



Northern Ireland  
Assembly

## Research and Information Service Briefing Note

---

Paper 26/13

4 February 2013

NIAR 49-13

**Dr Dan Hull**

# Briefing on EU priorities relating to culture, arts and leisure

### **The Rationale**

On 17 October 2012, the Committee for the Office of the First Minister and deputy First Minister (COFMdFM) agreed to undertake a pilot project aimed at enhancing committees' scrutiny of European issues.

A key document in scrutinising the actions of the European Union (EU) is the European Commission's Annual Work Programme (CWP), which is usually published every autumn. This project examines the CWP, but seeks where appropriate to provide further information to assist the committee in its consideration of EU issues.

To help committees to identify priorities from CWP, the COFMdFM pilot project tasked the Research and Information Service (RaISe) with the development of a set of draft criteria which could be used to filter the CWP and other areas of EU activity. These criteria were agreed by the COFMdFM and include the following:

- initiatives relating to devolved matters only;
- legislative initiatives that have particular significance given their impact on Northern Ireland law and the application of the subsidiarity early warning system;

- specific non-legislative initiatives, such as green papers, represent an opportunity for Committees to engage with an issue at an early stage;
- initiatives relating to the Executive's current European priorities;
- initiatives which relate to existing topics of interest to committees or topics identified in committees' forward work programmes;
- initiatives which may have significant financial implications, either in terms of funding or costs resulting from increased regulation.

The 2013 Work Programme sets out 55 proposals which the Commission will table during 2013 and in the first part of 2014. RaISe has considered the list of initiatives contained in CWP and has identified that none have a direct relevance for the Committee for Culture, Arts and Leisure at this stage.

However, as 2014 represents the end of the current legislature, the Commission's work programme for 2013 is significantly smaller than in previous years, and so there may be other areas of interest or priority for the committee beyond those set out in the CWP.

Indeed, there are currently a number of other developments within the European Union which, under the six criteria set out above, may be of interest to the committee. Six of these developments are described here.

Finally, RaISe was tasked with simply flagging possible areas of interest for the committee, and appreciates that there may be other areas that the Committee may want to add or consider over and above the issues summarised here. However, a next step may be to write to DCAL to obtain their view on specific issues, and to find out whether any consideration of them has been incorporated into the forward work programme. Annex 1 contains a summary of the issues highlighted in this paper, along with some suggestions for potential actions which could be taken.

## **1. Creative Europe programme 2014–2020**

The Creative Europe programme, proposed for 2014–2020, expands the previous Culture Programme 2007–2013 to include the MEDIA and MEDIA Mundus funds. With an estimated budget of €1.8 billion this programme represents a significant financial increase of 37% to the creative industries. Among the various intentions of the new programme, it is stated that Creative Europe will strengthen the financial capacity of the cultural and creative sectors, increase the circulation of cultural goods and build new audiences<sup>1</sup>. The new fund would include, for example, a loan guarantee facility for the screen industries.

---

<sup>1</sup> European Commission: *Creative Europe: Support Programme for Europe's Creative and Cultural Sectors from 2014* <http://nia1.me/150> Consulted on 8.1.13.

The Department for Culture, Media and Sport (DCMS) conducted a consultation on the proposals in 2011/12, with most respondents welcoming the new framework. DCMS, while supportive of some of the new proposals, does not support the increased budget allocation for Creative Europe or the new loan facility<sup>2</sup>.

The establishment of Creative Europe would require a regulation and this is currently undergoing its first reading in the European Parliament. Opinions have been issued by the Committee of the Regions<sup>3</sup> and the Economic and Social Committee<sup>4</sup>. The next stage will be for the proposal to go to the Council, and into its second reading.

The likelihood of current proposals remaining intact will become clearer when the EU's Multiannual Financial Framework (MFF) is agreed upon.

## 2. Intellectual Property Rights Strategy

In 2011, the European Commission created an Intellectual Property Rights Strategy, the overall aim of which is to ensure that copyright arrangements are kept up-to-date in the context of the increasing dominance of digital media and the ease with which illegal digital downloads, piracy of goods and counterfeiting can be carried out<sup>5</sup>. The strategy contains measures such as the creation of a unitary patent protection system, better protection of brands through a modernised trade-mark system, facilitating EU access to copyright-protected works (particularly online), and more effective cooperation in the EU against counterfeiting and piracy<sup>6</sup>.

