P8_TA(2019)0323

Creative Europe programme 2021-2027


(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2018)0366),
– having regard to Article 294(2) and Articles 167(5) and 173(3) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0237/2018),
– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
– having regard to the opinion of the European Economic and Social Committee of 12 December 2018,
– having regard to the opinion of the Committee of the Regions of 6 February 2019,
– having regard to Rule 59 of its Rules of Procedure,
– having regard to the report of the Committee on Culture and Education and the opinion of the Committee on Budgets (A8-0156/2019),

1. Adopts its position at first reading hereinafter set out;
2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

1 OJ C 110, 22.3.2019, p. 87.
2 Not yet published in the Official Journal.
THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular, Article 167(5), and Article 173(3) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure³

¹ OJ C 110, 22.3.2019, p. 87.
² OJ C […], […], p. […].
Whereas:

(1) Culture, *arts*, cultural heritage, and cultural diversity are of great value to European society from a cultural, *educational, democratic*, environmental, social, *human rights* and economic point of view and should be promoted and supported. The Rome Declaration of 25 March 2017 as well as the European Council in December 2017 stated that education and culture are key to building inclusive and cohesive societies for all, and to sustaining European competitiveness. [Am. 1].

(2) According to Article 2 of the Treaty on European Union (TEU), the Union is founded on the values of respect for human dignity, freedom democracy, equality, the rule of law and the respect for human rights, including the rights of the persons belonging to minorities. These values are common to the Member States in a society where pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail. These values are further reaffirmed and articulated in the rights, freedoms and principles enshrined in the Charter of Fundamental Rights of the European Union (*the Charter*), which has the same legal value as the Treaties, as referred to in Article 6 of the TEU. *In particular, the freedom of expression and information is enshrined in Article 11 of the Charter and the freedom of the arts and science is enshrined in Article 13 of the Charter.* [Am. 2]
(3) Article 3 of the TEU further specifies that the Union's aim is to promote peace, its values and the well-being of its people and that, among others, it shall respect its rich cultural and linguistic diversity, and shall ensure that Europe's cultural heritage is safeguarded and enhanced.

(4) The Commission Communication on a New European Agenda for Culture further sets out the objectives of the Union for the cultural and creative sectors. It aims to harness the power of culture and cultural diversity for social cohesion and societal well-being, fostering the cross-border dimension of cultural and creative sectors, supporting their capacity to grow, encouraging culture-based creativity in education and innovation, and for jobs and growth as well as strengthening international cultural relations. Creative Europe, together with other Union programmes, should support the implementation of this New European Agenda for Culture. This, taking into account the fact that the intrinsic value of culture and of artistic expression should always be preserved and promoted and that artistic creation is at the heart of cooperation projects. Supporting the implementation of this New European Agenda for Culture is also in line with the 2005 UNESCO Convention for the Protection and Promotion of the Diversity of Cultural Expressions, which entered into force on 18 March 2007 and to which the Union is a party. [Am. 3]
(4a) Union policies will complement and add value to Member States’ intervention in the cultural and creative area. The impact of Union policies should be assessed on a regular basis taking account of qualitative and quantitative indicators such as the benefits for citizens, the active participation of citizens, the benefits for the Union economy in terms of growth and jobs and spill-overs in other sectors of the economy, and the skills and competences of people working in the cultural and creative sectors. [Am. 4]

(4b) The safeguarding and enhancement of Europe’s cultural heritage are objectives of the Programme. Those objectives have also been recognised as being inherent the right to knowledge of cultural heritage and to participate in cultural life enshrined in the Council of Europe Framework Convention on Cultural Heritage for Society (Faro Convention), which entered into force on 1 June 2011. That Convention underlines the role of cultural heritage in the construction of a peaceful and democratic society, and in the processes of sustainable development and the promotion of cultural diversity. [Am. 5]
The promotion of European cultural diversity depends on and of the awareness of common roots is based on the freedom of artistic expression, the capability and competences of artists and cultural operators, the existence of flourishing and resilient cultural and creative sectors, able in the public and private domain and their ability to create, innovate and produce their works and distribute their works to a large and diverse European audience. This thereby enlarges their business potential, increases access to and the promotion of creative content, artistic research and creativity and contributes to sustainable growth and jobs creation. In addition, promotion of creativity contributes and new knowledge contribute to boosting competitiveness and sparking innovation in the industrial value chains. A wider approach to arts and culture education and artistic research should be adopted, progressing from a STEM (Science, Technology, Engineering, Mathematics) approach to a STEAM (Science, Technology, Engineering, Arts, Mathematics) approach. In spite of recent progress regarding assistance for translation and subtitling, the European cultural and creative market continues to be fragmented along national and linguistic lines, which do not. While respecting the specificity of each market, more can be done to allow the cultural and creative sectors to fully benefit from the European single market and the digital single market in particular, including by taking into account intellectual property rights protection. [Am. 6]
The digital shift represents a paradigm change and is one of the biggest challenges for the cultural and creative sectors. Digital innovation has changed habits, relations and production and consumption models at both a personal and social level and it should boost cultural and creative expression and the cultural and creative narrative, respecting the specific value of the cultural and creative sectors within the digital environment. [Am. 7]

The Programme should take into account the dual nature of the cultural and creative sectors, recognising, on the one hand, the intrinsic and artistic value of culture and, on the other, the economic value of those sectors, including their broader contribution to growth and competitiveness, creativity, and innovation, intercultural dialogue, social cohesion and knowledge generation. This requires strong European cultural and creative sectors, both in the for-profit and not-for-profit domains in particular a vibrant European audiovisual industry, taking into account its capacity to reach large audiences at local, national and Union level and its economic importance, including for other creative sectors as well as cultural tourism and regional, local and urban development. However, competition in global audiovisual markets has been further intensified by the deepening digital disruption e.g. changes in media production, consumption and the growing position of global platforms in the distribution of content. Therefore, there is a need to step-up the support to the European industry. [Am. 8]
Active European citizenship, shared values, creativity and innovation need a solid
ground on which they can develop. The Programme should support film and audiovisual
education, in particular among minors and young people. [Am. 9]

To be effective, the Programme should take into account the specific nature and
challenges of the different sectors, their different target groups and their particular needs
through tailor-made approaches within a strand dedicated to the audiovisual sector, a
strand dedicated to the other cultural and creative sectors and a cross-sectoral strand. The
Programme should provide equal support to all the cultural and creative sectors through
horizontal schemes targeting common needs. Building on pilot projects, preparatory
actions and studies, the Programme should also implement the sectoral actions listed in
the Annex to this Regulation. [Am. 10]
(7a)  Music, in all its forms and expressions, and in particular contemporary and live music, is an important component of the cultural, artistic and economic heritage of the Union. It is an element of social cohesion, multicultural integration and youth socialisation and it serves as a key instrument to enhance culture, including cultural tourism. The music sector should therefore be a particular focus of the specific actions pursued as part of the CULTURE strand under this Regulation in terms of financial distribution and targeted actions. Tailor-made calls and instruments should help boost the competitiveness of the music sector and address some of the specific challenges it faces. [Am. 11]

(7b)  Union support needs to be reinforced in the field of international cultural relations. The Programme should seek to contribute to the third strategic objective of the new European Agenda for Culture by harnessing culture and intercultural dialogue as engines for sustainable social and economic development. In the Union and throughout the world, cities are driving new cultural policies. A large number of creative communities have gathered in hubs, incubators and dedicated spaces worldwide. The Union should be instrumental in networking those communities from the Union and third countries and in fostering multi-disciplinary collaboration across artistic, creative and digital skills. [Am. 12]
The cross-sectoral strand aims at addressing the common challenges faced by, and at exploiting the potential of collaboration among, different cultural and creative sectors. There are benefits in terms of knowledge-transfer and administrative efficiencies to be gained from a joint transversal approach. [Am. 13]

Union intervention is needed in the audiovisual sector to accompany the Union’s Digital Single Market policies. This concerns notably the modernisation of the copyright framework and the proposed Regulation on online transmissions of broadcasting organisations by Directive (EU) 2019/789 of the European Parliament and of the Council5, as well as the proposal to amend and Directive 2010/13/EU of the European Parliament and of the Council6 (EU) 2018/1808 of the European Parliament and of the Council7. They seek to strengthen the capacity of European audiovisual players to create, finance, produce and disseminate works that can be sufficiently visible of various formats on the different media of communication available (e.g. TV, cinema or Video On Demand) and attractive to audiences in a more open and competitive market within Europe and beyond. Support should be scaled up in order to address recent market developments and notably the stronger position of global platforms of distribution in comparison to national broadcasters traditionally investing in the production of European works. [Am. 14]

