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Cultural and creative sectors in the COVID-19 pandemic crisis

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Cultural and creative sectors were among the sectors most affected by the COVID-19 pandemic crisis. Imposed limitations and restrictions caused cancellation of events and activities, constraints on artists' and creators' mobility, and others. The European Union and its Member States provide guidelines for recovery of the sectors together with innovative solutions and financial support, they also promote digitalisation of the sector to allow it to reach audiences. The article presents the situation of the cultural and creative sectors affected by the crisis, and efforts, particularly at the level of the EU and the Member States, to support the recovery of the sectors.

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Introduction

The aim of the article is to present the consequences of the COVID-19 pandemic crisis for the cultural and creative sectors, with particular focus on the situation in the European Union, and with a case study of Poland. Furthermore, the author describes the ways the cultural and creative sectors cope with the current situation, and the measures undertaken not only at the EU level, but also by national authorities and international organisations, to support the aforementioned sectors affected by the COVID-19 pandemic crisis. The article is based on data prepared by EU institutions, international organisations, think tanks, as well as selected organisations and associations operating in the cultural and creative sectors.

Situation of the cultural and creative sectors

The cultural and creative sectors (CCSs)¹ are sectors “whose activities are based on cultural values, or other artistic individual or collective creative expressions.”² It is estimated that the

1 The definition of the cultural and creative sectors is provided in Article 2.1 of the Regulation (EU) 2021/818 of the European Parliament and of the Council of 20 May 2021 establishing the Creative Europe Programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013, OJ L 189, 28.5.2021, pp. 43–44.

2 European Commission, *Cultural and creative sectors*, <https://culture.ec.europa.eu/sectors/cultural-and-creative-sectors> [accessed: 8 March 2022].

CCSs are among the sectors of the world economy most affected by the COVID-19 pandemic crisis, together with air transport, tourism and automotive industries. Moreover, according to UNESCO,³ “The crisis continues to devastate the cultural and creative sector.”⁴

The consequences of the COVID-19 pandemic crisis for the sectors mainly derive from the imposed restrictions and limitations, including closing or significantly restricting activities of theatres, museums, cinemas, recording studios, as well as cancelling events and festivals, and reducing artists’ mobility. The current situation of the CCSs was analysed, among others, in the recent reports of the European Commission, OECD,⁵ UNESCO, and several sectoral organisations.

The cultural and creative industries (CCIs), with EUR 477 billion, accounted for 3.95% of EU added value, according to the European Commission’s Annual Single Market Report 2021,⁶ with the biggest industries being: “audiovisual (TV, videogames, VOD, cinema, VR/AR), music, books and press publishing, advertising, cultural heritage (museums, historical sites), performance (theatre, dance) and visual arts.” “Publishing activities” and “creative, arts and entertainment activities; libraries, archives, museums and other cultural activities” had the biggest share in the EU added value. The CCIs were also created by small and medium enterprises (SMEs), which were “smaller than the market average, due to a high share of freelancers and micro-enterprises,” but which employed “over 90% of workforce in such sectors as visual arts and design (and contribute to over 80% of the value added of these sectors) and almost 85% in audiovisual production and music publishing (78% of value added).”

The impact of the COVID-19 pandemic crisis on the CCSs varied in time. According to the study commissioned by the European Parliament,⁷ in May 2020, as a consequence of extensive lockdown measures, the CCSs were badly affected by halting international mobility, non-essential physical production and distribution, and social life. Since May/June 2020, with post-lockdown measures, the CCSs had to deal with restrictions imposed on international mobility, but could re-open non-essential activities, even if under strict conditions and social distancing measures.

People employed in the CCSs were affected by the COVID-19 pandemic crisis with – as estimated by the OECD⁸ – jobs at risk in the CCSs “ranging from 0.8 to 5.5% of employment across

3 United Nations Educational, Scientific and Cultural Organization (UNESCO).

4 UNESCO, *Culture in crisis: policy guide for a resilient creative sector*, 2020, <https://unesdoc.unesco.org/ark:/48223/pf0000374631> [accessed: 8 March 2022].

5 Organisation for Economic Co-operation and Development (OECD).

6 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe’s recovery, European Commission, COM/2021/350 final; Commission staff working document, Annual Single Market Report 2021, Accompanying the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe’s recovery, SWD/2021/351 final.

7 *Cultural and creative sectors in post-COVID-19 Europe. Crisis effects and policy recommendations*, Directorate-General for Internal Policies, European Parliament, 2021, <https://bit.ly/3jzUNgA> [accessed: 8 March 2022].