The various measures contained within the strategy are scheduled to be carried out at various times, with overall completion aimed at 2014.

The measures contained within the strategy will be of particular interest to the screen and music industries in Northern Ireland. Of particular interest will be the measures on simplifying management of copyright and the online distribution of audiovisual works, further details of which are contained in the following two developments, below.

## 3. Green Paper on the Online Distribution of Audiovisual Works

This green paper was published in 2011. It focused on the cross-border availability of audiovisual works across the EU, and in particular on the copyright licensing framework. It discussed a number of regulatory approaches to licensing and the remuneration of authors and performers for the online use of their works.

---

<sup>2</sup> Ministerial Statement, Parliamentary Under Secretary of State (Culture, Communications and Creative Industries), Business, Innovation and Skills; 11.12.12, Hansard c22WS: <http://nia1.me/19n>

<sup>3</sup> For example, Opinion of the Committee of the Regions on 'Creative Europe' (2012/C 277/15) *Official Journal of the European Union*: <http://nia1.me/1ae>

<sup>4</sup> For example, Opinion of the Economic and Social Committee on 'Creative Europe' (2011/0370): <http://nia1.me/1af>

<sup>5</sup> European Law Monitor. 'Commission agrees way forward for modernising copyright in the digital economy': <http://nia1.me/19p>

<sup>6</sup> European Commission. May 2011. *Citizens' Summary: A Single Market for Intellectual Property Rights*: <http://nia1.me/19o>

The accompanying consultation has now closed, but further strategy work and developments are likely to emerge from 2013 onwards, particularly in areas such as video-on-demand and cross-border broadcast services.

#### **4. Music piracy and copyright protection**

A draft bill, intended to combat music piracy and strengthen copyright protection, was introduced by the European Commission in July 2012. If passed, this bill would force companies that manage music rights to pay artists their royalties promptly. This is the Commission's second attempt at improving the practice of collecting societies. The draft law would give collecting societies 12 months after the financial year in which a track was played to pay up, or about half the time companies currently have in many countries. Some artists have been critical of the proposals, stating, for example, that 'the draft law may tackle the distribution of online rights but will do little to unlock the remaining 95 per cent of royalties made from gigging, clubs and private copying'<sup>7</sup>.

#### **5. Term of Music Copyright Directive**

The European Union has introduced the Term of Music Copyright Directive 2011/77/EU, changing the term of music copyright from 50 years to 70 years. A draft regulation which will implement this directive, bringing this change into effect in UK law, has now been formed and is currently being consulted on by the UK Intellectual Property Office. This consultation closes on 4 March 2013.

#### **6. Communication: Promoting Cultural and Creative Sectors for Jobs and Growth**

In September 2012, the European Commission published this communication as a follow-up to the 2010 *Green Paper on the Online Distribution of Audiovisual Works in the European Union*. It proposes a strategy to further expand and exploit the potential of the creative sectors in the EU. The communication calls for a greater degree of partnership between various departments (for example, culture, industry, economy, and tourism), and for financial institutions to have a greater degree of awareness of the economic potential of the creative sectors.

Among the key recommendations made in the communication are objectives such as assessing the possibility of setting up a loan guarantee fund for fashion businesses. Various actions are summarised which are already in train, including addressing skills needs through a set of Knowledge Alliances (for example, a Cinema and Industry Alliance for Knowledge and Learning is expected to report on its work in 2013). A Member States Expert Group has been set up in the framework of the European Agenda for Culture and is due to produce a report on policies and promoting better access to, and participation in, culture. A stakeholder consultation will be launched on

---

<sup>7</sup> As above.

the relevance of setting up a European Experience Economy Alliance to foster cross-sectoral interaction between the cultural and creative sectors, sport, leisure and tourism.

This communication is still a relatively new development, and further green papers or draft legislation may emerge from this communication in due course.

## **7. European work plan for sport**

Following the publication of a Sport White Paper in 2007, and the competency provided to the EU for dealing with sport by Article 165 of the Treaty of Lisbon, an EU work plan for sport was created in 2011. This work plan, *Developing the European Dimension in Sport*, is being undertaken throughout 2012 and 2013. This sets out three specific work areas: the societal role of sport, the economic dimension of sport, and the organisation of sport. Of the various actions proposed across these three areas, four actions are perhaps of particular note within a Northern Ireland context: the implementation of national physical activity guidelines, widening the accessibility of sport for those with a disability, making greater use of evidence-based policy-making in the field of sport, and ensuring that grassroots sport is placed on a more sustainable financial footing. Various expert groups are working on each of these work areas, especially regarding issues such as education and training for elite sporting athletes, sport statistics, corruption and match-fixing.

