Brussels, 2 October 2020

To: Commissioner Breton, Internal Market, European Commission and Commissioner Gentiloni, Economy

Dear Commissioner Breton,

Dear Commissioner Gentiloni,

We are writing regarding InvestEU 2021-2027.

As organisations from the cultural and creative sector, we are very concerned that the proposed severe cuts to the EU’s flagship investment programme could have a dramatic impact on the ability of Europe’s cultural and creative businesses to access much needed affordable debt and equity financing.

With this letter, we urge the EU to ensure that the cultural and creative sector will benefit from an appropriate level of support via InvestEU.

The European Parliament recently called for 2% of the Recovery and Resilience Facility to be earmarked for the cultural and creative sector. In the same vein, a set percentage of the future InvestEU fund should be earmarked for the sector. At the very least, the budget allocated for the sector should match the budget of the existing Cultural and Creative Sector Guarantee Facility (CCS GF).

The CCS GF, which was launched in 2016 and is managed by the European Investment Fund, is a very successful instrument. It is in high demand from the sector and has a demonstrated leverage effect of public resources. Its initial budget has already been more than doubled (to €250m today).

As the CCS GF is being moved out of Creative Europe, InvestEU is meant to continue facilitating access to finance for cultural and creative businesses, especially via its SME policy window. As part of the EU’s response to the Covid crisis, InvestEU is also supposed to “provide crucial support to companies in the recovery phase (…)”.

Cultural and creative businesses have important investment needs. It is now well established that culture and creativity are among Europe’s strongest assets, accounting for 4.4% of EU GDP and 12 million jobs. But these sectors remain structurally underfinanced. The financing gap for creative SMEs across Europe is estimated at between €8bn and €13bn by the European Commission.

Access to affordable debt and equity financing was already needed before the pandemic, and it is even more essential today as the cultural and creative sector is one of the hardest hit by the Covid crisis.

For these reasons, we call on the EU to preserve this innovative way of generating investment for cultural and creative businesses by ensuring that a suitable budget is earmarked for our industry in the InvestEU fund.

Yours sincerely,

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The signatories:

1. AER – Association of European Radios
2. Animation Europe
3. Culture Action Europe
4. CEDC – European Coalitions for Cultural Diversity
5. CEPI – European Audiovisual Production
6. CEPIC – Centre of the Picture Industry
7. EFA – European Festivals Association
8. EGDF - European Games Developer Federation
9. EIBF – European and International Booksellers Federation
10. EMC – European Music Council
11. EMEE – European Music Exporters Exchange
12. Eurocinema
13. FEP – Federation of European Publishers
14. FIAD – The International Federation of Film Distributors’ Associations
15. FIAPF – International Federation of Film Producers’ Associations
16. GESAC – European Grouping of Societies of Authors and Composers
18. IFTA – Independent Film and Television Alliance
19. IVF – International Video Federation
20. IMPALA – The Independent Music Companies Association
22. LiveDMA – European network for live music venues & festivals
23. Liveurope – The live music platform for new European talent
24. Pearle* – Live Performance Europe
25. UNIC – International Union of Cinemas