



## **UK Coalition for Cultural Diversity**

### **2018 ACTION REPORT**

#### **1 SUPPORTING UK NATIONAL COMMISSION AND CIVIL SOCIETY AT UNESCO**

**The UK National Commission for UNESCO** will be Chair of Group 1 in 2018. Signs of possible renaissance in Paris with new Ambassador, Matthew Lodge, an assistant and 2 representatives from Dept of International Development (responsible for Convention). With threat of Brexit, The Commonwealth Foundation and UNESCO become more important. UKNC regards itself as more influential at UNESCO than in UK. Representation of 2005 Convention continues to be low visibility and low priority, but UKCCD has informed on Civil Society Organisations' participation under Article 11, and helped advance this Convention in the UKNC agenda.

UKCCD has actively participated in the steering group **delivering the Civil Society Report** to the 11<sup>th</sup> Inter-Governmental Committee. This involved research into activities of civil society organisations worldwide with recommendations to the Intergovernmental Committee delivered in the framework of the 4 principle goals identified by the Parties to the Convention: Supporting sustainable systems of governance for the Convention; achieving a balanced flow of goods and services and ensuring mobility for artists; integrating culture in sustainable development frameworks; promoting human rights and freedom.

#### **2 UK - STATE OF THE ARTS**

Latest government statistics based on information pre-Referendum show that

- the creative industries make up 5.3% of economy and are now worth £92 billion to the UK economy
- sector continues to outstrip others in terms of growth. The creative industries grew at more than double the speed of the wider economy in the period 2015-2016, at a rate of 7.6% compared to 3.5%
- This means the creative industries are worth more than seven times the UK's gross annual contribution to the EU and would pay for the estimated Brexit divorce bill of €50bn twice over.

Particularly high growth was shown by the crafts industry (14.6%), design and fashion (11%), creative tech including games (11.4%), publishing (7.7%) and film and TV (6.6%). The advertising industry

has almost doubled in size since 2010, growing by 4.3% in the 2015-2016 period.

**Key threats** to overall sector are Brexit, severe skills shortages, absence of CI sector from UK Industrial Strategy; low status of arts in curriculum ; funding for cultural development in regions; failure to include culture in industrial strategy; public service broadcasting

### **3 JOINT ACTIVITY WITH EUROPEAN COALITIONS, ECCD**

Carole Tongue chairs the ECCD which has 11 national coalitions and was set up to ensure that there is a strong voice in Brussels making sure the EU upholds the Convention, as it is a party to it, in all the relevant policy areas.

All the arts in the UK have an interest in how the digital economy is regulated. UNESCO warns that increasing market dominance will narrow cultural possibilities across the board. So at EU level we are lobbying on...

**a) Trade.** We have successfully lobbied to keep “audiovisual” out of trade agreements. This is important in the TTIP discussions as the US side wants to classify AV/internet as communications and just another “service.” This would mean Member States having to grant MFN status to the US who could then:

- claim that PSB is anti-competitive
- challenge national and EU pro-diversity film and other cultural policies
- any regulation of the platforms

#### **b) Digital Single Market: Geo-blocking on the internet**

Many MEPs want to include every good and service, including copyrighted/authors rights works in this legislation. This would mean an undermining of European film funding models; undermining national policies on book pricing and other cultural policies of Member States. It would also favour multinational giants who are the only ones able to offer easily across all Member States. Amazon already has over 70% of the e-book market, (95% in the UK), and is subject to an anti-competitive challenge by the EU Commission. A single market in books opposing national book policies would only make this worse.

#### **c) Revision of the AVMS directive**

We have successfully lobbied for Video-on-Demand providers like Netflix and Amazon to be obliged to carry 30% local national/EU works in their VOD catalogue and to give due prominence to those works. Some Member States apply a levy on operators who beam into their territories from outside i.e. Germany ...with the proceeds being allocated to support local film production. The discussions are ongoing between the EP and Council of Ministers and the final vote is likely by early summer.

### **3) Copyright**

We are supporting measures in the revised copyright directive that will enhance the remuneration for authors/ artists and performers as well as ensure more

transparency on the internet to hopefully bring about a better remuneration of creators/rights holders in general. It's important that more of the value won by platforms online thanks to cultural work by others actually goes to their creators. J. Taplin in "Move Fast and Break Things" estimates that the cultural industries transfer \$50 billion a year to Google, Facebook and Amazon in value.