8 *Culture shock: COVID-19 and the cultural and creative sectors*, <https://www.oecd.org/coronavirus/policy-responses/culture-shock-covid-19-and-the-cultural-and-creative-sectors-08da9e0e/> [accessed: 8 March 2022].

OECD regions.” The Eurostat estimated that the crisis may affect around 7.2 million people employed in the cultural and creative sectors and industries (CCSIs)⁹ in the EU (3.6% of total employment), of which 1.2 million (16.4% of cultural employment) are young people (15 to 29 years of age). The Eurostat also pointed out that the cultural employment is characterised, among others, by high proportion of self-employed people (more than twice the average in the whole economy), and by lower share of employed on a full-time basis compared to other sectors (76% of the cultural workforce in the EU in comparison with 81% across the whole economy),¹⁰ resulting in people working in the sectors being particularly vulnerable to the crisis.

The CCIs suffered a significant loss in the revenue. In 2020, according to UNESCO’s report,¹¹ the loss worldwide “ranged between approximately 20 to 40% across different countries,” and “the biggest absolute falls in the economic contribution of the cultural and creative industries have been observed in megacities and other major urban centres, where these industries are heavily concentrated.” In 2020, in Europe, according to a report by Ernst & Young,¹² “the cultural and creative economy lost approximately 31% of its revenues,” while “the total turnover of CCI in the EU-28 is reduced to [EUR] [...] 444 billion in 2020, a net drop of [EUR] [...] 199 billion from 2019.” Yet, sectors were not affected equally. The report pointed out that “performing arts (-90% between 2019 and 2020) and music (-76%) are the most impacted; visual arts, architecture, advertising, books, press and AV activities fell by 20% to 40% compared with 2019. The video games industry seems to be the only one to hold up (+9%).”

The revenue from the streaming music (such as “paid subscription services, ad-supported services, digital and customized radio, and licenses for music on Facebook and digital fitness apps”) was also on the rise, according to the Recording Industry Association of America,¹³ with a growth of 26% to USD 5.9 billion in the US in the first half of 2021, and streaming accounting for 84% of the total revenues. In the UK, streaming amounted to 83% of the music consumption, leaving 9% to CDs, 4.4% to downloads, 3.3% to vinyl and 0.3% to other.¹⁴ The rise in consumption of music in the UK was observed, according to *All About the Music 2021* report,¹⁵ resulting in music

9 The definition of the cultural and creative sectors and industries is provided in Appendix I to the Decision (EU) 2021/820 of the European Parliament and of the Council of 20 May 2021 on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT) 2021–2027: Boosting the Innovation Talent and Capacity of Europe and repealing Decision No 1312/2013/EU, OJ L 189, 28.5.2021, p. 112.

10 Eurostat, Statistics Explained, *Culture statistics – cultural employment*, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Culture_statistics_-_cultural_employment#Cultural_employment_.E2.80.94_overall_developments [accessed: 8 March 2022].

11 UNESCO, *Cultural and creative industries in the face of COVID-19: an economic impact outlook*, June 2021, <https://unesdoc.unesco.org/ark:/48223/pf0000377863> [accessed: 8 March 2022].

12 Ernst & Young, *Rebuilding Europe: The cultural and creative economy before and after the COVID-19 crisis*, January 2021, <https://www.rebuilding-europe.eu/> [accessed: 8 March 2022].

13 Recording Industry Association of America, *2021 Mid-Year Music Industry Revenue Report*, <https://www.riaa.com/reports/2021-mid-year-music-industry-revenue-report-riaa/> [accessed: 8 March 2022].

14 M. Savage, *Adele’s 30 was the biggest-selling album of 2021*, 4 January 2022, <https://www.bbc.com/news/entertainment-arts-59866406> [accessed: 8 March 2022].

15 British Phonographic Industry, *All About the Music 2021*, <https://www.bpi.co.uk/news-analysis/bpi-publishes-its-yearbook-all-about-the-music-2021/> [accessed: 8 March 2022].

revenues rising by 3.8% to GBP 1.118 billion, with revenues from streaming growing by 15.4% to GBP 736.5 million, and from vinyl (boosted by online campaigns) by 30.5% to GBP 86.5 million.