A number of studies and initiatives may emerge from the work plan. In particular, the possibility of funding through a new Sport Sub-Programme (below) will be a significant development.

A key mechanism through which the work plan is being discussed is the annual EU Sports Forum.

## **8. Sport Sub-Programme**

Within the European Commission's proposed a Multi-Annual Financial Framework for 2014–2020<sup>8</sup>, €15.2 billion has been earmarked for an education, training and youth programme ('Education Europe'), including a Sport Sub-Programme. If the Sport Sub-Programme is approved by the European Parliament and the Council, it will represent the first ever dedicated funding stream for sport at EU level.

Further details of this proposal are expected in the coming months. It is understood that at present there are no major differences between the Commission's proposal and opinions in the European Parliament<sup>9</sup>.

Grassroots sport is expected to be the main beneficiary, as well as a European Day or Week of Sport.

---

<sup>8</sup> Ec.europa.eu *Financial Framework 2014-2020* <http://nia1.me/14w>

<sup>9</sup> As above.

## 9. Horizon 2020

Horizon 2020 is the key framework through which innovation is funded by the EU, and replaces the FP7 and FP8 mechanisms. It is currently forecast that Horizon 2020 will distribute €80 billion in total.

A number of studies have highlighted the economic importance of the creative and cultural sectors in Europe, and that such sectors have a positive influence on the wider creative economy<sup>10</sup>. It is expected that some areas of the creative industries will be eligible to apply for Horizon 2020 funding.

There has been some recent speculation that cultural heritage will also be included as a priority area in the Horizon 2020 funding programme<sup>11</sup>. Although cultural heritage was originally omitted from the funding proposals, it seems likely that funding for cultural heritage will now be made available through Horizon 2020, focusing on the contribution of culture to research excellence, social cohesion and growth. The amended proposal notes 'the importance of cultural heritage as a strong economic driver in a post-industrial economy and its contribution to sustainable economic growth'.

The final specification for Horizon 2020 is currently the subject of negotiations between the European Council and the Parliament<sup>12</sup>. The new framework is expected to commence from the beginning of 2014.

---

<sup>10</sup> For example: European Commission: Culture. 13.1.11. *Study on the Entrepreneurial Dimension of the Cultural and Creative Industries*: [http://ec.europa.eu/culture/key-documents/doc3124\\_en.htm](http://ec.europa.eu/culture/key-documents/doc3124_en.htm); Experian. 2010. *How Linked are the UK's Creative Industries to the Wider Economy? An Input-Output Analysis*. A working paper for NESTA: [http://www.nesta.org.uk/library/documents/Creating\\_innovation\\_experian.pdf](http://www.nesta.org.uk/library/documents/Creating_innovation_experian.pdf)

<sup>11</sup> Museums Journal. 17.12.12. 'Cultural heritage to be included in European funding programme': <http://nia1.me/19j>

<sup>12</sup> European Commission: Research and Innovation. 'Horizon 2020: Timeline': [http://ec.europa.eu/research/horizon2020/index\\_en.cfm?pg=h2020-timeline](http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=h2020-timeline)

