
Access to finance for the Cultural and Creative Sectors

The Cultural and Creative Sectors Guarantee Facility helps SMEs in the cultural and creative sectors to scale up and become more competitive.

Watch the European Investment Fund video on how to become a successful creative

A new financial instrument for SMEs

Access to finance is more challenging for Small and Medium Enterprises (SMEs) in the cultural and creative sectors than for conventional SMEs. This is because of, among other things, the intangible nature of their assets, the niche nature of some markets, and the lack of familiarity of the sector's specificities by the financiers.

To address these challenges, the European Commission has designated over €250 million to guarantee loans for enterprises from creative sectors.

The Cultural and Creative Sectors Guarantee Fund (CCS GF) will guarantee up to €2 billion of new loans for thousands of cultural and creative SMEs.

Currently, a total of 15 transactions in 11 countries have been signed and those 15 transactions are expected to generate €1.3 billion of debt financing for companies from the cultural and creative sectors. Several new transactions are currently in the assessment process within the European Investment Fund.

At the end of 2019, debt financing of €424.4 million was made available to 1.547 CCS SMEs (and to 2.013 projects, as some companies benefit from more than one loan) to finance projects worth over €1.08 billion.

The Cultural and Creative Sectors Guarantee Facility and COVID-19

The importance of the CCS GF as an instrument for responding to the COVID-19 crisis has been widely recognised at the political level.

The European Commission and the EIF are preparing a set of adaptations to the CCS GF agreement to allow for more flexibility in repayments of loans, to give more security to the financial institutions and to continue the build-up of a portfolio of loans.

How does the CCS GF work?

To encourage the engagement of financiers with the sector, the European Commission through the CCS GF has committed to partially cover financial intermediaries' potential losses on a portfolio level on loans provided for CCS projects. The CCS GF is structured as a capped portfolio guarantee with coverage that reaches up to 70% of the losses of each individual loans and up to a maximum rate of 25% of the Financial Intermediary's overall portfolio of CCS loans. The EU guarantee is provided free of charge to selected financial intermediaries and can take the following two forms:

- direct financial guarantee to banks, debt (loan) funds and other financial intermediaries who extend loans, financial leases or bonds to CCS SMEs, and
- financial counter-guarantee to guarantors, who issue guarantees to banks and other financial intermediaries in respect of loans and/or financial leases to CCS SMEs.

In addition to the guarantee in place, financial intermediaries under the CCS GF can benefit from free of charge capacity building services aiming to tackle the lack of expertise when it comes to financing CCS. Those services take the form of technical assistance and knowledge / networking-building services provided by a capacity-building provider contracted by the European Investment Fund to train financial intermediaries, with a view to increasing their understanding of CCS peculiarities.

How can CCS businesses benefit?

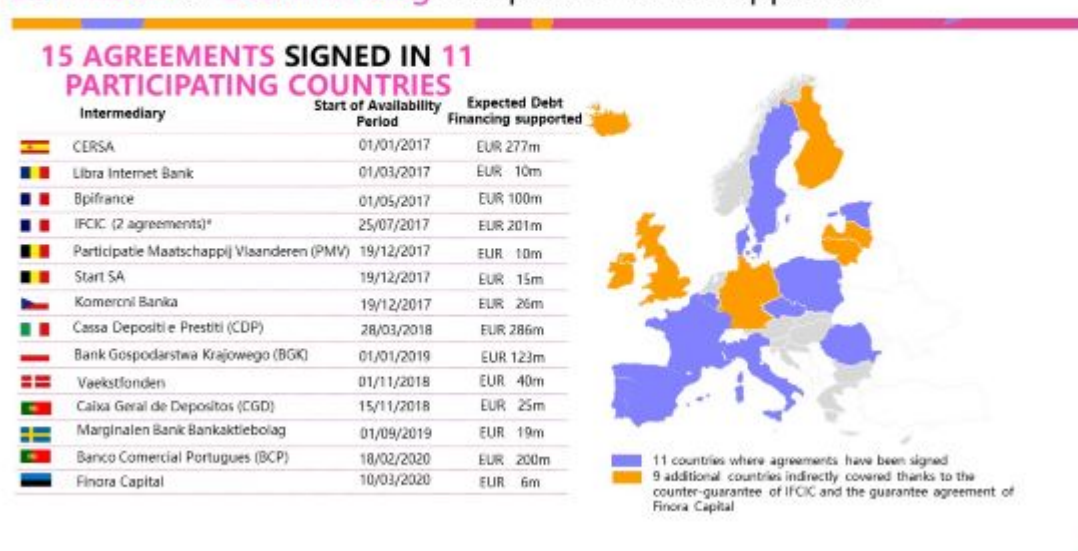
The Guarantee Facility allows businesses to access loans more easily since financial intermediaries are more willing to extend financing for CCS projects and are better trained to understand and address their specificities.