---

The special actions under Creative Europe such as the European Heritage Label, the European Heritage Days, the European prizes in the areas of contemporary, rock and pop music, literature, heritage and architecture and the European Capitals of Culture have directly reached millions of European citizens, have demonstrated the social and economic benefits of European cultural policies, and should therefore be continued and whenever possible expanded. *The Programme should support the networking activities of the European Heritage Label sites.* [Am. 15]

The Creative Europe Programme under Regulation (EU) No 1295/2013 has sparked the creation of innovative and successful projects that generated good practices in terms of transnational European cooperation in the creative and cultural sectors. In turn, this has increased European cultural diversity for audiences and leveraged the social and economic benefits of European cultural policies. To be more efficient, such success stories should be highlighted and, wherever possible, expanded. [Am. 16]
(10b) All levels of actors in the cultural and creative sectors should be actively involved in the achievement of the Programme objectives and its further development. As the experience of the formal engagement of stakeholders in the participatory governance model of the European Year of Cultural Heritage, established by Decision (EU) 2017/864 of the European Parliament and of the Council, proved to be efficient in mainstreaming culture, it is advisable to apply this model to the Programme as well. This participatory governance model should include a transversal approach with a view to creating synergies between the various Union programmes and initiatives in the field of culture and creativity. [Am. 17]

(10c) A flagship cross-sectoral action aiming at showcasing European creativity and cultural diversity to the Member States and third countries should be included as part of the special actions under the Programme. That action should emphasise the excellence of European culture-based creativity in triggering cross-innovation in the wider economy by awarding a special prize. [Am. 18]

---

(11) Culture is key to strengthen inclusive, cohesive and reflective communities, to revitalising territories and to promoting social inclusion for people with a disadvantaged background. In the context of migration pressure, issues and integration challenges, culture has an important role in creating inclusive spaces for intercultural dialogue and in the integration of migrants to help them and refugees, helping them to feel part of host societies and develop, and in the development of good relations between migrants and new communities. [Am. 19]

(11a) Culture provides for and fosters economic, social and environmental sustainability. It should therefore be at the heart of political development strategies. The contribution of culture to the well-being of society as a whole should be highlighted. In accordance with the Davos Declaration of 22 January 2018 entitled "Towards a high-quality Baukultur for Europe", steps should therefore be taken to promote a new integrated approach to the shaping of the high quality built environment which is anchored in culture, strengthens social cohesion, guarantees a sustainable environment and contributes to the health and well-being of the population as a whole. That approach should not place an emphasis on urban areas only, but should primarily focus on the interconnectivity of peripheral, remote and rural areas. The concept of Baukultur encompasses all factors which have a direct impact on the quality of life of citizens and communities, thereby fostering inclusivity, cohesion and sustainability in a very concrete way. [Am. 20]
(11b) It is a matter of priority that culture, including cultural and audiovisual goods and services, be made more accessible to persons with disabilities as tools to foster their complete personal fulfilment and active participation, thereby contributing to a truly inclusive society based on solidarity. The Programme should therefore promote and increase cultural participation across the Union, in particular with regard to people with disabilities and people from disadvantaged backgrounds as well as people who reside in rural and remote areas. [Am. 21]

(12) Freedom of artistic and cultural expression, freedom of expression and media pluralism are at the core of vibrant cultural and creative industries, including sectors and the news media sector. The programme should promote cross-overs and collaboration between the audiovisual sector and the publishing sector to promote with the aim of promoting a pluralistic and independent media environment in line with Directive 2010/13/EU of the European Parliament and of the Council. The Programme should provide support for new media professionals and enhance the development of critical thinking among citizens by means of promoting media literacy, in particular for young people. [Am. 22]
The mobility of artists and cultural workers as regards skills development, learning, intercultural awareness, co-creation, co-production, circulation and dissemination of artworks and participation in international events such as fairs and festivals is a key prerequisite for a better linked, stronger and more sustainable cultural and creative sectors in the Union. Such mobility is often hampered by the lack of legal status, difficulties in obtaining visas and the duration of permits, the risk of double taxation and precarious and unstable social security conditions. [Am. 23]

In line with Articles 8 and 10 of the Treaty on the Functioning of the European Union (TFEU), the Programme in all its activities should support gender mainstreaming and the mainstreaming of non-discrimination objectives and, where applicable, should define appropriate gender balance and diversity criteria. The Programme should seek to ensure that participation in the Programme and projects carried out under the Programme reach and reflect the diversity of European society. The activities carried out under the Programme should be monitored and reported upon in order to ascertain the performance of the Programme in that respect and enable policy makers to make better-informed decisions as regards future programmes. [Am. 24]
Women are very present in the artistic and cultural field in the Union as authors, professionals, teachers, and as an audience with a growing access of the cultural public. However, as evidenced by research and studies such as the European Women’s Audiovisual Network for film directors and by the We Must project in the music field, there are gender pay disparities and it is less likely for women to realise their works and occupy decision-making positions in cultural, artistic and creative institutions. Therefore, it is necessary to promote female talents and to circulate their works in order to support women's artistic careers. [Am. 25]

In line with the Joint Communication "Towards an EU strategy for international cultural relations", endorsed by the European Parliament's resolution of 5 July 2017, European funding instruments and in particular this programme should recognize the relevance of culture in international relations and its role in promoting European values by dedicated and targeted actions designed to have a clear Union impact on the global scene.
In line with the conclusions drawn following the European Year of Cultural Heritage 2018, the Programme should enhance the cooperation and advocacy capacity of the sector through support for activities related to the legacy of the European Year of Cultural Heritage 2018 and taking stock of it. In that connection, attention should be drawn to the statement issued by the Council of Culture Ministers in November 2018 and the statements made at the closing ceremony of the Council held on 7 December 2018. The Programme should contribute to the long-term sustainable preservation of European cultural heritage through support actions for the artisans and craftspeople skilled in the traditional trades related to cultural heritage restoration. [Am. 26]
In line with the Commission Communication "Towards an integrated approach to cultural heritage for Europe" of 22 July 2014, relevant policies and instruments should draw out the long term and sustainability value of Europe's past, present, tangible, intangible and digital cultural heritage and develop a more integrated approach to its preservation, conservation, adaptive re-use, dissemination, and valorisation and support by supporting a high quality and coordinated sharing of professional knowledge and the development of common high quality standards for the sector and mobility for sector professionals. Cultural heritage is an integral part of European cohesion and supports the link between tradition and innovation. Preserving cultural heritage and supporting artists, creators and craftsmanship should be a priority of the Programme. [Am. 27]

The Programme should contribute to the engagement and involvement of citizens and civil society organisations in culture and society, to the promotion of cultural education and to making cultural knowledge and heritage publicly accessible. The Programme should also nurture quality and innovation in creation and conservation, including through synergies among culture, arts, science, research and technology. [Am. 28]
(16) In line with the Commission Communication "Investing in a smart, innovative and sustainable Industry – A renewed Industrial Policy strategy" of 13 September 2017\textsuperscript{12}, future actions should contribute to the integration of creativity, design and cutting-edge technologies to generate new industrial value chains and revitalise competitiveness of traditional industries.

(16a) In line with the European Parliament resolution of 13 December 2016 on a coherent EU policy for cultural and creative industries, supporting cultural and creative sectors should be a cross-cutting issue. Projects should be integrated throughout the Programme in order to support new business models and skills, traditional savoir-faire as well as translating creative and interdisciplinary solutions into economic and social value. Furthermore, potential synergies that exist between Union policies should be fully exploited so as to effectively use the funding available under Union programmes such as Horizon Europe, the Connecting Europe Facility, Erasmus +, EaSI and InvestEU.

[Am. 29]

(17) The Programme should be open, subject to certain conditions, to the participation of European Free Trade Association members, acceding countries, candidate countries and potential candidates benefiting from a pre-accession strategy as well as countries covered by the European Neighbourhood Policy and Union's strategic partners.

