

Independent Cultural Sector in Bulgaria - March 2020

Summary of the survey conducted online in the period 22-24.03.2020

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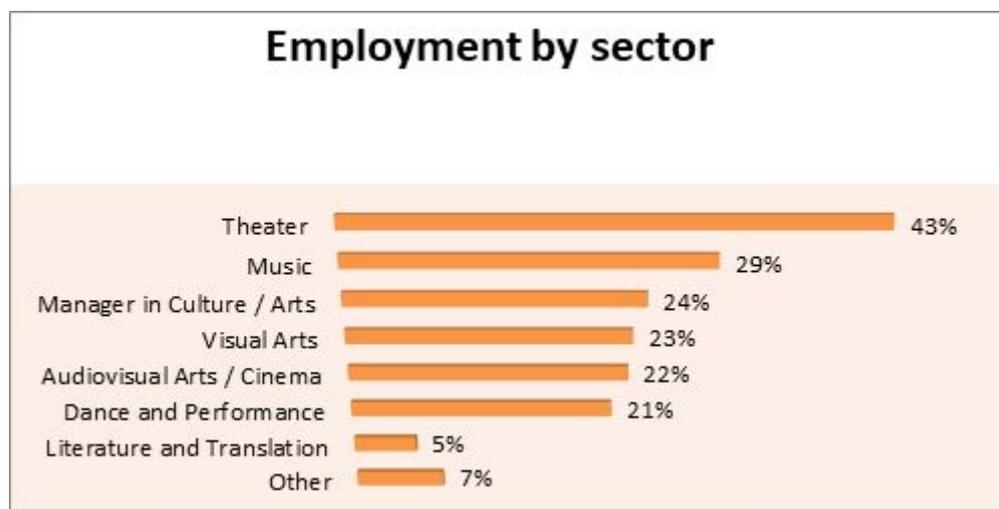
The “Independent Cultural Sector in Bulgaria - March 2020” Questionnaire is initiated by a group of organizations and individuals active in the independent arts and culture sector in Bulgaria.

Its purpose is to collect data on the independent arts sector in the country, mainly in connection with their direct and potential losses from the declared state of emergency. The results will be used as an argument for public institutions to introduce compensatory measures to counteract damage in this sector and to preserve it as a whole.

