

EUROPEAN ECONOMIC AREA

STANDING COMMITTEE OF THE EFTA STATES

Ref. 19-3676

29 October 2019

EEA EFTA Comment on the Proposal for a Regulation of the European Parliament and of the Council establishing the Creative Europe Programme (2021-2027) and repealing Regulation (EU) No 1295/2013

I. EXECUTIVE SUMMARY

- The EEA EFTA States – Iceland, Liechtenstein and Norway – welcome the European Commission's proposal for an integrated Creative Europe Programme (2021-2027) for the European cultural and creative sectors.
- We note with satisfaction that the Commission's proposal identifies the EEA EFTA States together in a specific category and specifies that the Creative Europe Programme 2021-2027 shall be open to the EEA EFTA States in accordance with the conditions laid down in the **European Economic Area (EEA) Agreement**.
- We support the continuity of the **general programme objectives** from the current Creative Europe Programme to the future Programme as stated in the Commission's proposal.
- We support the stability in the **overall programme architecture** from the current Creative Europe Programme to the future Programme as laid out in the Commission's proposal, maintaining the three strands: CULTURE, MEDIA and CROSS-SECTORAL.
- We welcome the proposed horizontal, sectoral and special actions in the CULTURE strand as well as the proposed revised actions of the MEDIA strand. However, we are concerned that the future revision of the 'Level Playing Field' mechanisms of the MEDIA strand may produce adverse effects. We welcome the reinforced and renewed CROSS-SECTORAL strand.
- We welcome the proposal's expressed aim to **simplify** the future Programme compared with the current Creative Europe Programme.

- We welcome the proposed continuity in terms of representation and promotion of the Programme at the national level and would like to see an enhanced role and better access to information for the **Programme Desks**.
- Iceland, Liechtenstein and Norway are all currently in the process of examining their possible participation in the proposed new Creative Europe Programme 2021-2027. According to the agreed schedule, a preliminary and initial position regarding the EEA EFTA States' participation in the future Programme is to be communicated to the European Commission in February 2020. With a view to prepare this position well, we would welcome every opportunity for feedback and dialogue.

II. REMARKS ON THE LEGAL BASIS

1. **The EEA Agreement** extends the Internal Market of the EU to Iceland, Liechtenstein and Norway and also provides the legal basis for cooperation beyond the four freedoms such as in the field of culture.¹
2. Where cooperation takes the form of participation in an EU programme, the EEA EFTA States shall have equal access to all parts of the programme and the same rights and obligations as those of the EU Member States. Upon a decision to participate in an EU programme, the EEA EFTA States contribute financially by annual payments to the Commission budget according to modalities set out in the Agreement.²
3. The EEA EFTA States are pleased to note that our full and equal participation rights in the future Creative Europe Programme are confirmed by Article 8 (1) (a) of the Commission's proposal and moreover, that there are no provisions in the proposal that may, in implementation, limit the scope of EEA EFTA participation and contradict the terms set out in the EEA Agreement.
4. We recognise the aim to promote the international dimension of the proposed new Creative Europe Programme by adding financial contributions from the external financing instruments [Neighbourhood, Development and International Cooperation Instrument (NDICI)] to support programme actions. We note that the EEA EFTA States shall have equal access also to any programme actions financed by these and other such instruments.
5. We recognise the inclusion in the Commission's proposal of the European Union Youth Orchestra (EUYO) and the European Film Academy (EFA) as entities that may be awarded grants without a call for proposals. We note that the EEA EFTA States have equal access also to these actions.

¹ Part VI of the EEA Agreement; *On cooperation in specific fields outside the four freedoms*.