\textsuperscript{12} COM(2017)0479.
(18) Third countries which are members of the European Economic Area (EEA) may participate in Union programmes in the framework of the cooperation established under the EEA agreement, which provides for the implementation of the programmes by a decision under that agreement. Third countries may also participate on the basis of other legal instruments. A specific provision should be introduced in this Regulation to grant the necessary rights for and access to the authorizing officer responsible, the European Anti-Fraud Office (OLAF) as well as the European Court of Auditors to comprehensively exert their respective competences. The contributions of third countries to the Programme should be reported on an annual basis to the budgetary authority. [Am. 30]

(19) The Programme should foster the cooperation between the Union and international organisations such as the United Nations Educational, Scientific and Cultural Organisation (UNESCO), the Council of Europe, including Eurimages and the European Audiovisual Observatory ("the Observatory"), the Organisation for Economic Co-operation and Development and the World Intellectual Property Organisation. This programme should also support the Union commitments relating to the Sustainable Development Goals, in particular its cultural dimension\(^\text{13}\). As regards the audiovisual sector, the programme should ensure the Union's contribution to the work of the European Audiovisual Observatory.

\(^\text{13}\) 2030 Agenda for Sustainable Development, adopted by the United Nations in September 2015, A/RES/70/1
Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate actions and to the achievement of an overall target of 25% of the Union budget expenditures supporting climate objectives. Relevant actions will be identified during the Programme's preparation and implementation, and reassessed in the context of the relevant evaluations and review processes.

Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the TFEU apply to this Regulation. These rules are laid down in Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council\(^\text{14}\) (the ‘Financial Regulation’) and determine in particular the procedure for establishing and implementing the budget through grants, procurement, prizes, indirect implementation, and provide for checks on the responsibility of financial actors. Rules adopted on the basis of Article 322 TFEU also concern the protection of the Union’s budget in case of generalised deficiencies as regards the rule of law in the member States, as the respect for the rule of law is an essential precondition for sound financial management and effective Union funding.

Since its creation, the European Film Academy has contributed, by means of its special expertise and is in a unique position to create to the development of a pan-European community of film creators and professionals, promoting and disseminating European films beyond their national borders and developing truly European audiences fostering the emergence of an international audience of all ages. Therefore, it should exceptionally be eligible for direct Union support in the context of its cooperation with the European Parliament in organising the LUX Film Prize. However, the direct support must be linked to the negotiation of a cooperation agreement, with specific missions and objectives, between the two parties and it should only be possible to provide the direct support once that agreement has been concluded. This does not preclude the European Film Academy from applying for funding for other initiatives and projects under the different strands of the Programme. [Am. 31]
Since its creation, the European Union Youth Orchestra has developed a unique expertise in promoting rich European musical heritage, access to music and intercultural dialogue, and mutual respect and understanding through culture, as well as in reinforcing the professionalism of young musicians, providing them with the skills necessary for a career in the cultural and creative sector. Member States and Union institutions, including successive Presidents of the Commission and of the European Parliament, have recognised the contribution of the European Union Orchestra. The particularity of the European Union Youth Orchestra lies in the fact that it is a European orchestra that transcends cultural boundaries and is composed of young musicians selected in accordance with demanding artistic criteria through a rigorous and transparent annual audition process in all Member States. Therefore, it should exceptionally be eligible for direct Union support on the basis of specific missions and objectives to be established and assessed regularly by the Commission. In order to secure that support, the European Union Youth Orchestra should increase its visibility, strive to achieve a more balanced representation of musicians from all Member States within the orchestra and diversify its revenues by actively seeking financial support from sources other than Union funding. [Am. 32]
Organisations from the cultural and creative sectors with a large European geographical coverage and whose activities entail delivering cultural services directly to the Union's citizens and that thus have the potential to have direct impact on European identity should be eligible for Union support.

In order to ensure efficient allocation of funds from the general budget of the Union, it is necessary to ensure the European added value of all actions and activities carried out with the Programme, their complementarity to Member States' activities, while consistency, complementarity and synergies should be sought with funding programmes supporting policy areas with close links to each other as well as with horizontal policies such as Union competition policy.

Financial support should be used to address market failures or sub-optimal investment situations, in a proportionate manner and actions should not duplicate or crowd out private financing or distort competition in the Internal market. Actions should have a clear European added value and be suitable for the specific projects they support. The Programme should not only take into consideration the economic value of the projects but also their cultural and creative dimension and the specificity of the sectors concerned. [Am. 33]
(26a) Funding from the programmes established by Regulation …/[Neighbourhood Development and International Cooperation Instrument\textsuperscript{15} and Regulation …/[IPA III\textsuperscript{16} should also be used to finance actions under the international dimension of the Programme. Those actions should be implemented in accordance with this Regulation. [Am. 34]

(27) One of the greatest challenges of The cultural and creative sectors is are innovative, resilient and growing sectors in the Union economy, which generate economic and cultural value from intellectual property and individual creativity. However, their fragmentation and the intangible nature of their assets limits their access to private financing. One of the greatest challenges for the cultural and creative sectors is to increase their access to finance allowing their activities, which is essential to grow, maintain or increase scale-up their competitiveness or internationalise their activities at the international level. The policy objectives of this Programme should also be addressed through financial instruments and budgetary guarantee, especially for SMEs, under the policy window(s) of the Invest EU Fund in line with the practices developed in the framework of the Cultural and Creative Sectors Guarantee Facility set up by Regulation (EU) No 1295/2013. [Am. 35]

\textsuperscript{15} 2018/0243(COD).
\textsuperscript{16} 2018/0247(COD).
(28) *Impact, quality and efficiency in implementation of the Project should constitute key evaluation criteria for the selection of the project in question.* Taking into account the technical expertise required to assess proposals under specific actions of the Programme it should be provided that, where relevant, evaluation committees may be composed of external experts *who should have a professional and management background related to the field of the application being evaluated.* Where relevant, the need to ensure the overall coherence with the objectives of audience inclusion and diversity should be taken into account. [Am. 36]

(29) The Programme should include a realistic and manageable system of *quantitative and qualitative* performance indicators to accompany its actions and monitor its performance on a continuous basis, *taking into account the intrinsic value of the art and cultural and creative sectors.* *Such performance indicators should be developed with stakeholders.* This monitoring as well as information and communication actions relating to the Programme and its actions should build on the three strands of the programme. *The strands should take into account one or more quantitative and qualitative indicators. Those indicators should be assessed in accordance with this Regulation.* [Am. 37]
Considering the complexity and difficulty of finding, analysing and adapting data and of measuring the impact of cultural policies and defining indicators, the Commission should reinforce the cooperation within its services such as the Joint Research Centre and Eurostat with the purpose of gathering appropriate statistical data. The Commission should act in cooperation with centres of excellence in the Union, national statistical institutes and organisations relevant to the cultural and creative sectors in Europe and in collaboration with the Council of Europe, the Organisation for Economic Co-operation and Development (OECD) and Unesco. [Am. 38]

This Regulation lays down a financial envelope for the Creative Europe programme which is to constitute the prime reference amount, within the meaning of point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, for the European Parliament and the Council during the annual budgetary procedure.

---

(31) Regulation (EU, Euratom) No […] (the ‘Financial Regulation’) applies to this Programme. 
It lays down rules on the implementation of the Union budget, including the rules on grants 
including those to third parties, prizes, procurement, financial instruments and budgetary 
guarantees.

(32) The types of financing and the methods of implementation under this Regulation should be 
chosen on the basis of the project operator's ability to achieve the specific objectives 
of the actions and to deliver results, taking into account, in particular, the size of the 
operator and the project, the costs of controls, the administrative burden, and the expected 
risk of non-compliance. This should include consideration of the use of lump sums, flat 
rates and unit costs, as well as financing not linked to costs as referred to in Article 125(1) 
of the Financial Regulation. [Am. 39]
In accordance with the Financial Regulation, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council\textsuperscript{18}, Council Regulation (Euratom, EC) No 2988/95\textsuperscript{19}, Council Regulation (Euratom, EC) No 2185/96\textsuperscript{20} and Council Regulation (EU) 2017/1939\textsuperscript{21}, the financial interests of the Union are to be protected through proportionate measures, including the prevention, detection, correction and investigation of irregularities and fraud, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, the imposition of administrative sanctions. In particular, in accordance with Regulation (EU, Euratom) No 883/2013 and Regulation (Euratom, EC) No 2185/96 the European Anti-Fraud Office (OLAF) may carry out administrative investigations, including on-the-spot checks and inspections, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union. In accordance with Regulation (EU) 2017/1939, the European Public Prosecutor’s Office (EPPO) may investigate and prosecute fraud and other criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council\textsuperscript{22}. In accordance with the Financial Regulation, any person or entity receiving Union funds is to fully cooperate in the protection of the Union’s financial interests, to grant the necessary rights and access to the Commission, OLAF, the EPPO and the European Court of Auditors (ECA) and to ensure that any third parties involved in the implementation of Union funds grant equivalent rights.