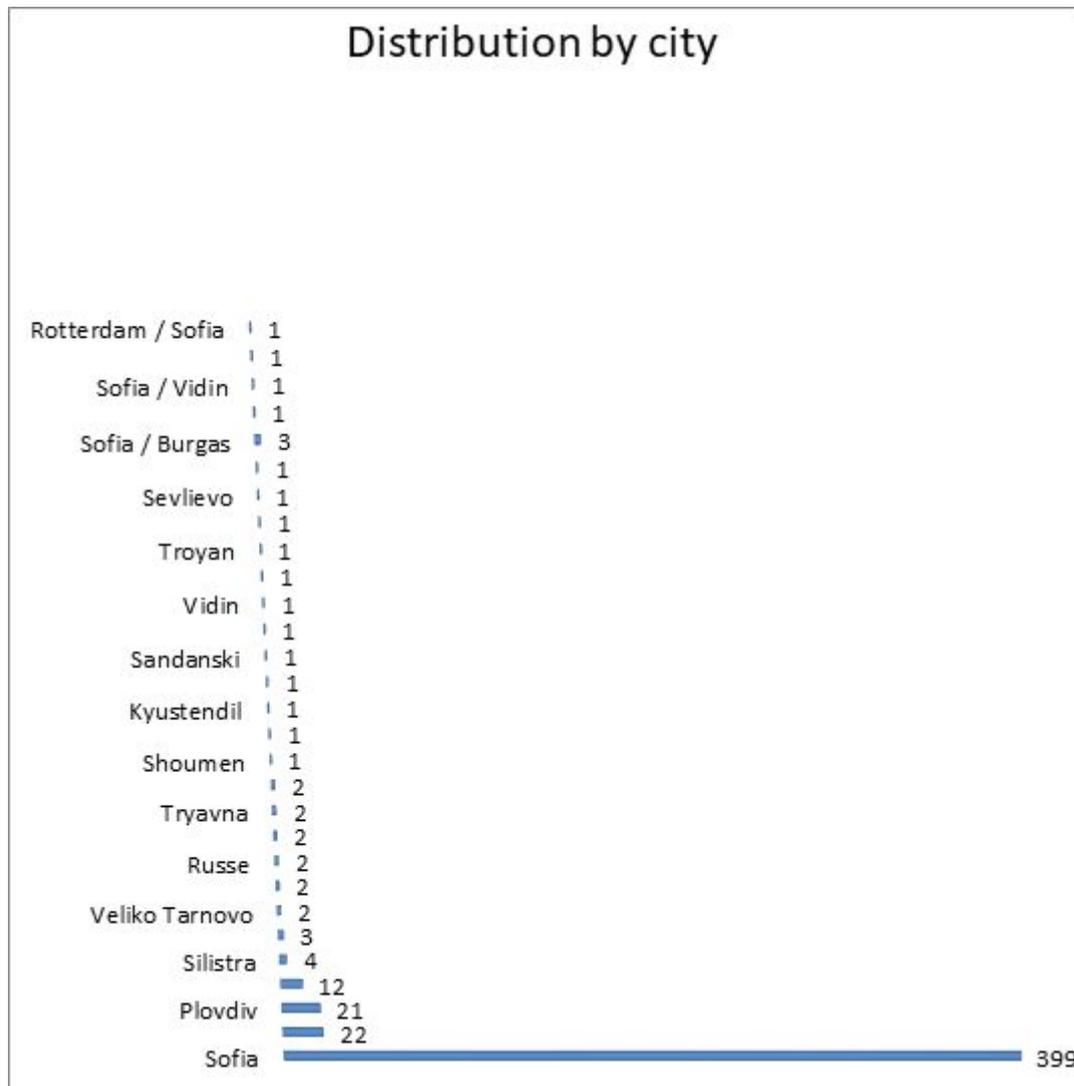
The survey was distributed online in the period March 22-24, 2020. It is filled by 496 people, of which 68% are individuals and 32% are representing organizations in the sector.

Results

Most of the participants are from the theater and music sectors, and least from literature and translation. These figures are logical given the specifics of the various arts, and especially the scenic ones, which are most directly and most deeply affected by the crisis. In addition to sectors shown in the graphic, representatives of various professions in the field of art and culture - fashion, art education, makeup, restoration, photography, design, representatives of the contemporary social circus and many other alternative practices have also taken part. Both the quantity and the diversity of the participants involved make the results sufficiently representative of the independent arts sector in Bulgaria.

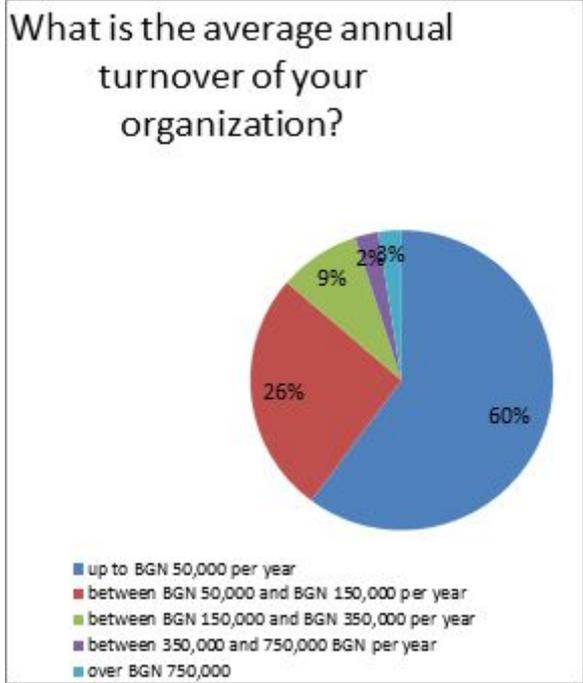


The respondents are mainly from Sofia and the big regional cities in the country, but the survey also includes a reliable amount of representatives of medium and small cities:

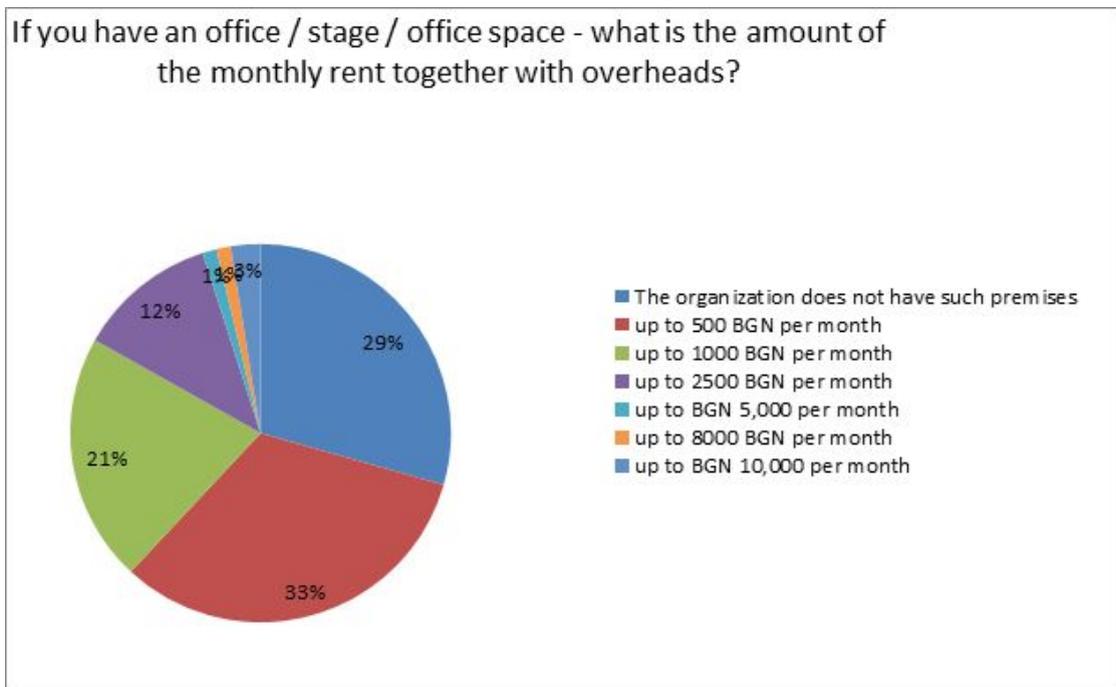


The organizations surveyed employ a total of 920 people under labor and civil contracts. However, it should be noted that these are not full-time employees of the organizations. Some of them are engaged in the implementation of specific projects, and after their completion - they are discharged. Currently, a significant proportion of them are discharged or threatened to be laid off. Organizations employ between 1 and 35 people, most of them up to 10 people.

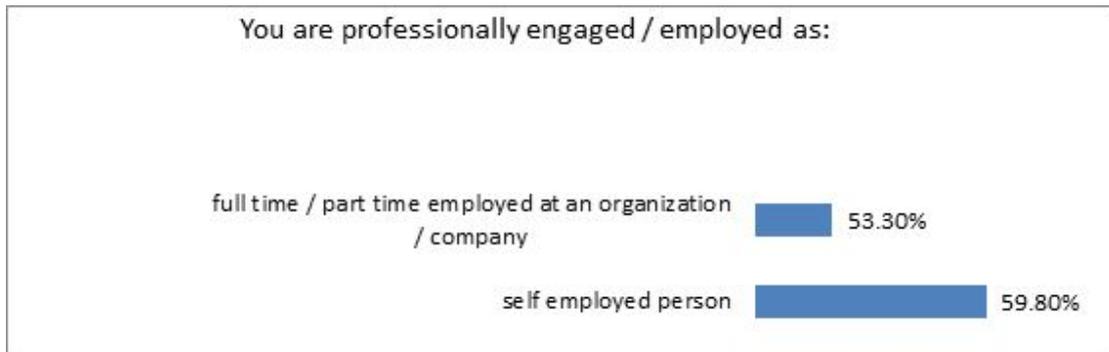
The average annual turnover of the organizations is relatively small, in most cases within the limits of BGN 50,000.



