



IMPALA's 10-point COVID-19 crisis plan

As the Covid-19 crisis deepens, IMPALA calls for a swift and massive response to ensure music and other cultural sectors weather the storm. They were the first to be hit and need to be recognised as official priorities.

We count on the EU and members states to adopt immediate plans with urgent sector specific rescue measures.

Our aim is for artists and freelance workers to preserve their livelihood, and for local independent companies to stay in business and continue investing.

Support for small businesses like IMPALA members is vital during and beyond the crisis, as we are the main risk takers, accounting for 80% of all new releases in the music sector.

The sector is also asked to step in as well of course, with specific recommendations for digital services, collecting societies and national radio to promote local artists.

Our plan includes fiscal incentives to promote growth post-crisis, which we believe are essential. Mapping is also part of our roll out with our [survey of members](#) which will also seek to gather data on estimated losses.

Jobs, creativity and cultural diversity are all at stake here. Culture accounts for 4,4% of EU GDP and 12 million full-time jobs, on top of many self-employed and freelancer workers.

Key pillars of action

Co-ordination - This will ensure a cohesive approach across Europe and avoid excessive burdens on smaller actors having to negotiate different situations in each country.

National plans - Each country needs a comprehensive economic response, especially for smaller actors. This is the key to navigating the crisis.

EU measures - EU action is essential to complement national plans and boost Europe's economic recovery. This will promote added value and EU leadership.

Sector initiatives - Light and agile sector action will provide concrete help where it is most needed. This will inspire solidarity and boost recovery.

Mapping - A review will be ongoing to help map action at EU, national and sector level, as well as assess expected losses. This will promote best practices and a faster response.

Ten recommendations

1. Joined-up approach across Europe - co-ordination and EU liaison will help ensure each country has a comprehensive package of measures in place. With the EU introducing looser state aid rules and more fiscal flexibility, national governments have the freedom they need to act swiftly and effectively. Sector actors exchanging best practices is also a key part of co-ordination.

National

2. Clear rules - all countries should take clear decisions on event cancellations and lockdowns. This will help the sector claim on their insurance where applicable and access compensation schemes. Record stores should be in the first wave of shops allowed to reopen as lockdown restrictions start to lift (subject to necessary restrictions as regards customer numbers).

3. National economic measures - comprehensive plans need to be adopted by all countries with key measures such as: self employed and freelance workers income protection, unemployment relief for self employed and freelance workers, support for staff costs small business relief funds, access to interest free loans, payment holidays for rents and business rates, company tax relief, suspension/delays in tax/VAT declarations and social security payments, mortgage payment holidays, loan repayment holidays, lower VAT rates, lower national bank interest rates and fiscal incentives to boost investment and recovery post crisis.

4. Sector specific compensation plans - national financial support packages must be launched immediately for hard hit sectors like music, plus VAT should be lifted on all cultural goods and services.

EU

5. Increased EU loan guarantees for cultural sectors - the capacity of the EU's Cultural and Creative Sectors Guarantee Facility should be tripled, with 100% guarantees to promote national lending (current guarantee level is 75%).

6. EU crisis measures for culture - with culture being in the first and hardest hit sectors, a specific crisis fund is needed specifically for smaller actors to provide non-refundable financial support and interest free loans, along with other measures such as allowing countries to lift VAT on cultural goods and services and providing incentives for new growth in the sector post crisis.

7. Monitor national action and integrate culture in general EU decisions - the EU should monitor effectiveness of national responses, general EU funds released to address the crisis should be accessible for culture, all EU projects that depend on events should be automatically carried over, and delays in reporting and project management should be accommodated.

Sector

8. Collecting society mobilisation - all collecting societies should set up crisis funds for their smaller members (producers and artists, as well as publishers and authors), make advances available for all members, as well as interest free loan facilities.

9. Digital services action - music services and platforms should be properly licensed, introduce crisis funds for small businesses, make faster royalty payments, pass over a higher percentage of revenues to rightsholders, provide advances to all rightsholders who need them, boost local music and artists with playlists and support local social media campaigns.

10. Support from national media - radio and other media should promote local music and artists with increased music programming, put more focus on independent and local artists, and promote new local releases as well as local social media campaigns.