\textsuperscript{20} Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L292, 15.11.1996, p.2).


(33a) In order to optimise synergies between Union funds and directly managed instruments, the provision of support for operations that have already received a Seal of Excellence certification should be facilitated. [Am. 40]

(34) Pursuant to Article 94 of Council Decision 2013/755/EU, persons and entities established in overseas countries and territories are eligible for funding subject to the rules and objectives of the Programme and possible arrangements applicable to the Member State to which the relevant overseas country or territory is linked. The constraints imposed by the remoteness of those countries or territories should be taken into account when implementing the Programme, and their effective participation should be monitored and regularly evaluated. [Am. 41]

(34a) In accordance with Article 349 TFEU, measures should be taken to increase the outermost regions' participation in all actions. Mobility exchanges for their artists and their works, and cooperation between people and organisations from those regions and their neighbours and third countries should be fostered. It will thus be possible for the people to benefit equally from the competitive advantages that the cultural and creative industries can offer, in particular economic growth and employment. Such measures should be monitored and evaluated regularly. [Am. 42]

---

In order to amend non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of indicators laid down in Article 15 and in Annex II. The Commission should carry out appropriate consultations during its preparatory work, including at expert level. Those consultations should be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts should systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

In order to ensure smooth implementation of the continuity of funding support provided under the Programme and to cover the increasing funding gaps experienced by beneficiaries, the costs incurred by the beneficiary before the grant application is submitted, in particular costs related to intellectual property rights, may be considered as eligible, provided that they are directly linked to the implementation of the supported actions. [Am. 43]
Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016, there is a need to evaluate this Programme on the basis of information collected through specific monitoring requirements, while avoiding overregulation and administrative burdens, in particular on Member States. These requirements, where appropriate, can include measurable indicators, as a basis for evaluating the effects of the Programme on the ground.

In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission to adopt the work programmes. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council. The power to adopt acts in accordance with Article 290 of the TFEU should be delegated to the Commission in respect of adopting work programmes. It is necessary to ensure the correct closure of the predecessor programme, in particular as regards the continuation of multi-annual arrangements for its management, such as the financing of technical and administrative assistance. As from [1 January 2021], the technical and administrative assistance should ensure, if necessary, the management of actions that have not yet been finalised under the predecessor programme by [31 December 2020]. [Am. 44]

---

In order to ensure an effective and efficient implementation of the Programme, the Commission should ensure that there is no unnecessary bureaucratic burden on the applicants during the application stage or during the processing stage of the applications. [Am. 45]

Particular attention should be paid to small-scale projects and their added value, given the specificities of the cultural and creative sectors. [Am. 46]

This Regulation respects the fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union. In particular, this Regulation seeks to ensure full respect for the right to equality between men and women and the right to non-discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, and to promote the application of Articles 21 and 23 of the Charter of Fundamental Rights of the European Union. It is also in line with the United Nations Convention on the Rights or Persons with Disabilities.
(40) Since the objectives of this Regulation cannot be sufficiently achieved by the Member States but can rather, by reason of their transnational character, the high volume and wide geographical scope of the mobility and cooperation activities funded, their effects on access to learning mobility and more generally on Union integration, as well as their reinforced international dimension, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity, as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

(41) Regulation (EU) No 1295/2013 should therefore be repealed with effect from [1 January 2021].

(42) In order to ensure continuity in the funding support provided under the Programme, this Regulation should apply from [1 January 2021].
HAVE ADOPTED THIS REGULATION:

Chapter I
General Provisions

Article 1
Subject matter

This Regulation establishes the Creative Europe programme (the 'Programme').

It lays down the objectives of the Programme, the budget for the period 2021 – 2027, the forms of Union funding and the rules for providing such funding.

Article 2
Definitions

For the purposes of this Regulation, the following definitions apply:

(1) 'blending operation' means actions supported by the EU budget, including within blending facilities pursuant to Article 2(6) of the Financial Regulation, combining non-repayable forms of support and financial instruments from the EU budget with repayable forms of support from development or other public finance institutions, as well as from commercial finance institutions and investors;
'cultural and creative sectors' means all sectors whose activities are based on cultural values or artistic and other individual or collective creative expressions, and practices, whether those activities are market or non-market oriented. The activities may include the development, the creation, the production, the dissemination and the preservation of practices, goods and services which embody cultural, artistic or other creative expressions, as well as related functions such as education or management. They will Many of those have a potential to generate innovation and jobs in particular from intellectual property. The sectors include architecture, archives, libraries and museums, artistic crafts, audiovisual (including film, television, video games and multimedia), tangible and intangible cultural heritage, design (including fashion design), festivals, music, literature, performing arts, books and publishing, radio, and visual arts, festivals, and design, including fashion design; [Am. 47]

'small and medium enterprises (SMEs)' means micro, small and medium-sized enterprises, as defined in Commission Recommendation 2003/361/EC\textsuperscript{25}

\[\textsuperscript{25} \text{OJ L 124, 20.5.2003}\]
(4) 'legal entity' means any natural or legal person created and recognised as such under national law, Union law or international law, which has legal personality and which may, acting in its own name, exercise rights and be subject to obligations, or an entity without a legal personality in accordance with [Article 197(2)(c)] of the Financial Regulation;

(5) 'the Seal of Excellence' is the high-quality label awarded to projects submitted to Creative Europe which are deemed to deserve funding but do not receive it due to budget limits. It recognises the value of the proposal and supports the search for alternative funding.

Article 3
Programme objectives

(1) The general objectives of the Programme are:

(-a) to contribute to the recognition and promotion of the intrinsic value of culture and to safeguard and promote the quality of European culture and creativity as a distinctive dimension of personal development, education, social cohesion, freedom of expression and opinion, and the arts, strengthening and enhancing democracy, critical thinking, the sense of belonging and citizenship and as sources for a pluralistic media and cultural landscape; [Am. 48]
(a) to promote European cooperation on cultural, *artistic* and linguistic diversity and, including through enhancing the role of artists and cultural operators, the quality of European cultural and artistic production, and of the common tangible and intangible European cultural heritage; [Am. 49]

(b) to increase foster the competitiveness of the all cultural and creative sectors and to increase their economic weight, in particular the audiovisual sector, by means of job creation in, and of increasing innovation, creativity of, those sectors. [Am. 50]

(2) The programme has the following specific objectives:

(a) enhancing the economic artistic, cultural social and external dimension of European level cooperation to develop and promote European cultural diversity and Europe's cultural tangible and intangible heritage, and strengthening the competitiveness and innovation of the European cultural and creative sectors and reinforcing international cultural relations; [Am. 51]

(aa) promoting the cultural and creative sectors, including the audiovisual sector, supporting artists, operators, craftspeople and audience engagement with a particular focus on gender equality and underrepresented groups; [Am. 52]
(b) promoting the **innovation**, competitiveness and scalability of the European audiovisual sector, in particular of SMEs, independent production companies and organisations in the cultural and creative sectors and promoting the quality of the activities of the European audiovisual industry sector in a sustainable way aiming at a balanced sectoral and geographical approach; [Am. 53]

(c) promoting policy cooperation and innovative actions, including new business and management models and creative solutions, supporting all strands of the programme and all cultural and creative sectors, including safeguarding the freedom of artistic expression and the promotion of a diverse, independent and pluralistic environment, cultural and media environments, media literacy, digital skills, cultural and artistic education, gender equality, active citizenship, intercultural dialogue, resilience and social inclusion, in particular of persons with disabilities, including through greater accessibility of cultural goods and services; [Am. 54]

(ca) promoting the mobility of artists and the cultural and creative sectors’ operators and the circulation of their works; [Am. 55]
(cb) providing the cultural and creative sectors with data, analyses and an adequate set of qualitative and quantitative indicators and developing a coherent system of evaluations and impact assessments, including those with a cross-sectoral dimension. [Am. 56]

(3) The Programme shall cover the following strands:

(a) "CULTURE" covers cultural and creative sectors with the exception of the audiovisual sector;

(b) "MEDIA" covers the audiovisual sector;

(c) "CROSS SECTORAL strand" covers activities across all cultural and creative sectors, including the news media sector. [Am. 57]
Article 3a

European added value

Recognising the intrinsic and economic value of culture and creativity and respecting the quality and plurality of Union values and policies.

The Programme shall support only those actions and activities which deliver potential European added value and which contribute to the achievement of the objectives referred to in Article 3.