The film industry and book publishing were also affected by the crisis. UNESCO estimated that by March 2020, “the global film industry had [...] lost [USD] [...] 7 billion in income and was forecast to lose an estimated [USD] [...] 160 billion over the next five years. In the music industry, a six-month shutdown could cost more than [USD] [...] 10 billion in sponsorships. Compared to 2019, the world book publishing market is expected to shrink by 7.5% in 2020 as a result of COVID-19.”¹⁶

The Network of European Museum Organisations¹⁷ estimated that 75% of the museums reported an income loss between EUR 1,000 to EUR 30,000 per week “even in the time they were open to the public, predominantly during the summer months. 6 in 10 museums responded that the income loss mainly stems from (a reduction of sold) tickets.” To cope with the situation, museums decided to discontinue programmes and projects (55%), to reduce the visitor capacity (49%), and to reallocate staff tasks (42%). The Network of European Museum Organisations reported¹⁸ that over 40% of the museums reallocated staff to manage “online activities of their museum.” The digital capacities were particularly strengthened in larger museums (81%), rather than in smaller ones (47%). Probably the biggest collection available now online is the one of the Louvre Museum in Paris (France). As the Museum informed on its website, “The Collections database consists of entries for more than 480,000 works in the Musée du Louvre and Musée National Eugène-Delacroix”¹⁹ and is updated daily. The Louvre Museum was ranked as the most visited museum in the world, with more than 9 million visitors annually.²⁰

Live DMA,²¹ in its 2020 report, showed that since March 2020, most of the 2,600 live music venues and clubs represented by Live DMA and its members were in “survival mode” due to imposed restrictions.²² The report estimated the decline in music events and artist performances in 2020 by 70% (284,000 music events and 664,000 artist performances were cancelled) and a 76% decline (from 70 to 17 million) of audience visits. It was accompanied by a loss in own income of 64%. The new Live DMA report²³ estimated that “the loss of audience visits and income

16 UNESCO, *Culture in crisis...*

17 Network of European Museum Organisations, *Museums during COVID-19*, <https://www.ne-mo.org/advocacy/our-advocacy-work/museums-during-covid-19.html> [accessed: 9 March 2022].

18 *Ibidem*.

19 The Louvre, <https://collections.louvre.fr/en/> [accessed: 9 March 2022].

20 The European Museums Network, *The most visited museums in the world*, <http://museums.eu/highlight/details/105664/the-most-visited-museums-in-the-world> [accessed: 9 March 2022].

21 Live DMA is a European non-governmental network supporting live music associations, composed of 21 members (regional and national live music associations) from 17 countries, who represent over 3,800 music venues, clubs and festivals located all over Europe. In 2017, the European Commission granted, via the Creative Europe programme, Live DMA funding to develop the network's project Live Style Europe, <https://www.live-dma.eu/about-live-dma/> [accessed: 9 March 2022].

22 Live DMA, *European venues and clubs in survival mode – key numbers*, <https://www.live-dma.eu/european-venues-and-clubs-in-survival-mode-key-numbers/> [accessed: 9 March 2022].

23 Live DMA, *Impact of the COVID-19 pandemic on music venues and clubs in Europe. Live DMA publication – key numbers 2020 and 2021*, report co-founded by the Creative Europe Programme of the European Union,

for venues and clubs will be even higher in 2021 than in 2020, when compared to the situation before the pandemic,” with a “decline of 83% of audience visits,” and “81% of venues and clubs’ own income ([...] excluding subsidies), comparing to a decline of 75% own income in 2020.”

Rising interest in culture during COVID-19 pandemic lockdown

At the positive side, the CCSs helped people to cope with the impact of lockdown and social distancing. The COVID-19 pandemic crisis showed how important CCSs are for people’s well-being and mental health. This concept was presented, e.g., in the Commission’s communication “A New European Agenda for Culture,”²⁴ and the Council of Europe report²⁵ summed it up in the following words: “Culture and creativity are water in the desert, providing succour to the world-weary, preserving people’s spiritual strength, giving us warmth and energy.”

The efforts made by the CCSs to reach the audience during COVID-19 pandemic lockdown often met the audience changing interests. Reading books (paper and electronic) and listening to audiobooks were on the rise during COVID-19 lockdown. Many countries included bookshops on the list of essential shops which needed to stay open during the lockdown, while libraries lent e-books and audiobooks online. In the UK, between the end of March and mid-August 2020, when library buildings were closed for four months, “membership to access digital resources increased by 27% with some library services more than doubling the number of those signing up for these services.” In the same period, more than 3.5 million additional e-books were borrowed, an increase of 146%, and if we add audiobooks and e-comics, there was an increase of 5 million digital items borrowed, as reported by Libraries Connected.²⁶ In Australia, e.g., there was a massive increase in book clubs, particularly the online ones.²⁷

The lockdown caused a rise in people’s interest in music platforms and in music itself. One study observed a general change in people’s musical engagement during lockdown, “from a list of 29 everyday domestic activities, music listening ranked directly behind critical ways of staying up-to-date with the outside world (e.g., calling people, watching news) and chores resulting

October 2021, <https://www.live-dma.eu/wp-content/uploads/2021/10/Impact-of-COVID19-on-music-venues-and-clubs-in-Europe-Live-DMA-Oct-2021.pdf> [accessed: 9 March 2022].