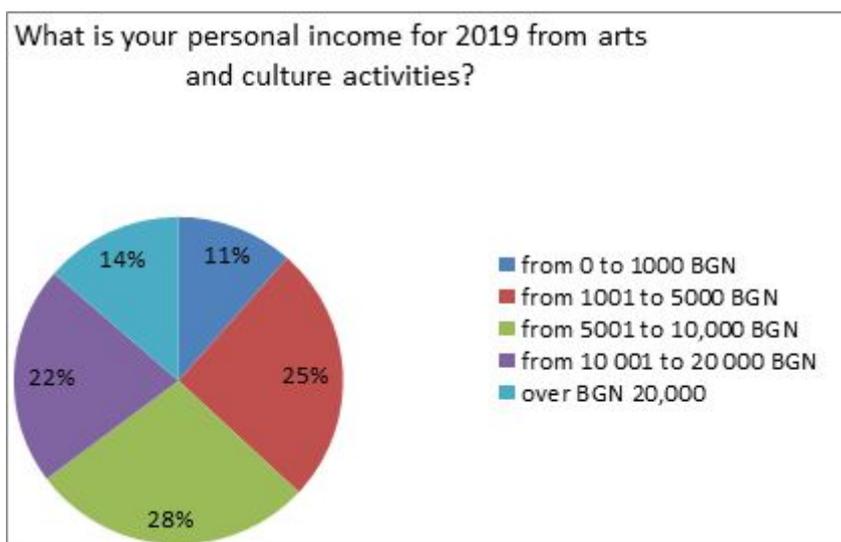
About 1/3 of them do not have their own spaces, offices or stages. Another third pay rents and overhead costs for such premises up to BGN 500 per month.



Nearly 60% of the surveyed individuals are self-employed and 40% of them are full-time or part-time employed at organizations.



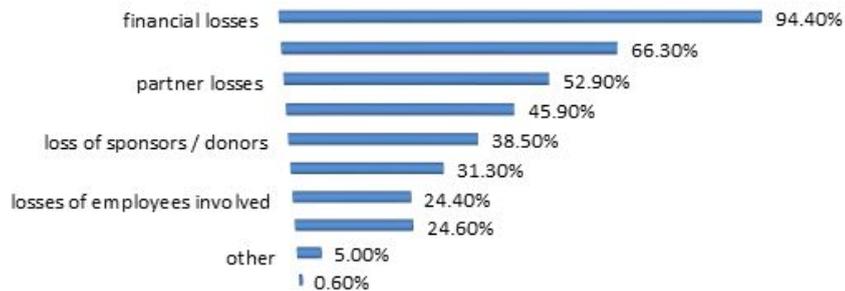
Most of them do not have a fixed income, or their income varies greatly due to their project-based work in the sector:



All of this data showcases the extreme instability and fragility of the sector, as well as its vulnerability in the current crisis. 80% of the organizations indicate that as of 08.03.2020 (the date on which public cultural events were banned) they had a planned event, for which costs have already been incurred. These costs vary between BGN 100 and BGN 20,000 in different cases, with the average value for an organization / event being BGN 5 672. The total value of all direct losses in the sector is BGN 691,950.