The European added value of the actions and activities of the Programme shall be ensured, for example, through:

(a) the transnational character of actions and activities which complement regional, national, international and other Union programmes and policies, and the impact of such actions and activities on citizens’ access to culture, the active engagement of citizens, education, social inclusion and intercultural dialogue;

(b) the development and promotion of transnational and international cooperation between cultural and creative players, including artists, audiovisual professionals, cultural and creative organisations and SMEs and audiovisual operators, that are focused on stimulating more comprehensive, rapid, effective and long-term responses to global challenges, in particular to the digital shift;
(c) the economies of scale and growth and jobs which Union support fosters, creating a leverage effect for additional funds;

(d) ensuring a more level playing field in the cultural and creative sectors by taking account of the specificities of different countries, including countries or regions with a particular geographical or linguistic situation, such as the outermost regions recognised in Article 349 TFEU and the overseas countries or territories coming under the authority of a Member State listed in Annex II of the TFEU;

(e) promoting a narrative on European common roots and diversity.  [Am. 58]

Article 4
Strand CULTURE

In line with the objectives referred to in Article 3, the strand "CULTURE" shall have the following priorities:

(-a) to promote artistic expression and creation; [Am. 59]
(aa) to nurture talents, competence and skills and to stimulate collaboration and innovation through the whole chain of the cultural and creative sectors, including heritage; [Am. 60]

(a) to strengthen the cross-border dimension and circulation and visibility of European cultural and creative operators and their works including through residency programmes, touring, events, workshops, exhibitions and festivals, as well as facilitating the exchange of best practices and enhancing professional capacities; [Am. 61]

(b) to increase cultural access, participation and awareness, and audience engagement across Europe, especially with regard to people with disabilities or people from disadvantaged backgrounds; [Am. 62]

(c) to promote societal resilience and to enhance social inclusion, intercultural and democratic dialogue and cultural exchange through arts, culture and cultural heritage; [Am. 63]
to enhance the capacity of European cultural and creative sectors to prosper and innovate, to create artistic works, to generate and to develop key competences, knowledge, skills, new artistic practices and sustainable jobs and growth and to contribute to local and regional development; [Am. 64]

(da) to foster the professional capacity of persons in the cultural and creative sectors, empowering them through appropriate measures; [Am. 65]

(e) to strengthen European identity and active citizenship and the sense of community and democratic values through cultural awareness, arts, cultural heritage, expression, critical thinking, artistic expression, visibility and recognition of creators, arts, education and culture-based creativity in education formal, non-formal and informal lifelong learning; [Am. 66]

(f) to promote international capacity building of European cultural and creative sectors, including grass-roots and micro-organisations, to be active at the international level; [Am. 67]
(g) to contribute to the Union 's global strategy for international cultural relations by aiming to ensure the long-term impact of the strategy through a people-to-people approach involving cultural diplomacy networks, civil society and grassroots organisations. [Am. 68]

The priorities are further detailed in Annex I.

As part of the specific actions pursued under the CULTURE strand, the music sector shall be a particular focus in terms of financial distribution and targeted actions. Tailor-made calls and instruments shall help boost the competitiveness of the music sector and address some of the specific challenges it faces. [Am. 69]

Article 5
Strand MEDIA

In line with the objectives referred to in Article 3, the strand "MEDIA" shall have the following priorities:

(a) to nurture talents, competence, and skills and the use of digital technologies and to stimulate collaboration, mobility, and innovation in the creation and production of European audiovisual works, including across borders; [Am. 70]
(b) to enhance the transnational and international circulation and online and offline distribution, in particular theatrical and online distribution and provide wider access across borders to European audiovisual works, including through innovative business models and the use of new technologies in the new digital environment; [Am. 71]

(ba) to provide wider access to Union audiovisual works for international audiences, in particular through promotion, events, film literacy activities and festivals; [Am. 72]

(bb) to enhance audiovisual heritage and to facilitate access to, and to support and promote, audiovisual archives and libraries as sources of memory, education, re-use and new business, including through the latest digital technologies; [Am. 73]

(c) to promote European audiovisual works and support the engagement of audience development of all ages, in particular young audiences and people with disabilities, for the proactive and legal use of audiovisual works across Europe and beyond and for the sharing of user-generated content, including by promoting film and audiovisual education. [Am. 74]
These priorities shall be addressed through support to the creation, promotion, access, and dissemination of European works, spreading European values and common identity with the potential to reach large audiences of all ages within Europe and beyond, thereby adapting to new market developments and accompanying the Audiovisual Media Services Directive. [Am. 75]

The priorities are further detailed in Annex I.

Article 6
CROSS SECTORAL strand

In line with the objectives of the Programme referred to in Article 3, the "CROSS SECTORAL strand" shall have the following priorities:

(a) to support cross-sectoral transnational policy cooperation including on promoting the role of culture for social inclusion and, in particular as regards for persons with disabilities and for enhancing democracy and to promote the knowledge of the programme and support the transferability of results in order to increase the visibility of the Programme; [Am. 76]
(b) to promote innovative approaches to artistic content creation and artistic research, access, distribution and promotion taking into account copyright protection, across the cultural and creative sectors, covering both market and non-market dimensions; [Am. 77]

(c) to promote cross cutting activities covering several sectors aiming at adjusting to the structural and technological changes faced by the media sector, including enhancing a free, diverse, and pluralistic media, artistic and cultural environment, quality professional ethics in journalism, critical thinking and media literacy, in particular among young people by helping with adapting to new medial tools and formats and countering the spread of disinformation; [Am. 78]

(d) to set up, and support the active involvement of, programme desks in participating countries, to promote the Programme in their country, in a fair and balanced way, including through network activities on the ground, and to support the applicants in relation to the Programme and provide basic information on other relevant support opportunities available under Union funded programmes and to stimulate cross-border cooperation and the exchange of best practices within the cultural and creative sectors. [Am. 79]

The priorities are further detailed in Annex I.
1. The financial envelope for the implementation of the Programme for the period 2021 – 2027 shall be EUR 1 850 000 000 in current 2 806 000 000 in constant prices. [Am. 80]

The programme shall be implemented according to the following indicative financial distribution:

- up to EUR 609 000 000 not less than 33 % for the objective referred to in Article 3 (2)(a) (strand CULTURE); [Am. 81]
- up to EUR 1 081 000 000 not less than 58 % for the objective referred to in Article 3(2)(b) (strand MEDIA); [Am. 82]
- up to EUR 160 000 000 9 % for the activities referred to in Article 3(2)(c) (CROSS SECTORAL strand) ensuring a financial allocation to each national Creative Europe Desk at least at the same level as the financial allocation provided for under Regulation (EU) No 1295/2013. [Am. 83]
2. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Programme, such as preparatory, monitoring, control, audit and evaluation activities including corporate information technology systems.

3. In addition to the financial envelope as indicated in paragraph 1, and in order to promote the international dimension of the Programme, additional financial contributions may be made available from the external financing instruments [Neighbourhood, Development and International Cooperation Instrument, the Instrument for Pre-accession Assistance (IPA III)], to support actions implemented and managed in accordance with this Regulation. This contribution shall be financed in accordance with the Regulations establishing those instruments and reported every year to the budgetary authority, along with the contributions of third countries to the programme. [Am. 84]

4. Resources allocated to Member States under shared management may, at their request, be transferred to the Programme. The Commission shall implement those resources directly in accordance with [Article 62(1)(a)] of the Financial Regulation or indirectly in accordance with [Article 62(1)(c)] of that Regulation. Where possible those resources shall be used for the benefit of the Member State concerned.
Article 8
Third countries associated to the Programme

1. The Programme shall be open to the following third countries:

(a) European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement;

(b) acceding countries, candidate countries and potential candidates, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and Association Council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries;

(c) countries covered by the European Neighbourhood Policy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and association Council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries;
(d) other countries, in accordance with the conditions laid down in a specific single agreement covering the participation of the third country to any Union programme, provided that the agreement:

(a) ensures a fair balance as regards the contributions and benefits of the third country participating in the Union programmes;

(b) lays down the conditions of participation in the programmes, including the calculation of financial contributions to individual programmes and their administrative costs. These contributions shall constitute assigned revenues in accordance with Article [21(5)] of [the new Financial Regulation];

(c) does not confer to the third country a decisional power on the programme;

(d) guarantees the rights of the Union to ensure sound financial management and to protect its financial interests.