## Summary of potential EU priorities for the CAL Committee

	Development	Next stage	Potential action
1	Creative Europe programme 2014–2020	The proposal for a regulation to institute this programme is currently undergoing its first reading in the European Parliament, and opinions have been issued by the Committee of the Regions and the Economic and Social Committee. The next stage will be for the proposal to go to the Council, and into its second reading. The likelihood of current proposals remaining intact will become clearer when the Multiannual Financial Framework (MFF) is agreed.	Opinion and concerns can be conveyed via liaison with both the European Parliament, through MEPs and the Culture and Education Committee, as well as UK ministers. The Committee may wish to contact DCAL for information on how it has engaged with proposals for the Creative Europe programme to date, and how it plans to encourage use of the programme by the relevant sectors in Northern Ireland.
2	Intellectual Property Rights Strategy	A number of measures are in the process of being acted upon now, including the creation of a unitary patent protection system, better protection of brands through a modernised trade-mark system, facilitating EU access to copyright-protected works (particularly online), and more effective cooperation in the EU against counterfeiting and piracy. The measures will continue up until the end of 2014.	The Committee may wish to maintain a watching brief on this strategy as it develops. The measures contained within the strategy will be of particular interest to the screen and music industries in Northern Ireland. Will the department and the relevant agencies be communicating any forthcoming changes to the creative industries? Of particular interest will be the measures on simplifying management of copyright, and the online distribution of audiovisual works (see below).
3	Green Paper on the Online Distribution of Audiovisual Works in the European Union	This paper focused on the cross-border availability of audiovisual works across the EU, and in particular on the copyright licensing framework. It discussed a number of regulatory approaches to licensing and the remuneration of authors and performers for the online use of their works.	A public consultation was launched in late 2011 and has now closed. Follow-up actions are expected to target ways of stimulating the European audiovisual sector, particularly in areas such as video-on-demand and cross-border broadcast services. No measures have yet been announced, but are expected throughout 2013/14.
4	Draft bill on music piracy and copyright protection	This bill was presented in July 2012, intending to combat music piracy and strengthen copyright protection. The intention is to force companies that manage music rights to pay artists their royalties more speedily.	The Committee could play a role in gauging the views of music practitioners in Northern Ireland and seek an update from DCAL and the Arts Council of Northern Ireland on how any legislative changes will affect the music and wider creative industries here. The Committee's view could also be communicated to the relevant committees in the Houses of Parliament.
5	Term of Music Copyright Directive 2011/77/EU	The EU has changed the law on music copyright protection so that it will now last 70 years rather than 50 years. A draft regulation to implement Directive 2011/77/EU, bringing this change into effect in UK law, has now been formed and is currently being consulted on by the UK Intellectual Property Office, closing on 4 March 2013.	The EU's involvement with this issue is now completed, but the Committee has the option of responding to the UK Intellectual Property Office consultation in terms of how the change is carried into UK law.

6	European Commission Communication on Promoting Cultural and Creative Sectors for Growth and Jobs in the EU	This communication proposes a wide range of measures, the timetable for which is still not clear.	This communication is still a relatively new development but the Committee could maintain a watching brief on this item, for example with regard to a potential loan guarantee fund for the fashion industry, and continuing attempts to improve the EU regulatory framework for the cultural and creative sectors. Further green papers or draft legislation may emerge from this communication in due course.
7	Current work plan for sport: Developing the European Dimension in Sport	The various expert groups have continued to work on the work plan for sport, especially regarding issues such as education and training for elite sporting athletes, sport statistics, corruption and match-fixing <sup>1</sup> .	The Committee could maintain a watching brief on any studies and initiatives which may emerge from the work plan. In particular, the possibility of funding through a new Sport Sub-Programme (see below) could be watched closely. The Committee could communicate with DCAL regarding its engagement, either directly or through DCMS, with the annual EU Sports Forum, at which various elements of the work plan for sport are discussed.
8	Sport Sub-Programme	Further details of this proposal are expected in the coming months. It is understood that at present there are no major differences between the Commission's proposal and opinions in the European Parliament <sup>2</sup> . Grassroots sport is expected to be the main beneficiary, as well as a European Day or Week of Sport.	The Committee could maintain a watching brief regarding the announcement of a Sport Sub-Programme, and liaise with DCAL and relevant sporting bodies regarding their use and interpretation of any emerging programme. The introduction of such a programme may involve the passing of a regulation, which in itself may provide opportunities for engagement and comment via the European Parliament's Culture and Education Committee, MEPs, and DCMS.
9	Horizon 2020	Parliament and Council are currently negotiating over the budget for Horizon 2020 within the context of the overall EU budget for 2014–2020. It is expected that following agreements on the budget, the relevant legislative acts will be passed by the end of 2013, with the new framework commencing from the beginning of 2014.	The Committee could continue to observe the potential for the creative industries to make use of Horizon 2020, and scrutinise DCAL on its role in encouraging such sectors to seek funds from the framework. Following the Committee's inquiry into the creative industries, it may wish to engage with stakeholders to gauge the degree of take-up of Horizon 2020 funds in due course.

<sup>1</sup> European Commission: Sport. 'EU Sports Forum 2012': [http://ec.europa.eu/sport/news/20121116\\_en.htm](http://ec.europa.eu/sport/news/20121116_en.htm) Page consulted on 28.1.13.

<sup>2</sup> As above.