- 24 Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, A New European Agenda for Culture, COM/2018/267 final.
- 25 Council of Europe, *Culture in times of Covid-19 or how we discovered we cannot live without culture and creativity. Impressions and lessons learnt from Covid-19*, 2021, <https://rm.coe.int/culture-in-times-of-covid-19-or-how-we-discovered-we-cannot-live-witho/1680a18dc0> [accessed: 9 March 2022].
- 26 C. Davies, *Library ebook lending surges as UK turns to fiction during lockdown*, “The Guardian,” 23 October 2020, <https://www.theguardian.com/books/2020/oct/23/library-ebook-lending-surges-as-uk-turns-to-fiction-during-lockdown> [accessed: 9 March 2022]; Libraries Connected, *Libraries in Lockdown: Connecting communities in crisis*, October 2020, <https://www.librariesconnected.org.uk/resource/libraries-lockdown-connecting-communities-crisis> [accessed: 9 March 2022].
- 27 S. Cumming, *Book clubs see ‘massive’ increase as readers search for escape from COVID-19*, 12 September 2021, <https://www.abc.net.au/news/2021-09-13/book-club-boom-during-covid-19/100446242> [accessed: 9 March 2022].

from home confinement (e.g., cleaning, cooking; [...]). The only other non-necessary, leisurely behaviour ranking higher than music listening was watching movies or television series."²⁸ The *All About the Music 2021* report²⁹ pointed out that "music helped the UK get through the pandemic, with over a quarter of the British public reporting that they listened to more music since the start of lockdown."

The lockdown also turned people's interests to developing their own skills, including their musical skills. A report from Yamaha published in October 2020 showed that "75% of Britons have turned to a musical instrument to help them beat the lockdown blues," while other research showed that "UK sales of instruments and music equipment have risen by 80% during lockdown."³⁰ The "World Guitar" magazine pointed to a boom in guitar sales, comparable to the post-Beatles era,³¹ which caused guitar shortage.³²

Case study of Poland

The report on culture in Poland in 2020, prepared by Statistics Poland,³³ showed that the COVID-19 restrictions had a significant impact on the activities of cultural institutions. On the one hand, cultural institutions had to limit their activities. Almost 51% of museums and museum branches and 59% of theatres and musical institutions with their own artistic ensembles limited their cultural activities and suspended the preparation of cultural offers. On the other hand, there was a decline by 15.9% of household spending on culture in 2020. Still, according to the report, in 2020, theatres and musical institutions organised 24.4 thousand (69.5 thousand in 2019) performances and concerts attended by 4.5 million (14.4 million in 2019) viewers and listeners. There was also a shift from stationary to virtual cultural offer with, e.g., 315 museums and museum branches organising 1,367 exhibitions made available online, and with 3,943 performances or concerts organised in virtual environment.

The report *Rocznik Kultury Polskiej 2020*³⁴ pointed to the effort made by the CCIs in Poland to adjust to the new situation, particularly through digitalisation of the resources of the CCI

28 L.K. Fink et al., *Viral tunes: changes in musical behaviours and interest in coronamusic predict socio-emotional coping during COVID-19 lockdown*, "Humanities and Social Sciences Communications" 2021, Vol. 8, <https://www.nature.com/articles/s41599-021-00858-y> [accessed: 9 March 2022].

29 British Phonographic Industry, *All About the Music 2021*, op. cit.

30 A. Hill, *A new obsession: the people who learned to play instruments during lockdown*, "The Guardian," 23 March 2021, <https://www.theguardian.com/world/2021/mar/23/a-new-obsession-the-people-who-learnt-to-play-instruments-during-lockdown> [accessed: 9 March 2022].

31 M. Parker, *Industry experts: Current boom in guitar sales comparable to post-Beatles era*, "Guitar World," 5 November 2021, <https://www.guitarworld.com/news/covid-guitar-sales-boom> [accessed: 9 March 2022].

32 S. Chandler, *How peak demand and Covid-19 caused an electric guitar shortage*, "Guitar World," 9 March 2021, <https://www.guitarworld.com/features/how-peak-demand-and-covid-19-caused-an-electric-guitar-shortage> [accessed: 9 March 2022].

33 Statistics Poland, *Culture in 2021*, <https://stat.gov.pl/en/topics/culture-tourism-sport/culture/culture-in-2020,1,13.html> [accessed: 9 March 2022].

