

## EFADs position paper on the public consultation on EU funds in the area of values and mobility



### The case for an ambitious Creative Europe / MEDIA Program

The European Film Agency Directors (EFADs) welcome this opportunity to provide comments to this public consultation on EU funds in the area of values and mobility. In December 2017, EU leaders expressed a willingness to do more in the area of education and culture, which are “*key to building inclusive and cohesive societies, and to sustaining our competitiveness*”<sup>1</sup>. Considering that the cultural and creative sectors contribute to 4.4% of the EU’s GDP and 3.8% of its workforce<sup>2</sup>, we believe it is more important than ever that the EU has the means of its ambitions. We therefore consider that the EU should benefit from additional resources and that a significant part of this budget should be dedicated to cultural initiatives. Culture deserves additional European funding because it supports the European project by enhancing common European values, developing critical thinking, nourishing mutual understanding among the diverse peoples of Europe and promoting inclusive societies. It is also a vehicle to transport Europe’s ideas of tolerance and freedom throughout the Union and the world and contributes to the EU “soft power” beyond Europe. In this context, MEDIA deserves a specific attention and its specificity should be preserved. The programme that has delivered concrete results over the past 25 years should be reinforced to release the potential of the digital shift. We therefore ask for an increase from approximately 100 million a year today to €150 million per year in the next Multi Financial Framework to reinforce successful schemes and develop new actions.

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<sup>1</sup> <http://www.consilium.europa.eu/media/32204/14-final-conclusions-rev1-en.pdf>

<sup>2</sup> [https://ec.europa.eu/jrc/sites/jrcsh/files/20170706\\_cultural-creative-cities-monitor-infographic.pdf](https://ec.europa.eu/jrc/sites/jrcsh/files/20170706_cultural-creative-cities-monitor-infographic.pdf)

## **1) Europe Creative – the only programme dedicated to the cultural dimension of the EU**

Cultural diversity is a key objective of the Treaty on the Functioning of the European Union TFEU (Article 167) and protected at international level by the UNESCO Convention for the Protection and Promotion of the Diversity of Cultural Expressions.

The EFADs consider that the objectives of the Creative Europe Program, namely to “*safeguard, develop and promote European cultural and linguistic diversity, to promote Europe's cultural heritage and to strengthen the competitiveness of the European cultural and creative sectors, in particular of the audiovisual sector*” remain more relevant than ever. The Audiovisual sector's cultural diversity is a key driver of EU values and part of Europe's cultural richness but requires EU public support to foster the production and circulation of audiovisual works across borders.

In a context where public funding for culture has been dropping at national level, the Creative Europe / MEDIA programme has been a success story and is vital for promoting European cultural diversity in the audiovisual sector and at the same time increase its competitiveness by developing its transnational European character. However, Creative Europe is the only EU program in the cultural field and represents a mere 0.14% of the total budget (MFF period 2014-2020), with a MEDIA budget of only 100M€ per year. In the context of digitalization and adaptation to the new EU legal framework (AVMS, copyright), this budget is too low and should therefore be increased from approximately 100 million a year today to €150 million per year in the next Multi Financial Framework to reinforce successful schemes and develop new actions.

## **2) MEDIA: an EU success story**

MEDIA is a 25 years old success story and a strong symbol of EU originality and label for quality which promotes Europe's values throughout the Union and the world. It gathers together European professionals under the objective of promoting European cultural diversity.

The MEDIA Program demonstrated its high EU added-value at each relevant level of support (development, production, distribution,

promotion, training) by providing a powerful leverage effect for the development of European film & TV high quality coproductions, the promotion of European works in Europe and in the world, an increased circulation of non-national European works in theaters or online, the development of transnational projects on film education, festivals, professional training but also support to development and production that are essential for small production companies. Furthermore, MEDIA enables the experiment of new and innovative formats and works for which public support is even more lacking. It is an established brand, cherished by all the creators' community and quality label that is internationally recognised. It has a powerful leverage effect for all types of projects in their research of public and private financing.