Third countries may participate in the Programmes’ governance structures and stakeholder forums for the purpose of facilitating information exchange. [Am. 85]
2. The participation to the MEDIA and CROSS SECTORAL strands by the countries referred to in points (a), (b) and (c) to (d) of paragraph 1 shall be subject to fulfilment of the conditions set out in Directive 2010/13/EU.  [Am. 151]

3. The agreements concluded with countries specified in point (c) of paragraph 1 may derogate from the obligations set out in paragraph 2 in duly justified cases.

3a. Agreements with the third countries associated to the Programme under this Regulation shall be facilitated through procedures that are faster than those under Regulation (EU) No 1295/2013. Agreements with new countries shall be proactively promoted. [Am. 86]

Article 8a

Other third countries

The Programme may support cooperation with third countries other than those referred to in Article 8 with regard to actions financed through additional contributions from the external financing instruments according to Article 7(3) if it is in the Union's interest.
Article 9

Cooperation with international organisations and the European Audiovisual Observatory

1. Access to the Programme shall be open to international organisations active in the areas covered by the Programme, such as Unesco, the Council of Europe, by means of a more structured collaboration with Cultural Routes and Euroimages, EUIPO Observatory, the World Intellectual Property Organisation and the OECD, on the basis of joint contributions, for the achievement of the Programme objectives and in accordance with the Financial Regulation. [Am. 87]

2. The Union shall be a member of the European Audiovisual Observatory for the duration of the Programme. The Union's participation in the Observatory shall contribute to the achievement of the priorities of the MEDIA strand. The Commission shall represent the Union in its dealings with the Observatory. The MEDIA strand shall support the payment of the contribution fee for Union membership of the Observatory to foster and data collection and analysis in the audiovisual sector. [Am. 152]
Article 9a

Data gathering on culture and creative sectors

The Commission shall reinforce the cooperation within its services such as the Joint Research Centre and Eurostat with the purpose of gathering appropriate statistical data to measure and analyse the impact of cultural policies. For that task, the Commission shall act in cooperation with centres of excellence in Europe and national statistical institutes and shall act in collaboration with the Council of Europe, the OECD and Unesco. It shall thereby contribute to the achievement of the objectives of the CULTURE strand and closely follow further cultural policy developments, also by including stakeholders at an early stage in the reflection and adaptation of indicators common to different sectors or specific indicators per domain of activities. The Commission shall report regularly to the European Parliament on those activities. [Am. 88]
Article 10
Implementation and forms of EU funding

1. The Programme shall be implemented in direct management in accordance with the Financial Regulation or in indirect management with bodies referred to in Article 62(1)(c) of the Financial Regulation.

2. The Programme may provide funding in any of the forms laid down in the Financial Regulation, in particular grants, prizes, and procurement. It may also provide financing in the form of financial instruments within blending operations.

3. Blending operations under this Programme shall be implemented in accordance with the [InvestEU regulation] and Title X of the Financial Regulation and the procedures laid down in [InvestEU Regulation]. The dedicated guarantee facility created under Creative Europe shall be continued under the [InvestEU regulation] and shall take account of the implementation practices developed in the framework of the Cultural and Creative Sectors Guarantee Facility set up by Regulation (EU) No 1295/2013. [Am. 89]
4. Contributions to a mutual insurance mechanism may cover the risk associated with the recovery of funds due by recipients and shall be considered a sufficient guarantee under the Financial Regulation. The provisions laid down in [Article X of] Regulation XXX [successor of the Regulation on the Guarantee Fund], built on, and taking into account, the implementation practices already developed, shall apply. [Am. 90]

4a. In order to promote the international dimension of the Programme, the programmes established by Regulation …/…[Neighbourhood Development and International Cooperation Instrument]and Regulation …/… [IPA III] shall financially contribute to actions established under this Regulation. This Regulation shall apply to the use of those programmes, while ensuring conformity with the Regulations respectively governing them. [Am. 91]
Article 11
Protection of Financial Interest of the Union

Where a third country participates in the programme by a decision under an international agreement or by virtue of any other legal instrument, the third country shall grant the necessary rights and access required for the authorizing officer responsible, the European Anti-Fraud Office (OLAF), the European Court of Auditors to comprehensively exert their respective competences. In the case of OLAF, such rights shall include the right to carry out investigations, including on-the-spot checks and inspections, provided for in Regulation (EU, Euratom) No 883/2013.

Article 12
Work programmes

1. The Programme shall be implemented by annual work programmes referred to in Article 110 of the Financial Regulation. The adoption of work programmes shall be preceded by consultations with the various stakeholders in order to ensure that the actions planned will support the different sectors involved in the best way possible. Work programmes shall set out, where applicable, the overall amount reserved for blending operations, which shall not supplant direct funding in the form of grants.

The general and specific objectives and corresponding policy priorities and actions of the Programme, as well as the allocated budget per action, shall be specified in detail in the annual work programmes. The annual work programme shall also contain an indicative implementation timetable.
2. The Commission shall adopt delegated acts in accordance with Article 19 supplementing this Regulation by establishing annual work programmes. The programme shall be adopted by the Commission by means of an implementing act [Am. 93].

Chapter II
Grants and eligible entities

Article 13
Grants

1. Grants under the Programme shall be awarded and managed in accordance with Title VIII of the Financial Regulation.

1a. The calls for proposal may take into account the necessity of ensuring appropriate support to small-scale projects under the CULTURE strand through measures that may include higher co-financing rates. [Am. 94]
1b. The grants shall be awarded taking into account the following features of the project concerned:

(a) quality of the project;

(b) impact;

(c) quality and efficiency in its implementation. [Am. 95]

2. The evaluation committee may be composed of external experts. It shall meet in the physical presence of its members or remotely.

The experts shall have a professional background related to the field assessed. The evaluation committee may request the opinion of experts from the country of application. [Am. 96]

3. By way of derogation from Article 193(2) of the Financial Regulation, and in duly justified cases, costs incurred by the beneficiary before the submission of the grant application, may shall be considered eligible, provided that they are directly linked to the implementation of the supported actions and activities. [Am. 97]

4. Where applicable, the actions of the Programme shall define appropriate non-discrimination criteria, including on gender balance.
Article 14
Eligible entities

1. The eligibility criteria set out in paragraphs 2 to 4 shall apply in addition to the criteria set out in [Article 197] of the Financial Regulation.

2. The following entities are eligible:
   
   (a) legal entities established in any of the following countries:
       
       (1) a Member State or an overseas country or territory linked to it;
       
       (2) third countries associated to the Programme;
       
       (3) third country listed in the work programme under the conditions specified in paragraphs 3 and 4;
       
   (b) any legal entity created under Union law or any international organisation.

3. Legal entities established in a third country, which is not associated to the Programme are exceptionally eligible to participate where this is necessary for the achievement of the objectives of a given action.

4. Legal entities established in a third country, which is not associated to the programme should in principle bear the cost of their participation. Additional contributions from the external financing instruments according to Article 7(3) may cover the costs of their participation if it is in the Union's interest.
5. The following entities may exceptionally be awarded grants without a call for proposal, on the basis of specific missions and objectives to be defined by the Commission and assessed regularly in line with the objectives of the Programme: [Am. 98]

(a) The European Film Academy in the context of cooperation with the European Parliament on the LUX Film Prize, following a cooperation agreement negotiated between and signed by the parties and in collaboration with Europa Cinemas; until such time as the cooperation agreement has been concluded, the relevant appropriations shall be placed in the reserve; [Am. 99]
(b) The European Union Youth Orchestra for its activities, including the regular selection of, and training for, young musicians from all Member States through residence programmes that offer mobility and the opportunity to perform in festivals and tours within the Union and at the international level and that contribute to the circulation of European culture across borders and to the internationalisation of young musicians’ careers, aiming at a geographical balance of participants; the European Union Youth Orchestra shall continuously diversify its revenues by actively seeking financial support from new sources, reducing its dependence on Union funding; the activities of the European Union Youth Orchestra shall be in line with the Programme and the CULTURE strand objectives and priorities, in particular audience engagement. [Am. 100]
Chapter III
Synergies and complementarity

Article 15
Complementarity

The Commission, in cooperation with the Member States, shall ensure the overall consistency and complementarity of the Programme with the relevant policies and programmes, in particular those relating to gender balance, education, in particular digital education and media literacy, youth and solidarity, employment and social inclusion, in particular for marginalised groups and minorities, research and innovation, including social innovation, industry and enterprise, agriculture and rural development, environment and climate action, cohesion, regional and urban policy, sustainable tourism, State aid, mobility and international cooperation and development, also in order to promote effective use of public funds;

The Commission shall ensure that, when the procedures laid down in [InvestEU Programme] are applied for the purposes of the Programme, they take into account the practices developed in the framework of the Cultural and Creative Sectors Guarantee Facility set up by Regulation (EU) No 1295/2013. [Am. 101]
Article 16
Cumulative and combined funding

1. An action that has received a contribution under the Programme may also receive a contribution from any other Union programme, including Funds under Regulation (EU) No XX/XXXX [CPR], provided that the contributions do not cover the same costs. The cumulative financing shall not exceed the total eligible costs of the action and the support from different Union programmes may be calculated on a pro-rata basis.