34 Narodowe Centrum Kultury, *Wpływ pandemii na kulturę w „Roczniku Kultury Polskiej 2020”*, <https://www.nck.pl/en/badania/publikacje/rocznik-kultury-polskiej-2020> [accessed: 9 March 2022].

institutions, resulting in many broadcasts, programmes and shows being made available via the Internet and electronic media. The report also showed that creators started using social networking sites and established virtual space for making culture available on a large scale.

The production of films, video, television and sound recordings, as well as music was also negatively affected by the COVID-19 pandemic, according to an analysis prepared by two professors from the University of Rzeszów, showing the data for the second quarter of 2020.³⁵ The least affected were libraries, archives, museums and other cultural institutions. The analysis also revealed that state-owned organisational units were less affected than voivodeship self-government organisational units. The loss of revenues above 50% was declared by 45.3% of state-owned and 60.3% of voivodeship self-government organisational units, and the decrease in revenues above 90% was declared by, respectively, 11.3% and 24.3% of them.

A survey carried out in cultural institutions in Poland by Centrum Cyfrowe³⁶ showed that COVID-19 pandemic, with the lockdown periods, limited undertaking activities by cultural institutions, with research projects being the most negatively affected. The pandemic changed the practices of cultural institutions and the cultural offer available to the audience. The restrictions also obliged cultural institutions' staff to shift to teleworking, which they did successfully, with 62% of the respondents declaring that teleworking was an efficient way of working, which they would like to continue in the future to some extent.

The COVID-19 pandemic crisis also had an impact on people working in the CCSs, artists and creators. A survey³⁷ conducted by Instytut Teatralny³⁸ indicated that the earnings of 92% of people working in theatres were affected by the pandemic, and the professional situation changed for 80% of the respondents, with only 26% of them working the same number of hours as before the pandemic. Three out of four (74%) artists declared working online in their field of art. More than half (56%) of them declared benefitting from support, mostly financially, from the Ministry of Culture and National Heritage (38%) and the generally available state support (anti-crisis shield and standstill benefits) (33%). Nearly all the respondents (94%) expected the creation of a strategy for their professional group for the period of recovery from the pandemic; the two highest-ranking answers to the question as to who should create such a strategy were as follows: the Ministry of Culture and National Heritage (48%) and trade unions and artistic organisations (16%).

35 K. Szara, E. Frejtag-Mika, *Wpływ ograniczeń epidemiologicznych COVID-19 na działalność instytucji kultury w Polsce*, "Nierówności Społeczne a Wzrost Gospodarczy" 2021, Vol. 65, No. 1, <https://doi.org/10.15584/nsawg.2021.1.12>.

36 Centrum Cyfrowe, *Kultura w pandemii. Doświadczenie polskich instytucji kultury*, <https://centrumcyfrowe.pl/raport-kultura-w-pandemii/> [accessed: 9 March 2022].

37 Survey made among 541 respondents whose income in the period 2016–2019 at least in half came from their work in theatres.

38 D. Ilczuk et al., *Artystki i artyści teatru w czasach COVID-19. „Dopóki jawi się przede mną kolejna premiera, będę walczyć”. Raport z badania*, Instytut Teatralny im. Zbigniewa Raszeńskiego, Warsaw 2021, <https://www.instytut-teatralny.pl/dzialalnosc/publikacje/artystki-i-artysci-teatru-w-czasie-covid-19-dopoki-jawi-sie-przedemna-premiera-bede-walczy-raport-z-badan/> [accessed: 9 March 2022].

EU support for the CCSs affected by the COVID-19 pandemic crisis

Resolutions of the European Parliament

In September 2020, the European Parliament adopted a resolution on the cultural recovery of Europe,³⁹ in which it called on the Member States and the Commission to undertake necessary actions. The Parliament requested that the Member States, among others, “consider offering financial support to cultural venues and events” and ensure that all professionals in the CCSs have “access to social benefits.” It called on the Commission, *i.a.*, to support the mobility of artists and to “develop guidelines for Member States for safe cross-border touring, live cultural events and cultural activities,” as well as to provide appropriate information about mixed funding sources that can be mobilised for the CCSs. The Parliament suggested the creation of European digital platforms for performing arts, which would help artists when festivals and cultural events are cancelled, while ensuring fair remuneration for artists, creators and companies. The Commission and the Member States were also encouraged “to earmark for the [...] [CCSIs] [...] at least 2% of the Recovery and Resilience Facility.”

In February 2021, the European Commission responded to the aforementioned Parliament resolution, informing, among others, that “two online platforms – one for exchanging information between the Member States and the Commission and one steered by the cultural sectors themselves” (called Creatives Unite⁴⁰) have been set up. The Commission further informed that instruments, such as Creative Europe, Digital Europe, Horizon Europe, the European Structural and Investment Funds, InvestEU and the Recovery and Resilience Facility, would support the CCSIs in 2021–2027.

