



Harness the full potential of culture to help strengthen social cohesion and the well-being in our societies during and after the Covid-19 crisis

Input to Culture Council Meeting of 8 April 2020

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With this paper, Pearle*-Live Performance Europe, the European federation of organisations and enterprises in the music, performing arts and live performance sector seeks to give input to the Council meeting of ministers of Culture taking place on April the 8th.

Pearle* fully supports the public health measures taken by national governments to combat the spreading of the coronavirus with the aim to protect our societies and in particular vulnerable people. However, as we underline in our statement¹ issued on March the 19th, lockdowns in most of the European countries have had a devastating impact on organisations in the live performance due to the closure of venues and the cancellation or postponement of shows, performances, concerts or festivals. The sector is one of the hardest hit sectors alongside tourism and hospitality (hotels and restaurants).

At the same time, people are suffering from isolation and social distancing. In this challenging situation, cultural organisations have been able to offer online streaming and other online activities as a digital alternative to live performances and bring culture to the living rooms of European citizens. This mostly happened on a voluntary basis without any particular extra income deriving from such acts of solidarity and citizenship.

In fact, in these times of crisis, cultural events such as a concert, a dance performance, a theatre play or an opera performance, are much more than mere entertainment. Culture is the backbone of our European societies and access to culture is not a luxury but key as a unifying and mobilising force all over Europe.

We therefore call on the ministry of culture to harness the full potential of culture to help strengthen social cohesion and the well-being in our societies during and after the Covid-19 crisis.

¹ <https://www.pearle.eu/positionpaper/statement-of-the-live-performance-on-covid-19>

The effects of the lockdown will be markedly affecting the live performance sector in the coming two years at least. It can be considered as a fact that the sector will only slowly recover. To ensure that cultural organisations can be put back on track after the lockdown and re-boost their (local and international) activities in the aftermath of the crisis, it is urgently needed to anticipate further substantial emergency measures and extend the “crisis-scheme” beyond 2020.

In this context, we ask **national governments and the European Union to take a holistic approach which aims at securing the entire ecosystem of our sector in a sustainable way and create a level playing field of cultural organisations throughout Europe**, taking into account their cross-border activities.

We also call upon the Culture Council to urgently relate with the Employment Council, the Economic & Financial Affairs Council and the Competitiveness Council to ensure that measures are accessible for the cultural sector and that targeted solutions are provided when not fitting into general support schemes.

The following five areas and thirteen proposed measures are of key importance :

I. Flexible financial support for the sector now and after the crisis beyond 2020
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1. We call on the cultural ministers to take a lead in ensuring that the cultural sector will have access to the 100€ billion **solidarity instrument SURE** which the Commission announced on April 2nd to help workers keep their income and businesses stay afloat.
2. We call on the EU and national governments to ensure that the **cultural sector (regardless of the legal status of the organisation) is eligible for investment aid under the Coronavirus Response Investment Initiative and the CRII Plus** set up by the European Commission. In this way, flexible and target help schemes can be put in place in all European countries and horizontally throughout all policy fields, considering different needs in national contexts.
3. In order to allow further emergency measures in the aftermath of the crisis, we call on the EU and governments of Member States **to extend the Temporary Framework to support the economy in the context of the coronavirus outbreak** beyond 2020 so that long lasting shortages in the live performance sector originating from the covid-19 crisis can be addressed.
4. Strengthening the cultural sector hit hard by the Covid-19 crisis by increasing its budget and ensuring access for cultural organisations to various funds in the revised Commission proposal on the **Multiannual Financial Framework 2021-2027** which has recently been announced by Commissioner President Ursula von der Leyen.

5. Introducing **tax incentives and/or tax deductions for sponsors** to avoid breach of contracts, but on the contrary demonstrate companies' Corporate Social Responsibility. In the same line provide **extra stimulus for donors** in the form of tax exemptions or deductions in context of crowdfunding or direct donations.

An overview of countries who have taken measures in this regard could be included in the **OMC group on 'financing and innovation' as foreseen in the Culture Council Work Plan 2019-2022** and is in line with the **Commission's objective on the economic dimension**², encouraging to "*foster favourable eco-systems for cultural and creative industries*".

