partners include the European Broadcasting Union and local media, every such booking generates media exposure. Since its launch in 2003 and until 2018, 1 445 artists from all European countries have given over 4 000 shows at 122 associated festivals.



^ Michelle David &  
The Gospel Sessions\_EurosonicAir  
© Jessie Kamp

## MOBILITY AND CIRCULATION

Mobility of artists and circulation of their works is at the heart of every Culture Sub-programme scheme. It guarantees the smooth transnational mobility of CCS professionals and helps overcome the obstacles hampering their capacity to work within and outside the EU.

Mobility in the Culture Sub-programme is about facilitating the movement of artists and professionals across national boundaries. By tackling this critical issue, which has become one of the Programme's priorities, Culture addresses one of the most important challenges for the

inherently diversified European cultural and creative sectors: how can professionals internationalise their careers? How can they learn from other countries' good practices in the different domains? How can they cooperate, build networks and have access to new markets? How can artists and professionals from one country be known to and be appreciated by people in another country?

**In 2018 an estimated 2 800 mobility experiences were undertaken, supporting results-oriented mobility.**

### EDN21: STRENGTHEN-IMPACT-IMAGINE (supported network)

The European Dancehouse Network (EDN) promotes the professional development of independent dance artists across borders. EDN's Carte blanche is a popular initiative for short-term exchanges. The host organisation accommodates a dancer for up to a week on a come-and-see basis, offering him/her the opportunity of meeting local cultural operators, getting to know the functioning of the dance house itself and enabling peer-to-peer learning and knowledge

exchange. The growing success of this initiative is proved by the number of applications exceeding the available places and the testimonies:

*"What I appreciated most about the Carte Blanche was that it was a reciprocal exchange. As much as I learned from being in Barcelona, I think I also was able to give some good ideas and information about the Irish context to those I spoke with,"* says Hazel Hodgins, Programme Manager at Dance Ireland Dublin after her Carte Blanche at Mercat de les flors in Barcelona.



◀ Michelle David & The Gospel Sessions\_EurosonicAir  
© Jessie Kamp

## INNOVATIVE APPROACHES – INNOVATION FOR VALUE

By including since 2014 the specific sub-priorities "Capacity building – New Business Models" and "Digitisation", the Culture Sub-programme aims **to encourage the sector to adapt to a constantly evolving technological and financial international environment**. CCS organisations take advantage of the funding from Creative Europe to explore new rationales and concrete solutions for creating, delivering and capturing financial but also cultural and social value. By doing so, they play an important role in the creation of a competitive European common cultural space.

Projects across all sectors and at different stages of the cultural value chain develop innovative approaches. Innovation can be found in new models for engaging audiences, but also in business models that enable organisations to develop resilience and financial sustainability.

Through the projects funded by the Culture Sub-programme, new know-how, tools and support mechanisms are created and made available for the sector: from museums and other cultural heritage institutions working on digitisation of their collections, to projects fostering the adaptive re-use of industrial heritage, thus giving new value to underexploited spaces and territories, to projects developing new manufacturing models based on a global exchange of creative ideas. Together, they all contribute to connecting professionals to the market and boosting both emerging and established talents.

In these innovation paths, projects very often contribute to the identification of skills gaps and develop capacity building activities covering those needs. **They contribute to designing the jobs of the future and propelling European professionals onto the international market.**

### FACTORIES OF IMAGINATION: INVESTING IN CULTURAL CHANGEMAKERS (supported network)

Resilience is a key concept of the last decade, referring to our capacity to react and adapt to a quickly evolving environment. More than a concept, resilience is a practice, which can be taught. This is the aim of Factories of Imagination, a four-year programme

developed by the Trans Europe Halles network. The project provided capacity building activities for the members in the areas of organisational development, new business models and cultural leadership – altogether 80 activities in 15 European countries benefited 6 000 professionals. The partners brought together change-makers from a variety of sectors (arts, social, education, business, etc.) to contribute to the socio-economic development of their region.