#### **4) Taxation**

We push for fair taxation on the tech giants who exploit our cultural works. Also, we support Germany, France and Poland who are levying a 2-3% turnover tax on VOD ensuring that in Germany for example €15m goes from Netflix to the German Film Fund.

### **4 BREXIT**

#### a) mobility

Global Talent Report of Creative Industries Federation, 2017, reveals threat of **Brexit and visa/mobility problems** – official average employment 6.7% EU workers and 6% non-EU. However, this fails to take into consideration massive variables eg architecture – 25%, or special FX 30% non-UK EU citizens. 57% of creative industry businesses contacted during the report say facing shortages.

CFI report recommendations:

Visa-free travel EU – UK including reciprocal rights for UK workers in Europe

Same-day visas

Youth Mobility Scheme

[https://www.creativeindustriesfederation.com/sites/default/files/2017-11/GlobalTalent\\_v16.pdf](https://www.creativeindustriesfederation.com/sites/default/files/2017-11/GlobalTalent_v16.pdf)

#### b) loss of regulatory frameworks

UK Withdrawal Bill and potential loss of EU regulatory frameworks:

AVMS – UK has signed existing upgrade; Copyright; CabSat; E-commerce

#### c) Funds for Regional Development – eg cancellation of City for Culture bids

#### d) Creative Europe Programme – sector strategy is to find ways to stay within it

### **5 UK GOVERNMENT INDUSTRIAL STRATEGY**

The government failed to include culture as key sector in **UK Industrial Strategy** (end November 2017) where would have been included in advanced sector deals. However, support has been given for a **Creative industries Clusters Programme** which combines government input into research and development, AHRC (Arts & Humanities Research Council) monies and strengthens university links though with an emphasis on building skills in STEM- related subjects.

Creative Industries Federation will produce a report on European and Global trade due out in 2018

## **6 ARTS IN EDUCATION**

Low status of the Arts in Education – marginalisation of arts education with approach which continues to prioritise STEM (Science, Technology, Engineering & Maths) subjects as opposed to STEAM (Science, Technology, Engineering, ARTS and Maths)

Contribution of internet platforms to local production.

UKCCD has campaigned for strengthening public service broadcasting and for more investment in local quality content production e.g. campaigning for VOD platforms like Netflix to carry 30% local programming and for levies on such platforms to fund British film as currently exist in France, Germany and Poland and other European countries.

## **7 PUBLIC SERVICE BROADCASTING**

BBC Charter Renewal (Jan 1<sup>st</sup> 2017)

*(Cf Will Hutton Observer, 18.09.16 – The BBC is being redefined not as an autonomous organisation that expresses PSB on the licence-fee payers' behalf, but as a state corporation subject to state and party interference")*

BBC Trust disbanded in favour of 14 strong unitary board with 5 government nominees.

Ofcom becomes regulatory body

- No expertise in governance viz remit for PSB viz remit for PSB (distinctive business ecology, quotas for regions; diversity; promotion and training; provision of news and information)
- OFCOM set up to regulate on competition and private sector issues. Ofcom given carte blanche to oversee the entire organisation and order a cessation of activity if judged anti-competitive

Ignore consultations reinforcing support for license fee

Ignores 2 major attacks on funding – World Service and payment of pensioner licenses - that already affecting programme making budgets in context where PSB remains key player in sustaining arts through local production of "content" AND 6% reduction in PSB funding in Europe in recent year

UKCCD informs and supports Creative Industry Federation, one of the most influential arts sector lobbying organisations. In the latest International Summit, the following key observations were made:

Creative subjects are fundamental to the future global workforce as they teach critical thinking, problem solving and self-confidence. In some parts of the

world, such as Finland, these subjects are central in education whilst in others, such as the UK, these subjects are marginalised and these countries risk being left behind. ● Consumers are becoming more driven by experience than products. They are also getting more involved with the creative process and are more interested in the ethical conduct of businesses. There are also growing audiences which desire access to what they want, when they want it and new technologies can help reach these audiences. ● Creative industries across the world have the tools to tackle social issues such as the aging population, education, and access to health care, as well as global challenges such as waste and plastics. They also have an important role in changing, developing and regenerating areas of cities. ● The creative industries are vital to the UK's soft power. In order for soft power to be effective it should not be seen as a tool of government. Audiences will always pick up on when something is not authentic.