



New study reveals that cultural and creative industries could hold the key to rebuilding Europe's battered economy

IN A NUTSHELL

Cultural and creative industries (CCIs):

- employed more than twice as many people as telecommunications and automotive industries combined
- were growing faster than the EU average
- represented 4.4% of EU GDP in terms of turnover
- are some of the worst affected by the COVID pandemic (more than the tourism industry and almost on par with air transport)
- if properly empowered, could hold the key to rebuilding Europe's economy

Brussels, 26/01/2021 – Cultural and creative industries (CCIs) are much more than just another sector to get out of the crisis, they are a significant part of Europe's solution to the current situation and its economic and social consequences.

This new study from EY, called [Rebuilding Europe: the cultural and creative economy before and after COVID-19](#), captures the figures behind Europe's thriving cultural and creative economy before the pandemic, and the staggering effects of venue and shop closures and health measures. It also lays out a series of recommendations to empower CCIs, so they can be one of the drivers to help boost and revamp the EU economy.

The CCIs

- Advertising
- Architecture
- Audiovisual
- Books
- Music
- Newspapers and magazines
- Performing arts
- Radio
- Video games
- Visual arts

A THRIVING ECONOMY

In 2019, the CCIs represented 4.4% of EU GDP in terms of turnover, with annual revenues of €643 billion and a total added value of €253 billion. CCIs were also one of Europe's leading job providers, employing more than 7.6 million people, more than eight times the telecommunications industry.

CCIs were growing faster (+2.6% per year since 2013) than the EU average (+2%) and represented a trade surplus of €8.6 billion in 2017 (the latest figures available) – underlining the EU's status as a cultural powerhouse in the world economy. The creative economy also came out favourably in terms of technological innovation, gender diversity and employment of young people.

COVID-19

When COVID-19 took hold, the study finds that CCIs were worse hit than the tourism industry and only marginally less than the air transport industry. CCIs as a whole experienced losses of over 30% of their turnover for 2020 - a cumulated loss of €199 billion - with music and performing art sectors experiencing 75% and 90 % losses respectively, €53 billion for visual arts, €26 billion for audiovisual, etc.

THE REBUILD

Considering CCIs' key contribution to the overall economy, and its potential to lift the EU out of the crisis, the study concludes that the creative sector should be central to Europe's recovery efforts and recommends a three-pronged approach: 'finance, empower, leverage'. It recommends massive public financing and the promotion of private investment, a solid legal framework to create the

conditions needed to revitalise the creative economy and safeguard its long-term growth, and leveraging the soft power of CCIs and individual creative talent to drive societal progress.

A UNIFIED SECTOR MEETS COMMISSIONERS

Unprecedented times called for unprecedented measures. Never before has Europe's creative economy experienced such economic devastation, the effects of which will be felt for the next decade. While the report itself features editorial messages from President of the European Parliament David Sassoli and European Commissioner Mariya Gabriel, its release has inspired a unified delegation that, at the initiative of GESAC, will meet high-level decision-makers on the day of the launch, including European Commission Executive Vice-President Dombrovskis, Vice-Presidents Schinas and Šuica, and Commissioners Breton, Gabriel, Gentiloni and Schmit. The delegation includes representatives from across the CCIs, led by cultural ambassador Jean-Michel Jarre.

Jean-Michel Jarre, electronic music pioneer says: "Culture has become a scarce resource in today's Europe, and we are all suffering because of it. At the same time, Europeans are experiencing the truly profound value of art and its ability to bring us together. This study reflects that reality, it puts numbers to the suffering and offers clear instructions as to the solution."

Jean-Noël Tronc, President of GESAC and CEO of SACEM says: "The CCIs are as dynamic as they are vulnerable, as essential as they are diverse, and fortunately, it's not too late to take action. In addition to massive funding, what's needed is a solid legal framework that fosters investments and their recoupsments while guaranteeing fair remuneration for creators and their business partners and, in this regard, the swift and effective implementation of the Copyright Directive is key. European leaders also need to prepare for the future, by using the CCIs - and the multiplied power of their millions of individual talents - as a major accelerator of social, societal and environmental progress in Europe."

Marc Lhermitte, Partner at EY says: "This study provides the most up to date data on the massive economic impact of the COVID-19 crisis on cultural and creative industries in Europe. 2020 was a dramatic year for the cultural and creative industries (CCIs), both in Europe and around the world. Culture was the first to suspend most of its live and retail activity – and it will probably be the last to resume without constraint. But the study also asserts that this sector, an economic heavyweight, which is at the heart of Europe's social fabric, could become the number one ally of an economic revival. It showcases the power of culture, its dynamism and its contribution to the EU's global influence."

MORE ON THE STUDY

The study was commissioned by GESAC (European Grouping of Societies of Authors and Composers) and brought together a broad array of partners; AEPO-ARTIS, EURO CINEMA, EURO COPYA, EVA, FIAPF, IMPALA, IVF, SAA, SROC, and supportive organisations; AER, CEPIC, EACA, ECSA, EGDF, EPC, FEP, FERA, FSE, IFRRO, IMPF, highlighting the cross-sectoral support for its findings and recommendations.

[STUDY WEBSITE](#)

Ends

About GESAC

GESAC groups 32 of the largest authors' societies in the European Union, Iceland, Norway and Switzerland. They defend and promote the rights of more than 1 million creators and rights holders in the areas of music, audiovisual works, visual arts, and literary and dramatic works.

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