◀ Factories of Imagination –  
Investing in Culture Changemakers  
© Sophie Harbinson for Here&Now

**THE DISTRIBUTED DESIGN MARKET PLATFORM** (supported platform) coordinated by Institut d'Arquitectura Avancada de Catalunya acts as an exchange and networking hub for the European Makers Movement. The initiative aims to develop and promote the **connection between designers, makers and the market**. It consists of online and offline activities, such as workshops, fairs and bootcamps, that

promote and advocate for emerging creative talent in Europe and their business productivity and sustainability. It fosters a European Maker and Design culture by supporting makers, their mobility and circulation of their work, providing them with international opportunities and highlighting the most outstanding talents.



◀ Distributed design lamp challenge  
© DDMP

## AUDIENCE DEVELOPMENT: TOWARDS ACCESSIBLE AND INCLUSIVE CULTURE

People are the backbone of open and thriving cultural and creative sectors. With the aim of increasing the reach of European works, fostering participation and ensuring social inclusion, the Culture Sub-programme recognises audience development as a key priority.

Audience development not only means more people but also a **more diversified and more engaged audience** reaching out especially to people who never or rarely

engage with cultural activities. Funded projects often promote the participation of citizens and communities through active spectatorship and direct involvement in decision-making processes, thus fostering people's commitment to cultural and public life.

**BE SPECTACTIVE!** (supported cooperation project) is an action-research project which operates in the field of performing arts. It is centered on experimental forms of audience development and engagement. It seeks to develop new, replicable ways of co-producing shows with the participation of artists, cultural operators, citizens and spectators in the creative and organisational process. People's participation is fostered through active spectatorship, by **giving the**

**decision-making role to the audiences:** the spectators discuss and select many of the performance's aspects. The widespread mobility of the artists participating in this project enables dissemination of its results. Be SpectACTIVE! Is coordinated by Italian Associazione Culturale Capotrave –Kilowatt and involves some of the most innovative organisations working on active spectatorship in Europe.



◀ Refuge by Viliam Dočolomanský  
© Vojta Brtnický

# 07.

## **SUPPORTING ACCESS TO FINANCE**

Access to finance is more challenging for Small and Medium-sized Enterprises (SMEs) in the cultural and creative sectors than for other SMEs and has been identified as a core barrier to growth in the sector. For example, debt financing accounts for only 2% of the financing of European films <sup>(13)</sup>. Some of the reasons are the intangible nature of CCS assets and collateral, the limited size of the market, and the lack of training (on the part of financial intermediaries) to address the sector's specificities.

---

<sup>(13)</sup> Film financing report, EAO

**The Cultural and Creative Sectors Guarantee Facility (CCS GF)**, the financial instrument of the Creative Europe Programme, improves lending to creative SMEs by offering portfolio guarantees and counter-guarantees to financial intermediaries who offer loans to entrepreneurs in the cultural and creative industries.

**2018 was only the second full year of implementation of the Guarantee Facility but it experienced strong market demand.** The European Fund for Strategic Investment was mobilised to top up the CCS GF by EUR 60 million, equivalent to 50% of the initial budget, and this was deployed in 2018. A further three guarantee agreements were signed with financial intermediaries in 2018, bringing the total to twelve agreements in nine participating countries by the end of the year.