In October 2021, the European Parliament passed a resolution on the situation of artists and the cultural recovery in the EU.⁴¹ The Parliament called on the Member States and the Commission, among others, to provide adequate and continuous financial and structural support to the CCSs, and – as in the previous resolution – “to earmark at least 2% of the budget envelope of the Recovery and Resilience Facility to culture.” It also recommended the promotion of greater participation of artistic and cultural schools and institutions in Erasmus+ programme. The Commission was called on to propose a European Status of the Artist, which would set out a common framework for working conditions and minimum standards in all Member States, including guidelines on, e.g., contracts, means of collective representation and management, social security, sickness and unemployment insurance, pension schemes, direct and indirect taxation. The Commission’s response to the resolution is expected in the spring of 2022.

³⁹ European Parliament resolution on the cultural recovery of Europe, 2020/2708(RSP).

⁴⁰ <https://creativesunite.eu/> [accessed: 9 March 2022].

⁴¹ European Parliament resolution of 20 October 2021 on the situation of artists and the cultural recovery in the EU, 2020/2261(INI).

Recovery guidelines

To complement and support the Member States' actions to combat the consequences of the COVID-19 pandemic crisis in the CCSs, in June 2021, the European Commission published a communication on EU guidelines to facilitate the safe resumption of activities in the CCSs in the Member States.⁴² With the increased number of vaccinated people in the EU, and the introduction of the EU Digital COVID Certificate, the guidelines recommended Member States to gradually lift restrictions in the CCIs "in the field of music, audiovisual, performing arts, exhibition spaces such as museums or galleries, libraries, and cultural heritage," while ensuring "the safe reopening of the cultural sector and its sustainable recovery." With the aim to guarantee proper social distancing, the Commission presented indicators to be followed, related to the type of event (outdoor and indoor events), the size of event, and the distribution of people (seated places). The guidelines also encouraged engaging audiences in virtual environments, e.g., "in the audio-visual field, where cinema cooperated with online platforms, or in the field of performing arts and music."

The recovery guidelines were also prepared by UNESCO. The organisation divided actions aimed to support the CCIs into three groups:⁴³

- direct support for artists and cultural professionals in form of: social benefits; commissioning and purchase of works; compensation for loss of income; and skills development;
- support for the CCIs through: accelerated payment of aid and subsidies; temporary relief from regulatory obligations; compensation for business interruption losses; relief from taxes and social charges; stimulating demand; preferential loans; strengthening infrastructure and facilities;
- enhancing the competitiveness of the CCIs by: participatory needs assessments and feasibility studies; adapting business models; promoting national content; tax incentives for foreign investment.

Examples of EU programmes and actions supporting the CCSIs

The EU has no power to pass laws in the area of culture. Culture remains in the competences of the Member States, with the European Union having only "supporting competences." In line with Article 6 of the Treaty on the Functioning of the European Union (TFEU), in the area of culture, the EU "shall have competence to carry out actions to support, coordinate or supplement the actions of the Member States."⁴⁴ The EU subsidiarity policy for culture is defined in Article 167 TFEU.

In 2021–2027, several EU programmes will support the CCSIs, e.g., the Recovery and Resilience Facility, Creative Europe, Digital Europe, Horizon Europe, InvestEU, and the European Structural and Investment Funds.

⁴² European Commission, Communication on EU guidelines for the safe resumption of activities in the cultural and creative sectors – COVID-19, C(2021)4838 final, Brussels, 29 June 2021.

⁴³ UNESCO, *Culture in crisis...*

⁴⁴ Treaty on the Functioning of the European Union, consolidated version, OJ C 326, 26.10.2012.

The Recovery and Resilience Facility⁴⁵ was established in February 2021 with the aim “to mitigate the economic and social impact of the coronavirus pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions.”⁴⁶

As was previously mentioned, the European Parliament encouraged the Commission and the Member States “to earmark at least 2% of the budget envelope of the Recovery and Resilience Facility to culture” in the national recovery and resilience plans.⁴⁷ Only three Member States (out of 24 examined by Culture Action Europe⁴⁸) devoted at least 2% of the planned budget envelopes to culture, namely Czech Republic (4%), Italy (2.1%), and France (2%), and two other were close to the threshold: Austria and Finland (1,92%). Eight Member States did not foresee any special intervention in the area of culture.