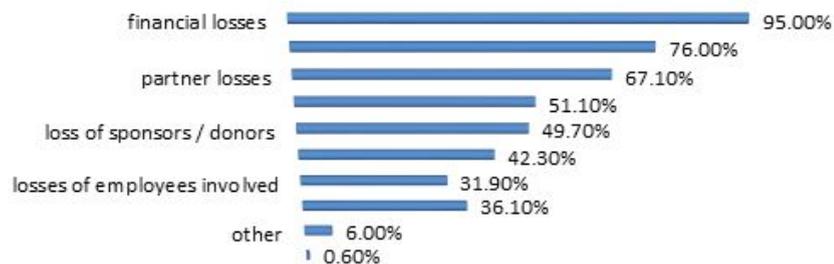
However, even more significant are the expected losses in the future, which include not only the financial aspect, but also losing audiences, partnerships, sponsors and donors, inability to implement projects that have already been won and more. The following two graphs show the expected losses of organizations in the event of an extended state of emergency until July or the end of the year:

What losses do you expect to suffer if the state of emergency lasts until July 2020?



In this scenario, the expected financial losses for individuals solely amount to BGN 2 153 427, and organizations expect to lose BGN 4 563 740, or a total of BGN 6 717 167 for all representatives of the independent sector included in the survey. This means an average of BGN 6,646 per individual and BGN 29,635 per organization.

What losses do you expect to suffer if the state of emergency lasts until the end of the year?



In this scenario, the expected financial losses for individuals amount to BGN 4 987 382, and for organizations BGN 11 880 616, or a total of BGN 16 867 998 for all representatives of the independent sector included in the survey. This means an average of BGN 15,934 per individual and BGN 78,680 per organization.

In addition to the expected losses for the period up to July 2020 the survey participants also indicate:

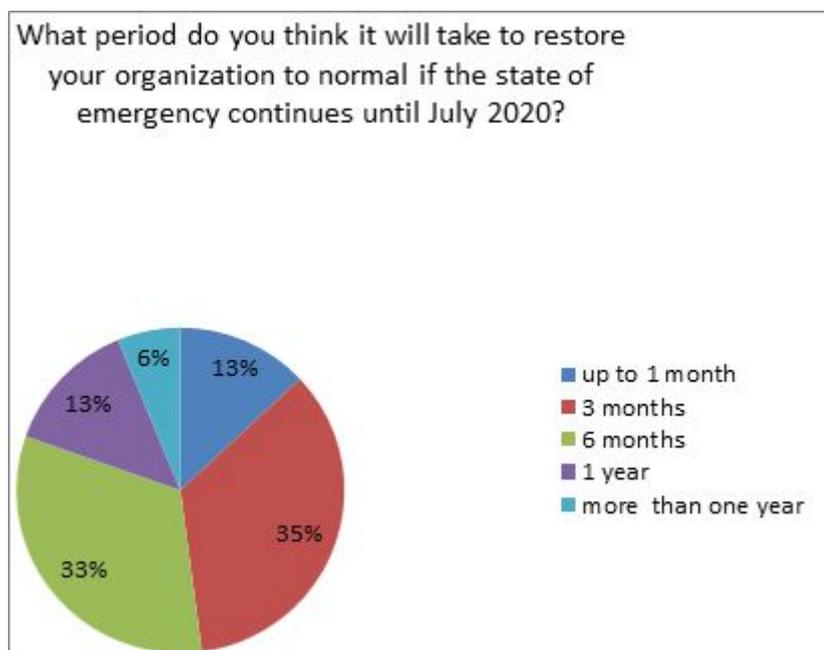
- loss of engagements, concerts, performances
- loss of students in different schools and arts courses

- loss of expenses already incurred, such as airline tickets
- loss of funds from participation in international festivals
- losses in relation to development, which depends on the possibility of teamwork
- "losses related to the inability of planning and organizing, uncertainty, missed opportunities for creating new partnerships, and lost stages in case some of the venues we have concerts fail to recover from the impact"
- artistic residencies outside the country that are generating additional revenue for the organization
- loss of international projects and visits