II. Monitoring of the development of the sector after the lockdown

6. In order to keep track of the impact and the aftereffects of the Covid-19 crisis, we call on Member States and the European Commission to carry out **regular surveys** in the live performance sector on a **quarterly basis**, including labour market situation, fluctuation in number of enterprises (bankruptcies or new enterprises/start-ups) and other economic and social indicators.
7. Outcomes of surveys on the impact of the Covid-19 crisis are to be reported to the **European Semester** bi-annually and where needed particular focus on sectoral needs could be taken into account in the **country-specific recommendations** of the Commission. Where relevant, outcomes can also be included in the **Single Market Performance Report**. It is reminded that the European Semester was created after the Euro crisis to aim for better economic policy coordination between Member States.

III. Grasping opportunities in the crisis: strengthening cultural diversity in the context of Digital4culture

8. A large number of live performance organisations keep in contact with their audiences during the Covid-19 crisis by offering online streaming and other digital tools. These activities should be considered as new opportunities and further extended by allocating **extra support for streaming and digital archives in the live performance sector**. This would allow to put into action priorities of the New Council Work Plan for Culture 2019-2022 that states: "*Changing user behaviour due to digitalisation, ageing and culturally diverse societies call for a better understanding of different audiences. A stronger orientation towards the interests and needs of specific groups, such as young people, older people, people with disabilities, people with a migrant background and people living in poverty or material deprivation, is necessary. Digital technologies are an asset for audience development and innovative methods of participation.*"

² COM (2018) 267 final 'A New European Agenda for Culture'

9. The **Digital4culture Strategy** announced in the New European Agenda for Culture³, and the actions proposed, could be extended and include an action focusing on music and live performance by creating a European knowledge platform on new forms of presenting live music and live arts, studying potential business models and exploring the audience participation.

IV. Strengthening cultural diversity: mobility and touring activities of live performance organisations in the aftermath of the Covid-19 crisis

10. Referring to the New European Agenda for Culture (COM (2018) 267 final) Member States are called to take a bold decision and remove administrative obstacles in relation to mobility, in particular as regards artist taxation when performing abroad, by **no longer applying article 17 of the OECD model tax convention in double tax conventions**, as stated: "*The Commission invites Member States to: Commit to substantive progress in removing administrative and fiscal obstacles to mobility, inter alia through the next Work Plan for Culture*".

Member States should also take steps in the context of the implementation of the revised Posting Directive⁴ to help the live performance sector to **provide exemptions on overwhelming administrative burdens in relation to posting of workers in the case of very short term posting** such as is already done by Belgium, France (only artists) and the Netherlands, but for the purpose of touring should be available in all EU Member States. Furthermore the EU is called to consider particular solutions for highly mobile people, such as artists in the context of the **Social Security Coordination Regulation and the Implementing regulation**⁵.

11. Provide **incentives or rewards on internationalisation** in the programming of festivals, venues and for organisers to book artists and groups from abroad, possibly in collaboration with the tourism sector and include reporting on actions taken within the Council work plan on *International Cultural Relations*.

V. Building confidence towards the audience: learning lessons from the aftermath of the terrorist attacks

12. After the terrorist attack on the Bataclan in Paris and attacks in other countries, the sector had to deal with new challenges to build confidence again with the public. Similar to the Operators' forum, coordinated by DG Home of which Pearle* is part, a **specific Task Force** (including scientists and other experts) could be set up how to deal in future with the possible on-going need of physical distance, the screening of audiences carrying the virus, etc. This also counts for the people working closely together on stage, such as dancers and musicians.

³ COM (2018) 267 final

⁴ Directive (EU) 2018/957

⁵ Regulations 883/2004 and 987/2009

Besides technical questions on how to deal with this situation, specific **investment might be needed to adapt buildings**, re-organise the way in which audiences are entering the venue, etc.

13. Across all countries, support should be given to the cultural sector to be able to create **campaigns** to invite citizens back to the venues, theatres and concert halls as well as for large events in- or out-door.

To conclude, the EU and Member States are called upon to take the impact on the sector with great diligence and attention and to urgently develop a Strategic Action Plan.

This note is intended to help starting up the discussion between Ministers of Culture at the informal meeting on April 8th, 2020 under the Croatian Presidency.

PEARLE* - Live Performance Europe, is the European employers' federation of performing arts organizations. Pearle* represents through its members associations the interests of more than 10,000 theatres, theatre production companies, bands and music ensembles, orchestras, opera houses, ballet, dance companies, festivals, concert venues, producers, promoters, agents, comedy, variété, circus, storytelling and others within the performing arts and music sector across Europe.

[Members](#) are national federations, European networks in the live performance, non-European federations and individual enterprises.