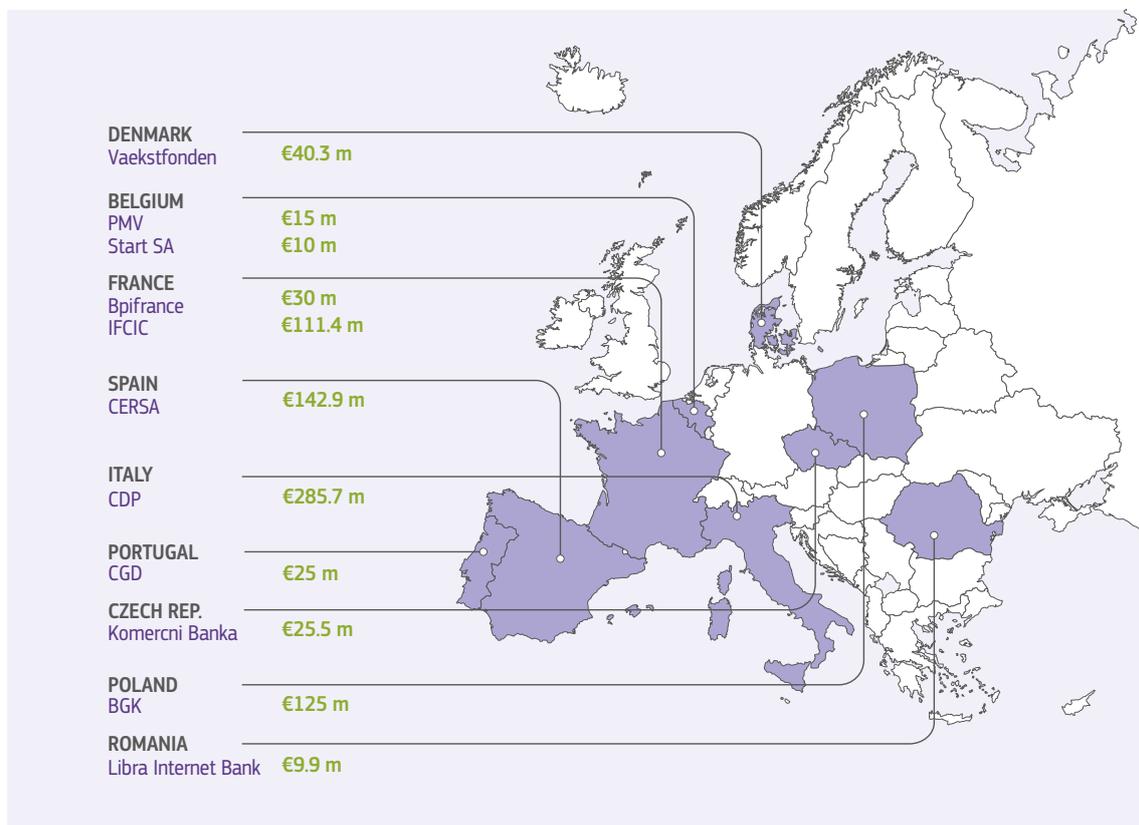
Expected debt financing from agreements already signed amounts to over EUR 900 million. Over 800 SMEs and organisations have benefited from loans backed by the CCS GF.

In addition to the guarantees, the instrument also offers the CCS Capacity Building Scheme, a training programme which **helps financial intermediaries better serve creative and cultural SMEs** by providing high-level consultancy and support. A framework agreement on capacity building was signed in May 2018 and the training courses are now being delivered to interested financial institutions.

A communication strategy, which aims to raise awareness about this new funding opportunity, forms an important part of the CCS GF implementation. A broad range of concerted actions promoted the Creative Europe Guarantee Facility in 2018: from video and traditional case studies, through market analysis <sup>(14)</sup> to information days or dedicated workshops with risk and marketing departments of participating banks.

<sup>(14)</sup> [https://www.eif.org/what\\_we\\_do/guarantees/cultural\\_creative\\_sectors\\_guarantee\\_facility/ccs-market-analysis-europe.pdf](https://www.eif.org/what_we_do/guarantees/cultural_creative_sectors_guarantee_facility/ccs-market-analysis-europe.pdf)

Map 4: Guarantee Facility agreements with financial intermediaries, as of end-2018





^ CCS GF information brochures for potential applicants



Watch the promotional video at: >



## SUCCESS STORIES

### EDITORA OQO



Location:	Pontevedra, Galicia, Spain
Financial Intermediary:	CERSA
Sector:	Publishing
Number of employees:	6
Financing purpose:	Book production
Website:	<a href="http://oqo.es/fr/">http://oqo.es/fr/</a>

Editora OQO focuses on producing books, video and digital content for children up to the age of 10. Alfonso Couto, CEO, worked in children's theatre for more than 20 years, but with time, he moved into the publishing world, establishing his own company to produce illustrated children's books. "We make all our books and series ourselves. That's very important to us," he explains.

But the business cycle is quite particular and this affects their finances: "The real target for us is the end of the year. September-December is when we make most sales, but we need to be ready, and that means lots of expenditure in the first part of the year. So, in the early part of 2017, we needed financing in order to boost the production of our books and prepare ourselves for the second part of the year," Alfonso explains.