² Article 81 and Article 82 of the EEA Agreement

III. GENERAL AND SPECIFIC REMARKS

6. We support the continuity of the Commission's proposal for the new Creative Europe Programme in terms of the **general programme objectives**; to promote cooperation on cultural and linguistic diversity and heritage and to increase the competitiveness of the cultural and creative sectors. We also support the proposed specific objectives as well as the proposed priorities under each of the three strands.
7. We support the continuity and stability in the proposed **overall programme architecture**, building on the existing structures and aligned with the general and specific objectives. We welcome the chosen approach of the Commission's proposal, described as 'evolution, not revolution'. The approach allows for keeping the three well-known programme strands while also developing more focussed approaches and adding new and innovative actions and elements.
8. We welcome that the proposal builds on the many **achievements of the current Creative Europe Programme** while presenting updates and new mechanisms adapting the programme to new developments in the cultural and media sectors. We note that the proposal recognises the full range of contributions of the cultural and creative sectors and addresses the challenges resulting from economic, technological, societal and political developments. In our opinion, all of this will foster interest for the programme, accessibility and will facilitate the transition between programme periods.
9. We welcome the horizontal, sectoral and special actions in the CULTURE strand, in particular the new mobility action. We believe that many will be interested in the opportunities to be offered by this action. We find that the proposed sectorial actions for the sectors of music, book and publishing, architecture and cultural heritage as well as other sectors are interesting and promising. We would like to see further clarifications on these sectorial actions in relation to the horizontal actions, in particular the cooperation projects.
10. We support the revised and renewed actions of the MEDIA strand as proposed. Although it is formally outside the scope of the proposed regulation, the EEA EFTA States feel the need to raise concerns regarding the possible revision of the '**Level Playing Field**' mechanisms of the MEDIA strand, which prospectively will be decided upon in future work programmes of the Creative Europe Programme. A study done for the Commission³ in preparation for the proposal for a new Creative Europe Programme, proposes criteria to categorise member states into either high, medium or low production capacity countries. The majority of the proposed criteria are well-founded, sound and reasonable. However, the study proposes also to introduce GDP per capita as a criterion for defining member state's production and distribution capacity. Luxembourg and Norway are the only two countries that as a result solely of this criterion, would be

³ "Towards a definition of level playing field for Creative Europe MEDIA - ex-ante evaluation in support of the Impact Assessment for the successor of the Creative Europe Programme"

categorised as high production capacity countries (HPCC), in effect placing them in the same category as France, Germany, Italy, Spain and the UK.

11. Establishing GDP per capita as a criterion for HPCC classification alone, fails to take into account the specifics of the local market and the disadvantages the industry faces when operating in a restricted geographic and linguistic territory. The fact that several medium production countries receive more MEDIA funding than Norway and consistently score higher on criteria measuring actual production and distribution capacity, clearly demonstrates the arbitrariness of the proposal. If it were to be adopted, the proposed criterion would thus in practice put the Norwegian audiovisual industry at a disadvantage compared to similar countries. The EEA EFTA States ask that any new provisions are well founded, justified and do not discriminate arbitrarily and would like to request a dialogue with the European Commission on this important issue.
12. We support the reinforced and renewed **CROSS-SECTORAL** strand proposing to focus on and increase collaboration and interaction among different cultural and creative sectors. We find the actions to support policy cooperation and innovation across sectors interesting and promising. The proposed actions to support the news media sector are particularly interesting. We acknowledge that safeguarding a free, diverse, and pluralistic media environment, quality journalism and media literacy is key to democratic development in Europe and support the inclusion of this priority area.
13. We take the opportunity to mention the [EEA and Norway Grants 2014-2021](#) in the context of the Creative Europe Programme. This is the contribution of the 3 donor countries: Iceland, Liechtenstein and Norway, to reducing economic and social disparities in Europe and to strengthening bilateral relations with 15 European beneficiary countries. The budget in the current grant period is **EUR 2.8 billion** providing funding to projects in 5 priority sectors, one of which is entitled "*Culture, Civil Society, Good Governance and Fundamental Rights and Freedoms*". We note that this scheme could complement the Creative Europe Programme and that links and synergies could be developed.
14. We strongly support the proposal's expressed aim to **simplify** the Programme by various means and measures, providing lighter reporting requirements and greater clarity of guidelines, processes and procedures. The complexities of the current programme rules represent obstacles for applicants, especially applicants with little or no experience or with smaller operational capacity. This is the main feedback from many applicants in mid-term evaluations of the Creative Europe Programme.
15. We welcome the proposed continuity in terms of representation and promotion of the Programme at the national level and would like to see an enhanced role, more transparency and better access to information for the Programme Desks. In the opinion of the EEA EFTA States, the Programme Desks are fundamental and vital to ensure good promotion, implementation and accessibility of the Programme for applicants in all sectors and all participant countries.