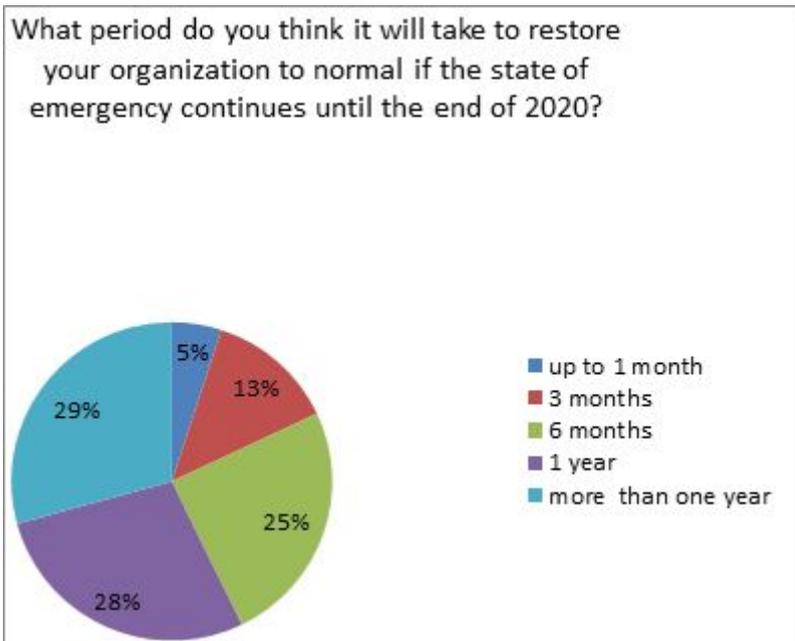
The expected losses, if the state of emergency continues until the end of the year, are even more drastic:

- the opportunity to survive as an independent music maker and as a musician in general
- the loss of the artists we work with
- maybe the closure of our studio
- bankruptcy, inability to practice my profession
- inability to pay insurance
- inability to plan future events and ticket revenue
- complete loss of income
- loss of the Bulgarian culture

With regard to the expected pandemic recovery deadlines, in case the crisis ends by July 2020, most organizations expect to be able to restore their business within 3 to 6 months.



However, if the state of emergency continues until the end of the year, the recovery deadlines are significantly extended. In 1/3 of the cases they exceed one year.



Given this situation, more than 95% of respondents believe that urgent action is needed by public authorities to compensate for the damage in the sector. Only 0.6% state that they will not suffer losses and only 1.2% say that no emergency measures are needed.

The most effective measure considered is the establishment of a social fund, whose aim is to provide financial benefits to the affected people, based on minimum wage (78.2%). Almost the same percentage (78%) considers the possibility of introducing structural financing for organizations in the sector, which will neutralize the negative effects of the predominantly project-based nature of the work.

In addition to the proposed measures, the participants in the survey also indicate:

- financial support from European structures
- State policy for support and facilitation of freelancers and for those involved in the culture sector
- elimination of VAT for one year in the affected sectors
- to create legal status of the independent artists and the state to pay their insurances, even when there is no state of emergency
- when calculating the compensation, contracts and past activity that shows the annual turnover of the organization to be taken into account
- organizing a trade union or similar structure that protects the rights of independent artists, including ensuring their employment
- launching programs to support projects that can be implemented under the current conditions
- coverage of minimum health and labor insurance, tax holidays, tax reduction

- dialogue and joint collaboration between the independent and state cultural sectors
- funds for rental of premises and for overhead costs
- unconditional financial assistance equal to the average wage in the sector to cover the overhead costs in the months of the state of emergency
- “I personally would not expect individual help. However, it is especially important for me that independent organizations and scenes that allow artists like me to play, participate in workshops, interact with other artists and without which I would not be able to effectively carry out my work, receive compensatory support so that they continue to function.”

In conclusion, it should be emphasized that the results of the study clearly indicate the need for urgent, decisive and effective intervention by the public authorities to provide compensatory measures to safeguard the independent arts sector. This sector, although not large in size, plays a significant role in the development of culture and arts, the introduction of innovative and experimental methods and practices, the development of audiences and the international contacts of the bulgarian culture.

The initiators and participants in the survey express their willingness to engage in a dialogue with public authorities, within which specific and possible measures for the protection of the sector should be agreed.

Sofia, March 2020