2. A proposal eligible under the Programme may be awarded a Seal of Excellence provided that it complies with the following cumulative conditions:

(a) it has been assessed in a call for proposals under the Programme;

(b) it complies with the minimum high quality requirements of that call for proposals; [Am. 102]

(c) it may not be financed under that call for proposals due to budgetary constraints.
2a. Proposals that have been awarded a Seal of Excellence may receive funding directly from other programmes and from funds under Regulation [CPR Regulation COM(2018)0375] in accordance with Article 67(5) thereof, provided that such proposals are consistent with the objectives of the Programme. The Commission shall ensure that the selection and award criteria for the projects to be awarded the Seal of Excellence are coherent, clear and transparent for the potential beneficiaries. [Am. 103]

Article 16a

Cultural and Creative Sectors Guarantee Facility under InvestEU

1. Financial support through the new InvestEU Programme shall build on the objectives and the criteria of the Cultural and Creative Sectors Guarantee Facility taking into account the specificity of the sector.

2. The InvestEU Programme shall provide:

(a) SMEs and micro, small and medium-sized organisations in the cultural and creative sectors with access to finance;
(b) guarantees to participating financial intermediaries from any country participating in the Guarantee Facility;

(c) participating financial intermediaries with additional expertise to evaluate risks associated with SMEs and micro, small and medium-sized organisations and with cultural and creative projects;

(d) the volume of debt financing made available to SMEs and micro, small and medium-sized organisations;

(e) SMEs and micro, small and medium-sized organisations across regions and sectors with the ability to build a diversified loan portfolio and to propose a marketing and promotion plan;

(f) the following types of loans: investment in tangible and intangible assets with the exclusion of personal collateral; business transfer; working capital, such as interim finance, gap finance, cash flow and credit lines. [Am. 104]
Chapter IV  
Monitoring, Evaluation and Control  

Article 17  
Monitoring and reporting  

1. Indicators to report on progress of the Programme towards the achievement of the objectives laid down in Article 3 are set in Annex II.  

1a. The strands shall have a common set of qualitative indicators. Each strand shall have a dedicated set of indicators. [Am. 105]  

2. To ensure effective assessment of progress of the programme towards the achievement of its objectives, the Commission is empowered to adopt delegated acts in accordance with Article 19 to develop the provisions for a monitoring and evaluation framework, including amendments to Annex II in order to review or supplement the indicators where necessary for monitoring and evaluation. The Commission shall adopt a delegated act on indicators by 31 December 2022. [Am. 106]  

3. The performance reporting system shall ensure that data for monitoring programme implementation and results are collected efficiently, effectively, and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds and, where relevant, Member States.
Article 18
Evaluation

1. Evaluations shall be carried out in a timely manner to feed into the decision-making process.

1a. *The available figures on the amount of commitment and payment appropriations that would have been needed to finance the projects awarded with the Seal of Excellence shall be communicated every year to the two branches of the budgetary authority, at least 3 months prior to the date of the publication of their respective positions on the Union budget for the following year, according to the commonly agreed calendar for the annual budgetary procedure.* [Am. 107]

2. The interim evaluation *mid-term review* of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, but no later than four years after the start of the programme implementation by 30 June 2024.
The Commission shall submit the mid-term evaluation report to the European Parliament and to the Council by 31 December 2024.

The Commission shall submit, where necessary and on the basis of the mid-term review, a legislative proposal to revise this Regulation. [Am. 108]

3. At the end of the implementation of the Programme, but no later than two years after the end of the period specified in Article 1, a final evaluation of the Programme shall be carried out submitted by the Commission. [Am. 109]

4. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

5. The evaluation reporting system shall ensure that data for programme evaluation are collected efficiently, effectively, in a timely manner and at the appropriate level of granularity. Such data and information shall be communicated to the Commission, in a way that complies with other legal provisions; for instance, when necessary, personal data shall be made anonymous. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds.
Article 19

Exercise of the delegation

1. The power to adopt delegated acts shall be conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Articles 12(2) and 17 shall be conferred on the Commission until 31 December 2028.

3. The delegation of power referred to in Articles 12(2) and 17 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to Articles 12(2) and 17 shall enter into force if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.
Chapter V
Transitional and Final Provisions

Article 20
Information, communication and publicity

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results) by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public, *in particular the name of the Programme and, for actions funded under the MEDIA strand, the MEDIA logo. The Commission shall develop a CULTURE logo which shall be used for actions funded under the CULTURE strand.* [Am. 110]

2. The Commission shall implement information and communication actions relating to the Programme, and its actions and results supported through its strands. Financial resources allocated to the Programme shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Article 3.
Article 21
Repeal

Regulation (EU) No 1295/2013 is repealed with effect from 1 January 2021.

Article 22
Transitional provisions

1. This Regulation shall not affect the continuation or modification of the actions concerned, until their closure, under Regulation (EU) No 1295/2013 which shall continue to apply to the actions concerned until their closure.

2. The financial envelope for the Programme may also cover technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Regulation (EU) No 1295/2013.

3. If necessary, appropriations may be entered in the budget beyond 2027 to cover the expenses provided for in Article 7(4), to enable the management of actions not completed by 31 December 2027.
Article 23
Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at …,

For the European Parliament For the Council
The President The President
ANNEX I
Complementary information about the activities to be funded

1. **CULTURE STRAND**

The priorities of the CULTURE strand of the Programme referred to in Article 4 shall be pursued through the following actions:

**Horizontal actions:**

(a) *Transnational* cooperation projects *with a clear distinction between small, medium and large scale projects and with special attention to micro and small-sized cultural organisations*; [Am. 111]

(b) European networks of cultural and creative organisations from different countries;

(c) Cultural and creative pan-European platforms;

(d) Mobility of artists, *artisans* and cultural and creative operators *in their transnational activity including covering costs related to artistic activity, circulation of artistic and cultural works*; [Am. 112]

(e) Support to cultural and creative organisations to operate at international level *and to develop their capacity building*; [Am. 113]

(f) Policy development, cooperation and implementation in the field of culture, including through the provision of data and exchange of best practices or pilot projects.

**Sectorial actions:**

(a) Support to the music sector: promoting diversity, creativity and innovation in the field of music, in particular *live music sector, also through networking*, the distribution of *and promotion of a diverse European* musical *works and* repertoire in Europe and beyond, training *actions and participation in and access to*, *music*, audience development for European repertoire, *the visibility and recognition of creators, promoters and artists, in particular young and emerging ones*, as well as support for data gathering and analysis; [Am. 114]

(b) Support to the book and publishing sector: targeted actions promoting diversity, creativity *and*, innovation, in particular the translation *and*, *the adaptation in*
accessible formats for people with disabilities, promotion of European literature across borders in Europe and beyond, also through libraries, training and exchanges for sector professionals, authors and translators as well as transnational projects for collaboration, innovation and development in the sector; [Am. 115]

(c) Support to architecture and cultural heritage sectors and architecture: targeted actions for the mobility of operators, research, establishment of high quality standards, capacity-building, sharing of the professional knowledge and skills for artisans, audience development and internationalization of the cultural heritage and architecture sectors, promotion of Baukultur engagement, support to the safeguarding, conservation and regeneration of life space, adaptive re-use, promotion of Baukultur, sustainability, dissemination, enhancement and internationalization of cultural heritage and its values through awareness-raising, networking and peer-to-peer learning activities; [Am. 116]

(d) Support to other sectors: targeted promotion actions in favour of the development of the creative aspects of other sectors, including the design and fashion sectors and a sustainable cultural tourism as well as to their promotion and representation outside the European Union. [Am. 117]

Support to all cultural and creative sectors in areas of common need, whereas a sectoral action may be developed as appropriate in cases where the specificities of a sub-sector justify a targeted approach. A horizontal approach shall be taken for transnational projects for collaboration, mobility and internationalisation, including through residency programmes, touring, events, live performances, exhibitions and festivals, as well as for the promotion of diversity, creativity and innovation, training and exchanges for sector professionals, capacity building, networking, skills, audience development and data gathering and analysis. Sectoral actions shall benefit from budgets which are proportionate to the sectors identified as priorities. Sectoral actions should help address the specific challenges faced by the different priority sectors identified in this Annex, building on existing pilot projects, and preparatory actions. [Am. 118]

Special actions aiming at rendering visible and tangible European identity and its cultural diversity and heritage and nurturing intercultural dialogue: [Am. 119]
(a) European Capitals of Culture ensuring financial support to Decision No 445/2014/EU of the European Parliament and of the Council\(^1\);

(b) European Heritage Label ensuring financial support to Decision No 1194/2011/EU of the European Parliament and of the Council\(^2\) and network of the European Heritage Label sites; [Am. 120]

(c) EU cultural prizes, including the European Theatre Prize; [Am. 121]

(d) European Heritage Days;

(da) actions aiming at interdisciplinary productions relating to Europe and its values; [Am. 122]

(e) Support to such European cultural institutions that aim at delivering direct cultural service to European citizens with a large geographical coverage.