Poland is planning to devote 0.5% (EUR 295 million) of its total budget of EUR 58 billion⁴⁹ to culture, according to the above-mentioned report.⁵⁰ Out of the sum, EUR 200 million will be spent on “investments for the diversification development of enterprises (especially SMEs), products, services and qualification and competencies of employees and personnel in the sectors of tourism and culture,” and further EUR 95 million on “strengthening the potential of cultural institutions to cooperate with the science sector and enterprises by investing in innovative cultural solutions.”⁵¹ As for the aforementioned amount of EUR 200 million, “It is part of a global figure of [...] [EUR] 500 million, 300 of which is destined to the HoReCa sector,” which stands for “Hotel/Restaurant/Café,” i.e., the hospitality sector, and includes, e.g., food, drinks, travel and tourism. Additional EUR 100 million is said “to be made available through national co-financing.” The report also points out that cultural institutions in Poland may benefit from planned interventions in the area of green energy and reduction of energy consumption, with EUR 67 million aimed to support “increasing the energy efficiency of local communities activity facilities – thermal modernization of selected buildings of libraries and community centres.”⁵²

45 Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility, OJ L 57, 18.2.2021.

46 European Commission, *Recovery and Resilience Facility*, https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en [accessed: 10 March 2022].

47 On 9 February 2022, the European Parliament sent a question to the European Commission concerning culture in the national plans: European Parliament, Parliamentary questions, Question for written answer E-000591/2022 to the Commission of 9 February 2022 on culture in the national recovery and resilience plans.

48 Culture Action Europe, *Culture in the EU's National Recovery and Resilience Plans*, December 2021, <https://cultureactioneurope.org/news/new-publication-culture-in-the-eus-national-recovery-and-resilience-plans/> [accessed: 10 March 2022]. Culture Action Europe is a network of institutions and organisations operating in the CCS, and is financed by the EU within the Creative Europe Programme.

49 The total budget is composed of national funds, and up to EUR 36 billion of EU support.

50 Culture Action Europe, *Culture in the EU's National Recovery and Resilience Plans...*; Ministerstwo Funduszy i Polityki Regionalnej [Ministry of Development Funds and Regional Policy], *Krajowy Plan Odbudowy i Zwiększenia Odporności [National Recovery Plan]*, April 2021, <https://www.gov.pl/web/planodbudowy/kpo-wyslany-do-komisji-europejskiej> [accessed: 10 March 2022].

51 Culture Action Europe, *Culture in the EU's National Recovery and Resilience Plans...*

52 *Ibidem*.

Creative Europe 2021–2027 programme was launched in May 2021, with a total budget of EUR 2.4 billion (63% higher than in 2014–2020). In 2021, around EUR 300 million was allocated “to help professionals and artists from all cultural sectors to collaborate across disciplines and borders, in order to find more opportunities and to reach new audiences,” with special attention given to reinforcing the resilience and recovery of the CCSs affected by the COVID-19 pandemic.⁵³ The Commission also offered guidelines on how to implement projects when the COVID-19 restrictions impose cancellation of events.⁵⁴

Digital Europe 2021–2027 programme, in its part devoted to education, culture and media, provides creators, creative industry and cultural sectors “with access to the latest digital technologies from AI [Artificial Intelligence] to advanced computing.” The programme also aims to “exploit the European cultural heritage, including Europeana, to support education and research and to promote cultural diversity, social cohesion and European society.” Furthermore, the programme supports “the uptake of digital technologies in education, as well as private and publicly funded cultural institutions.”⁵⁵ The Digital Europe Work Programme 2021–2022 focuses on the creation of the European common data space for cultural heritage, building on the current Europeana platform,⁵⁶ with the aim to “provide support to the digital transformation of Europe’s cultural sector, and foster the creation and reuse of content in cultural and creative sectors.”⁵⁷

The Horizon Europe 2021–2027 programme provides support to the CCSs via its Cluster 2: “Culture, creativity and inclusive society.”⁵⁸ The cluster “aims to meet EU goals and priorities on enhancing democratic governance and citizens participation, on the safeguarding and promotion of cultural heritage, and to respond to and shape multifaceted social, economic, technological and cultural transformations.”⁵⁹ The Work Programme 2021–2022 offers, among others, support to research and innovation on cultural heritage and CCIs.

In October 2021, the European Institute of Innovation and Technology (EIT), located in Hungary, launched a Knowledge and Innovation Community (KIC) for CCSIs. The aim of the new KIC is “to bring a horizontal solution to an array of rising challenges, which are of a permanent

53 European Commission, *Creative Europe: Over €2 billion to support the recovery, resilience and diversity of cultural and creative sectors*, https://ec.europa.eu/commission/presscorner/detail/en/ip_21_2587 [accessed: 10 March 2022].

54 European Commission, *Coronavirus and the Creative Europe programme*, <https://culture.ec.europa.eu/resources/coronavirus-response/coronavirus-and-the-creative-europe-programme> [accessed: 10 March 2022].