This financing was made possible by an EU-guaranteed loan, backed by the EIF and CERSA under the CCS GF. As Alfonso explains, getting the necessary financing in this world is no easy task: "Banks always have doubts. They don't understand these types of projects. For example, with books, we have high up-front production costs. Then we ship them to a bookshop where they will feature on the shelves for, say, two years. Only when the bookshop sends back unsold copies will they then pay us for the books they have managed to sell. It's not a classic financing model and banks don't like that."

While children's books remain the company's main focus, Editora OQO is looking more and more beyond books to other areas like the digital world: "The digital world is often considered to be beyond parents' control and associated with bad influences. We want to challenge that assumption and use digital capabilities to convey educational messages to our kids. If the kids are migrating to the digital world, we have to follow them."

"Translating a book to the digital world, creating a digital album, gives you a different range of possibilities," he adds. "You have more margin of manoeuvre with the images and words since there is less limitation on things like the number of pages. This is why we are working on illustrated digital albums."

**KAAI**

Location:	Antwerp, Belgium
Financial Intermediary:	PMV
Sector:	Fashion, retail
Number of employees:	2
Financing purpose:	Production
Website:	<a href="https://kaai.eu/bags/">https://kaai.eu/bags/</a>

The leap from a stable job in a large organisation to starting-up your own business can be a daunting prospect and definitely takes a lot of courage. But that's exactly what ex-top executives Ine Verhaert and Helga Meersmans did, quitting their positions in top management at large fashion companies to start their own business. "Before, we

coordinated large teams. Now, we do everything on our own – from marketing to web development and logistics," says Ine, co-founder of KAAI, which designs and produces handbags for working women.

With a clear vision and years of experience in the bag, Ine and Helga set up the whole production process in less than a year. However, securing finance was another story. "Our long careers in the fashion industry were not enough to convince the banks," explains Ine, "Fashion is simply not a hot topic for financing." **Nevertheless, thanks to an EU-guaranteed loan from PMV, supported by the EIF under the Investment Plan for Europe, KAAI got off the ground.** "We started producing the handbags, set up sales and marketing and are about to open our flagship store here in Antwerp" says Ine just days before the store opens in late August 2018.

**HIFILM  
PRODUCTIONS:**  
A to Z production services

Location:	Bucharest, Romania
Financial Intermediary:	Libra bank
Sector:	Media production
Number of employees:	8
Financing purpose:	Working capital / cash flow
Website:	<a href="http://www.hifilm.ro/">http://www.hifilm.ro/</a>

HiFilm is a Romanian production company that provides complete production services for documentaries, advertising, film and television. Founded in 2004 and based in central Bucharest, HiFilm maintains a vast network of connections in the global film industry, from acclaimed directors to specialised camera workers, through which it can recruit the right professional for every task. This enables HiFilm to carry out complex and challenging production projects, their portfolio ranging from Romanian films to international advertisements for Coca-Cola or Danone to feature films like Toni Erdmann.

The company's services cover the full range of activities involved in a production, starting with location scouting, casting or set design, and going all the way to post-production. It employs eight persons on a full-time basis.

While undergoing a period of growth, the company faced significant cash flow difficulties related to the gap between supporting production costs and receiving the final payments. In order to support the business, HiFilm sought a loan from Libra Bank, with a guarantee from the EIF under the CCS GF.

"This financing was definitely important, a crucial help for us", explains company founder Ada Solomon. "Here in Romania there isn't any real alternative. This type of activity has a very hard time accessing financing from traditional banking. After a period of significant growth and with a number of projects ongoing, we are currently trying to consolidate the business", explains Ada. "Without the financing, we wouldn't have been able to have this stability".

# 08.

## **CROSS-SECTORAL COLLABORATION**

The Cross-sectoral Strand connects the Culture and MEDIA subprogrammes by focusing on issues and projects at the crossroads 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 cross-sectorally;
- **Cross-sectoral projects**.