2. MEDIA STRAND

The priorities of the MEDIA strand of the Programme referred to in Article 5 shall take into account the requirements of Directive 2010/13/EU and the differences across countries regarding audiovisual content production, distribution, and access, as well as the size and specificities of the respective markets and shall be pursued through, inter alia: [Am. 123]

(a) Development of European audiovisual works, in particular films and television works such as fiction, short films, documentaries, children's films and animated films, and interactive works such as quality and narrative video games and multimedia, with enhanced cross-border circulation potential by European independent production companies; [Am. 124]

(b) Production of innovative and quality TV content and serial storytelling, for all ages, by supporting European independent production companies; [Am. 125]

(ba) Support to initiatives dedicated to the creation and promotion of works related to the history of European integration and to European stories; [Am. 126]

---


(c) Promotion, advertising and marketing tools, including on line and through the use of data analytics, to increase the prominence, visibility, cross-border access, and audience reach of European works; [Am. 127]

(d) Support to international sales and circulation of non-national European works on all platforms targeting both small and large-sized productions on all platforms, including through coordinated distribution strategies covering several countries and subtitling, dubbing and audio description; [Am. 128]

(da) Actions aimed at supporting low capacity countries to improve their respective identified shortcomings; [Am. 129]

(e) Support to business to business exchanges and networking activities to facilitate European and international co-productions and the circulation of European works; [Am. 130]

(ea) Support to European networks of audiovisual creators from different countries aiming at nurturing creative talents in the audiovisual sector; [Am. 131]

(eb) Specific measures to contribute to the fair treatment of creative talent in the audiovisual sector; [Am. 132]

(f) Promote European works in industry events and fairs in Europe and beyond;

(g) Initiatives promoting audience development and film engagement, in particular in cinemas and film and audiovisual education addressing in particular young audiences; [Am. 133]

(h) Training and mentoring activities to enhance the capacity of audiovisual operators, including artisans and craftspeople, to adapt to new market developments and digital technologies; [Am. 134]

(i) A One or more European Video on Demand (VOD) networks of operators’ network, screening a significant proportion of non-national European works; [Am. 135]

(j) European festivals’ network(s) and festivals networks screening and promoting a variety of European audiovisual works, with a significant proportion of non-national European works; [Am. 136]
A European cinema operators’ network, screening a significant proportion of non-national European films, contributing to reinforce the role of cinema theatres in the value chain and highlighting public screenings as a social experience; [Am. 137]

Specific measures, including mentoring and networking activities, to contribute to a more balanced gender participation in the audiovisual sector; [Am. 138]

Support policy dialogue, innovative policy actions and exchange of best practices – including through analytical activities and the provision of reliable data;

Transnational exchange of experiences and know-how, peer learning activities and networking among the audiovisual sector and policy makers.

Support to the circulation of, and multilingual access to, cultural television content online and offline, including through subtitling, in order to promote the richness and diversity of European cultural heritage, contemporary creations and languages. [Am. 139]

3. CROSS SECTORAL STRAND

The priorities of the CROSS SECTORAL strand of the Programme referred to in Article 6 shall be pursued through, in particular:

Policy Cooperation and outreach:

(a) Policy development, transnational exchange of experiences and know-how, peer learning activities, including peer mentoring for newcomers to the Programme, awareness raising and networking among cultural and creative organisations and policy makers of a cross-sectoral nature also through a permanent structural dialogue with stakeholders, and with a Forum of Culture and Creative Sectors for strengthening dialogue and the orientation of sector policies; [Am. 140]

(b) Analytical cross-sectoral activities;

(c) Support actions that aim at fostering trans-border policy cooperation and policy development on the role of social inclusion through culture;

(d) Enhance knowledge of the programme and the topics it covers, foster citizen outreach, and help the transferability of results beyond Member State level.

The Creative Innovation Lab:
(a) Encourage new forms of creation at the cross roads between different cultural and
creative sectors, and with operators of other sectors, for instance through the use of,
and mentoring in the use of, innovative technologies within cultural organisations
and collaboration through digital hubs; [Am. 141]

(b) Foster innovative cross sectoral approaches and tools to facilitate access, distribution,
promotion and monetisation of culture and creativity, including cultural heritage.

(ba) Actions aiming at interdisciplinary productions relating to Europe and its values;
[Am. 142]

Programme Desks:

(a) Promote the programme at national level and provide relevant information on the
various types of financial support available under union policy and on the evaluation
criteria, procedure and results; [Am. 143]

(b) Support potential beneficiaries in application processes, stimulate cross border
cooperation and the exchange of best practices between professionals, institutions,
platforms and networks within and across the policy areas and sectors covered by the
programme; [Am. 144]

(c) Support the Commission in ensuring a bottom-up and top-down proper
communication and dissemination of the results of the programme to the citizens and
to the operators. [Am. 145]

Cross cutting activities supporting the news media sector:

(a) Addressing the structural and technological changes faced by the news media sector
by promoting and monitoring a diverse an independent and pluralistic media
environment and supporting independent monitoring for assessing risks and
challenges to media pluralism and freedom; [Am. 146]

(b) Supporting high media production standards by fostering cooperation, digital skills,
regional collaborative journalism, and quality content and sustainable media
economic models to ensure professional ethics in journalism; [Am. 147]

(c) Promoting media literacy to allow citizens, in particular young people, to develop a
critical understanding of the media and supporting the creation of a Union platform
to share media literacy practices and policies among all the Member States,
including through university networks of radio and media which deal with Europe
and providing news media professionals with training programmes in order to recognise and tackle disinformation. [Am. 148]

(ca) Fostering and safeguarding political and civil society dialogue on threats to media freedom and media pluralism in Europe; [Am. 149]
ANNEX II

COMMON QUALITATIVE AND QUANTITATIVE IMPACT INDICATORS OF THE PROGRAMME

(1) Benefit for citizens and communities;
(2) Benefit for the strengthening of European cultural diversity and cultural heritage;
(3) Benefit for the Union economy and jobs, in particular cultural and creative sectors and SMEs;
(4) Mainstreaming of Union policies, including international cultural relations;
(5) European added value of projects;
(6) Quality of partnerships and cultural projects;
(7) Number of people accessing European cultural and creative works supported by the Programme;
(8) Number of employment positions linked to the funded projects;
(9) Gender balance, where needed, mobility and empowerment of the operators in the cultural and creative sectors. [Am. 150]

Indicators

CULTURE STRAND:

<table>
<thead>
<tr>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number and scale of transnational partnerships created with the support of the Programme</td>
</tr>
<tr>
<td>Number of artists &amp; cultural &amp;/or creative players (geographically) mobile beyond national borders due to Programme support, by country of origin</td>
</tr>
<tr>
<td>Number of people accessing European cultural and creative works generated by the Programme, including works from countries other than their own</td>
</tr>
<tr>
<td>The number of projects supported by the Programme addressed to disadvantaged groups, namely unemployed youth and migrants</td>
</tr>
<tr>
<td>The number of projects supported by the Programme involving third countries organisations</td>
</tr>
</tbody>
</table>

MEDIA STRAND:
| The number of people accessing European audiovisual works from countries other than their own and supported by the Programme |
| Number of participants in learning activities supported by the Programme who assess they have improved their competences and increased their employability |
| Number and budget of co-productions developed and created with the support of the Programme |
| Number of people reached by Business to Business promotional activities in major markets |

**CROSS-SECTORAL STRAND:**

| Number and scale of transnational partnerships formed (composite indicator for creative innovation labs and news media actions) |
| Number of events promoting the Programme organised by the programme desks |