55 Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240, OJ L 166, 11.5.2021.

56 Europeana platform, <https://www.europeana.eu/en> [accessed: 10 March 2022].

57 European Commission, *The Digital Europe Programme – Work Programmes*, <https://digital-strategy.ec.europa.eu/en/activities/work-programmes-digital> [accessed: 10 March 2022].

58 European Commission, European Research Executive Agency, *Horizon Europe – Cluster 2: “Culture, creativity and inclusive society,”* https://rea.ec.europa.eu/funding-and-grants/horizon-europe-cluster-2-culture-creativity-and-inclusive-society_en [accessed: 10 March 2022].

59 Horizon Europe. Work Programme 2021–2022. 5. Culture, creativity and inclusive society, European Commission Decision C(2021)9128 of 15 December 2021.

nature and may be addressed through education, research and innovation activities.” The first call for proposals was launched simultaneously, with a deadline set on 24 March 2022.⁶⁰

The Commission also launched a new call within the Erasmus+ programme, “Partnerships for creativity,” with a budget of EUR 100 million.⁶¹ The initiative gathers organisations operating in the field of informal, formal and non-formal education and those operating in the CCSs, with the primary goal to develop skills and competences to reinforce creativity in education and youth work.

Conclusions

The cultural and creative sectors are among the most impacted by the COVID-19 pandemic crisis. The situation of the CCSs is changing quite rapidly due to the imposed and loosened restrictions and limitations, such as closing cultural venues, cancelling cultural events, introducing constraints on international travels of artists, etc. Yet, not all parts of the CCSs were affected to an equal extent. For example, performing arts recorded big losses in revenues, while at the same time, video games industries and music streaming services were on the rise.

The COVID-19 pandemic crisis, and in particular the period of lockdown, showed how important the CCSs are for people’s well-being and mental health. Many people developed or increased their interest in culture, listening to music, learning to play musical instruments, reading books, playing video games, and in other cultural activities, as a way to find mental rest in these challenging times.

During the COVID-19 pandemic the CCSs tried to reach their audiences in many new ways, different from what they had been used to, which required considerable effort. One of the ways of coping with the situation was an extensive digitalisation of the activities of specific institutions, and the ones that could meet their audiences in the virtual world (e.g., museums) were generally less affected by the crisis than the others.

The gradual reopening of the CCSs, namely concert halls, cinemas, theatres, libraries, etc., so anxiously awaited both by the sectors and by the audiences, gave a first, positive impulse. But the way to recovery may be long, particularly in the fields which suffered the most during the crisis. As an example, the OECD pointed out that the effects of the crisis on distribution channels and the drop in investments may affect the production of cultural goods and services in the future.

With the aim to facilitate the recovery, the EU and the Member States provided recommendations and guidelines for the safe resumption of activities in the CCSs. Such guidelines were also prepared by UNESCO. The EU and the Member States offer financial support to the CCSs. First analyses, e.g., of the Member States’ national recovery and resilience plans, showed that many Member States decided to use the instrument to support the recovery of other sectors

⁶⁰ Decision (EU) 2021/820...

⁶¹ The call was launched along with a call aimed to support digital education, with an identical budget of EUR 100 million; European Commission, *Coronavirus response: Extraordinary Erasmus+ calls to support digital education readiness and creative skills*, <https://erasmus-plus.ec.europa.eu/news/coronavirus-response-extraordinary-erasmus-calls-to-support-digital-education-readiness-and-creative-skills-0> [accessed: 10 March 2022].

rather than the CCSs, and only a small number of countries followed the recommendation of the European Parliament to devote at least 2% of the budget to the CCSs.

It is too early to say what effects the measures and actions undertaken at the EU level and by national authorities in the Member States will bring about for the cultural and creative sectors in a longer perspective, especially regarding the new instruments. However, the support offered to the CCSs within, e.g., the Creative Europe and Horizon Europe programmes in 2014–2020 was positively evaluated.

There are several (interrelated) factors which will determine the recovery of the CCSs and the effectiveness of the proposed measures and instruments, especially the new ones, in the whole process. Some of them are as follows:

- the course of the COVID-19 pandemic, and in consequence, further relaxing or tightening of limitations and restrictions for the CCSs;
- whether the Member States decide to follow the recommendations and guidelines prepared for the occasion, and whether they decide to use the offered support;
- whether the CCSs show interest in and use the support offered at the EU level, as well as at the national, regional and local levels;
- the character of future participation of audiences in culture and the development of the increased interest in some sectors and of the ways of consuming culture;
- whether the new operating models of the CCSs meet the needs of the audiences.

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