An example of a cross-sectoral initiative is the new project launched in 2018 to promote film heritage in the context of the European Year of Cultural Heritage. This project will support the restoration and digitisation of classic European films as well as screenings in cinemas or venues reflecting the richness of European architecture e.g. museums or heritage sites.

## SUCCESS STORIES

During 2018 implementation went forward on cross-sectoral projects launched in previous years, including those presented below: the European Network of Creative Hubs, The Masters Module – combining technology with arts and entrepreneurial skills, and business exposure, and support

for refugee integration. There was great interest from the cultural and creative sectors in these calls for proposals and not all high quality proposals could be supported, demonstrating the potential for more cross-sectoral collaboration.

### THE EUROPEAN NETWORK OF CREATIVE HUBS

A creative hub is a place that brings creative people together. The objective of the Creative Hub project was to reinforce networks of creative hubs at EU level, enhance exchanges of experience and provide capacity-building for creative hub managers, cultural and creative professionals and entrepreneurs. A platform and a peer-to-peer mobility scheme were developed, as well as publications and policy papers. The project was funded for two years (February 2016-February 2018) and was carried out by the British Council and a consortium of small creative hubs in different cities (Bios-Romantzo/Athens, Kulturni Kod-Nova Iskra/Belgrade, Betahaus/Berlin, Creative Edinburgh and Factoria Cultural/Madrid) – together with the European Business Network (EBN) in Brussels. **The European Creative Hubs Network has in the meantime become an independent network that continues to connect and collaborate.** The unique results obtained by the peer-to-peer learning schemes are best explained by the participants themselves. Tania Santos, Founder & Manager at the Cru co-working space in Porto, worked for a week in the Betahaus co-working space in Berlin and testified: *“This experience was very useful to us and made us realise that the size of hub does not matter: there are core issues that are always the same.”*



## THE MASTERS MODULE – COMBINING TECHNOLOGY WITH ARTS AND ENTREPRENEURIAL SKILLS, AND BUSINESS EXPOSURE

This pilot action is dedicated to supporting university consortia in designing innovative, interdisciplinary curricula for master’s degrees which combine technology with arts and entrepreneurial skills. **The project addresses the skills gap which exists at the crossroads of creativity and technology.** The grants from Creative Europe stimulate innovative learning environments e.g. online video courses. The responsiveness of the universities to the call for proposals proved that this initiative was very relevant. Creative Europe received 32 applications, of which four were chosen in view of the available budget of EUR 1.5 million. The chosen consortia are run by: Birmingham City University in Britain, Maynooth University in Ireland, Politecnico Milano in Italy, and University of Nova Gorica in Slovenia. The first students are expected to enrol in the new programmes in 2019.

## SUPPORTING THE INTEGRATION OF REFUGEES THROUGH ARTS AND CULTURE

Set up in response to the need to facilitate the integration of new migrants and refugees, the aim of the support was to create and test initiatives to facilitate intercultural dialogue and mutual understanding, and to share the results with a view to constant improvement. **The supported projects try to find best practices in bringing together host and refugee communities to challenge prejudices and correct misinformation.**

**REACT**, coordinated by the acta Community Theatre in the UK, used community theatre to demonstrate how it is possible to foster concrete integration and mutual understanding at the local level. While refugees and local citizens were engaged to create and perform new plays based on their experiences and cultures, the project also worked on strategies to en-

courage collaboration, sharing and learning. It also created educational tools to support the development of similar projects around Europe – one of the most notable outputs is a handbook for organisations seeking to work on the integration of migrant communities, including testimonies from REACT participants.



◀ Performance *It's my life*  
© Mark Simmons - acta Community Theatre Ltd





## **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: <http://europa.eu/contact>

### **On the phone or by e-mail**

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 electronic mail via: <http://europa.eu/contact>

## **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: <http://europa.eu>

### **EU Publications**

You can download or order free and priced EU publications from EU Bookshop at:

<http://bookshop.europa.eu>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see <http://europa.eu/contact>)

### **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: <http://eur-lex.europa.eu>

### **Open data from the EU**

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

 [CreativeEuropeEU](#)

 [@MEDIAProgEU](#) and [@europe\\_creative](#)

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



Publications Office  
of the European Union