CCS SMEs or small public enterprises established and operating in any EU Member State, Iceland or Norway are eligible to benefit from EU-supported financing.

Find out more details about the requirements and how to apply.

Where is financing available?

Thanks to the **c.EUR 142m budget** already allocated, more than **EUR 1.3bn of CCS financing** is expected to be supported



What is in for financial intermediaries?

The facility offers the possibility to build diversified and risk-mitigated portfolios of loans to financial intermediaries wishing to engage with CCS initiatives. In addition, financial intermediaries have the opportunity to brand themselves as "the CCS financial intermediary" in their respective markets.

A variety of financial products can be proposed by the financial intermediaries, such as investment in tangible or intangible assets, business transfers, or working capital.

The European Investment Fund has all the information for financial intermediaries, including eligibility criteria and instructions on how to apply.

Supporting Documents:

- a market analysis of the CCS
- the country fiches
- the e-book for CCS SMEs
- the risk assessment guide

Where can I find out more?

More information on countries entering the scheme and selected financial intermediaries will be posted on this page. For additional details, refer to the Creative Europe Programme and the EU Access to Finance portal.

Read more about the guarantee agreements signed in:

- Spain (January, 2017): CERSA
- Romania (March, 2017): Libra Internet Bank
- France (May, July, 2017): Bpifrance; IFCIC
- Belgium (December, 2017): PMV and ST'ART SA
- Czech Republic (December, 2017): Komerční banka
- Italy (March, 2018): Cassa Depositi e Prestiti S.p.A
- Poland (January, 2019): Bank Gospodarstwa Krajowego
- Denmark (November, 2018): Vaekstfonden
- Portugal (November, 2018): Caixa Geral de Depósitos S.A.
- Sweden (September, 2019): Marginalen Bank
- Estonia, Finland, Latvia and Lithuania (March, 2020): Finora Capital

Latest

Commission launches public consultation on digital access to European cultural heritage

The Commission has opened a public consultation on the opportunities offered by digital technologies for the cultural heritage sector. Stakeholders and all interested people are invited to provide feedback on the Recommendation of 2011 on digitising cultural material and digital preservation. The aim is to propose a more appropriate policy instrument to support the digital transformation of cultural heritage.

EU Member States sign up to cooperate on digitising cultural heritage

27 European countries signed a Declaration of cooperation on advancing digitisation of cultural heritage. They will work more closely together to better use state-of-the-art digital technologies in addressing risks that Europe's rich cultural heritage is facing, enhancing its use and visibility, improving citizen engagement, and supporting spillovers in other sectors.

Europeana launched Love Transcribathon to crowdsource World War I love stories for Valentine's Day

For Valentine's Day, Europeana launched a special Love Transcribathon, an online crowdsourcing campaign developed to unveil unique testimonies of the First World War by encouraging people to transcribe handwritten love letters from that time. Europeana 280: connecting Europeans to their art heritage

Europe's digital library - Europeana - today launches Europeana 280, a cross-border campaign to get people interested in Europe's artworks and their evolution across the centuries. Browse Digital Cultural heritage

Related Content

Big Picture

Digital cultural heritage

Cultural heritage has a new breath of life thanks to digital technologies and the internet. Citizens now have opportunities to access cultural material online.

See Also

The European Film Forum

The European Film Forum is a platform for a structured dialogue between policy makers and stakeholders in the audiovisual sector.

The Europeana platform

The Europeana platform is Europe's digital cultural collection for responsible, accessible, sustainable and innovative tourism.

Expert Group on Digital Cultural Heritage and Europeana (DCHE)

The Digital Cultural Heritage and Europeana Expert Group is a forum for cooperation in digitisation, and online cultural material and preservation.

Source URL: <https://digital-strategy.ec.europa.eu/policies/finance-creative-sector>