The benefits of this important cultural programme far outweigh any costs, and its budget should be increased from approximately 100 million a year today to €150 million per year in the next Multi Financial Framework to reinforce successful schemes and develop new actions. It has achieved impressive results over the years such as:

- (a) supporting the emergence of high quality European co-productions, in TV or cinema, in particular between non- traditional partners;
- (b) boosting the circulation of European works in the European Union, exposing and promoting the best of European film across all platforms (theatres, TV and online);
- (c) promoting European works in third countries;
- (d) developing transnational projects on film education, online distribution, festivals, professional training and innovative practices.

Through those specific schemes, the MEDIA Program does not overlap with other EU programs or national programs and therefore could not be performed at a more national or local level and complements the national support and support schemes at regional and/or local levels.

- **Effectiveness of the MEDIA Program**

The MEDIA sub-programme has been highly effective in encouraging creation, circulation and access to European works across borders. Each year the MEDIA sub-programme supports around 2,000 European films, television series and other projects on a variety of distribution platforms. For example, the Europa Cinemas network has ensured European works are seen in cinemas has raised awareness and improved curation (with

35, 4 % of non-national European screenings in 2016 and 56% of admissions made by European films, in comparison with 27% on average in the EU according to the European Audiovisual Observatory)

Support for distribution, television, audience development and international co-productions has led to the circulation of and access to high quality content both in Europe and beyond on a variety of platforms. The addition of the online distribution scheme has also provided much needed support to help the audiovisual sector adapt to new technologies.

It is imperative that these schemes continue to receive sufficient support and MEDIA must be better equipped to meet the challenges of the digital age. This will ensure the European audiovisual sector can be competitive and produce and distribute a wide range of cultural works to the benefit of people living across the European Union.

- **Complementarity between Film agencies and the MEDIA Program**

Film agencies provide public funding to numerous market players and projects across numerous platforms. This includes support for subtitling, promotion and distribution, visibility of works online, theaters exhibition, television production, skills development and film literacy, to name just a few. This is complemented by the Creative Europe programme which is focused on cross-border production and distribution. The EFADs is working closely with the MEDIA Unit to identify complementarities, and synergies between national and European funding. This includes exploring non-legislative measures in the areas of subtitling, visibility and prominence, licensing hubs, film education and standard identifiers.

### **3. A bigger budget for a stronger MEDIA**

**Creative Europe MEDIA has been a success, but it is underfunded. Its budget should therefore be substantially increased.** From an economic standpoint, the value of the European audiovisual market is estimated at over 100 billion per year, sustains more than 800 000 jobs and has been growing 2% a year. In contrast, “Creative Europe”, represents a mere 0.14% of the total MFF budget in the 2014-2020 period, with a MEDIA budget of only 100M€ /year is clearly underfunded. We therefore ask for an increase from approximately 100 million a year today to €150 million per year in the next Multi Financial Framework to reinforce successful schemes and develop new actions.

- Such an increase of the MEDIA budget could be used to reinforce successful schemes and develop new actions such as:
  - i) expanding the Europa Cinemas network. This network has demonstrated its high added value and should be further supported.
  - ii) enhancing promotion and visibility of European works online in line with the new provisions of the AVMS Directive. The MEDIA Program could contribute to the implementation of the new provisions of the AVMS Directive, in particular regarding the quotas (30%) for VOD platforms.
  - iii) develop a stronger “external pillar”: the MEDIA MUNDUS strand should be reintroduced to support the circulation and promotion of European works abroad and the development of international coproductions with third countries; The third country dimension of the MEDIA sub-programme could be strengthened. MEDIA MUNDUS was a vital scheme which fostered effective partnerships between professionals in Europe and third countries. This was however removed and parts of the scheme now fall under access to markets, training, festivals, co-production funds and online distribution (ready-to-offer catalogues). This has taken away financing from important projects and weakened the distribution of European works in third countries. It is important that the European Union looks beyond the borders of Europe to make the audiovisual sector competitive worldwide.
  - iv) improve tools to disseminate results on the supported projects and the collection & treatment of data on impact of MEDIA supports. Most of the data focuses on the films supported by MEDIA which are successful at festival. There should be more emphasis on data for the overall impact of the MEDIA Program.