

# TRANSFER REQUEST C2/2011 - HOUSE OF EUROPEAN HISTORY

## ANNEX - GLOBAL COST AND OTHER INFORMATION

### I. INTRODUCTION

#### I.1. Resolutions of the Parliament

1. Parliament's Resolution of 18 May 2010 on the Estimates of revenue and expenditure for the year 2011 - Section I - Parliament" (A7-0134/2010, 18.5.2010, paragraph 43) states:

*43. Takes note of the Bureau's proposal to enter EUR 2,5 for the House of European History, concerning studies following the results of the architect's competition currently under evaluation; recalls its request from last year to receive a clear overview of the costs envisaged for the project as a whole, including administrative costs, at the latest at the stage of the Preliminary draft estimates for the 2011 budget procedure; also recalls the agreement with the Bureau from the pre-conciliation meeting in 2009; highlights that the report of the Committee of experts to the House of European History lists 11 points, which entail further costs: (1)"academic advisor composed of experts and museum specialists", (2)"institutional independence of the institution", (3)"extensive museum pedagogic offers", (3)"meeting place for young academics", (5)"permanent evaluation", (6)"temporary exhibit and travelling exhibition", (7)"relevant events with a European reference", (8)"own publications", (9)"extensive on-line offers", (10)"Creation of an own museums collection", (11)"continuous development of exhibitions and the infrastructure of the museum"; therefore stresses that the global cost of this project must be identified as a matter of urgency;*

2. Parliament's resolution of 20 October 2010 on Council's position on draft general budget of the European Union for the financial year 2011 – all sections (C7-0202/2010 , 20.10.2011, paragraph 91) states:

*91. Concerning the House of European History, decides to enter the requested EUR 2,5 million for further studies in the reserve; notes that, pending the evaluation of the architects proposals, there is still no overview of the global cost of the project available; refers also to the other requests made in different resolutions of the Parliament to which no reply has yet been received, such as possible cooperation with other institutions and possible interested partners;*

3. The €2,5m currently in reserve are required for:

- preparatory works for technical studies;
- the architect's fees (€2,32m);
- the architectural competition (€0,17m) including the award of the prizes.

4. The results of the architectural competition will be communicated to the Committee once the procedure, governed by the provisions of the Financial Regulation, has been duly completed.

5. This note sets out the global cost and other responses to the Resolutions of Parliament mentioned above so as to support the request to release the reserve. In the introductory part (I.a.) a recapitulation of the project, which is based on a number of Bureau decisions and established commitment since 2007, is provided.

6. The financial oversight is divided into development cost (section I), incurring mainly in 2011 - 2014, as well as an estimation of the running/operational cost, as from end 2014/2015 when the House of European History will be fully operational (section II).

In section IV the responses to the issues addressed in the resolution of 18 May 2010 are briefly summarized.

## **I.2. The place of the HEH in the integrated information, communication and visitors strategy of Parliament**

According to its Conceptual Basis the HEH will focus on European History, particularly after WWII, i.e. the period where European integration and institutions developed. The European citizens all perceive the European Union differently. Started as an economic community, the Union affects nowadays the political life as well as the day-to-day life of the European citizens. The Union has become more democratic and more political. This enhances the need for communication, information, and interaction between the citizens and their democratic representatives in the European Parliament. That is an essential mission of Parliament and its Members.

The appropriate accommodation of visitors plays an essential role in the communication and information strategy.

The new *Parlementarium* focuses, with a modern, multimedia approach, on European Parliament and its politics, its place within the institutional framework and its participation in the decision-making process.

Parliaments mission is however not limited to the present and future of Europe. Especially in difficult times, there is a need to be reminded of how the European integration developed and how many other crises during the years have been overcome. This is often forgotten in day-to-day business.

The HEH is dedicated to focus on political, economic and social history of Europe and of European integration - including its background and its achievements - from a European, and not a purely national, perspective, also emphasizing the roots of common European values. It will use modern technologies of communication.

The HEH will build up a historic collection and will cater for targeted expositions; it will also have a conference room.

An Academic advisory board will be set up in order to guarantee the academic and museological quality.

Thus, together with the *Parlementarium*, the possibilities for communication and dialogue between Parliament, its Members and citizens can be substantially increased. It is an essential and complementary part of Parliaments information and communication strategy.

The number of visitors has increased by 50% over the last years - from 155.000 in 2005 to 223.000 in 2010. *Parlementarium* and HEH would increase the capacity to 500.000.

Often Members cannot accommodate visitors as they would like; and visitors having a specific interest and importance cannot be accommodated as should be necessary due to constraints. Large visitors groups now often need to be received in the central buildings, which leads to congestions and conflicting interests with the other users of the buildings.

The HEH is an essential element also from a logistic point of view. It is envisaged to create an integrated concept for visitors, comprising of complementary facilities in the PHS, improvement of the separate visitors access to the Plenary tribune, the *Parlementarium* and the HEH.

The HEH can also be integrated in a visitors' circuit, allowing visitors to spend a full day in parliament's premises without the work of the Institution and its members being affected by congestions in the working areas of the building. Also new security requirements, to be put in place after the Bureau's orientations of 9 and 14 February 2011, will probably put restrictions on the accommodation of visitors in the central buildings.

Members will thus be able, due to the increased facilities, to receive more visitors, and to receive visitors who have a targeted interest in European integration and to offer different modular options for the composition of their visit to the Parliament.

## **II. DEVELOPMENT COSTS**

In this stage, on the basis of the submissions by the two architects retained by the Jury and the information provided in the course of the competition, the following estimates can be provided.

### **Renovation and Extension of Eastman Building**

A total amount of €31m will be required for the renovation/extension works of the Eastman building, including the works, technical studies, architect's fees and improvements requested following the evaluation of the architectural proposals by the Jury.

#### **Fitting-out of Eastman building**

For the fitting-out of the HEH a total amount of €21,4m is required. The price per m<sup>2</sup> for the fitting out of the exhibitions is based on an average for this type of exhibitions.

The total amount comprises:

- €8,8m for the permanent exhibition (4.000 m<sup>2</sup> x €2.200/m<sup>2</sup>)
- €1,76m for the first temporary exhibition (800m<sup>2</sup> x €2.200/m<sup>2</sup>);
- €4,8m for the other areas, like meeting rooms, office space etc. (3.200 m<sup>2</sup> x €1.500/m<sup>2</sup>);
- €6m necessary for adaptation of the exhibition in order to respect the multilingual guidelines

#### **Collection**

The budget for assembling the collection for exhibitions is estimated at €3m up in the period 2012-2014.

### **III. RUNNING COSTS**

At this stage it is possible to provide the following estimates of the costs involved in running the HEH.

The following estimations now available directly relate to the running of the museological, information and communication aspects of the House of European History.

- €1,1m/year for the renewal of the permanent exhibition;
- €2,0m/year for one temporary exhibition per year and travelling exhibitions;
- €0,75m/year for the collection, which includes conservation, transportation of loan objects, insurance etc.;
- €1,5m/year for specific activities of the HEH, including publications, the organisation of events and workshops, and the website with online services, and educational programmes for visiting groups;

The staff requirements are estimated as follows:

- Staff of about 18 AD and 18 AST, mainly consisting of temporary staff.

For maintenance the following costs are foreseen:

- €0,7m/year for cleaning, heating and maintenance of the building.
- €0,9m/year for the maintenance of the installations of the permanent exhibition.

The preparation of a complete budget estimate related to the running of the HEH is a priority of the academic project team and will be provided at the earliest possible stage. Apart from the abovementioned costs it will include:

- General services (incl. security, staffing information desk, information centre) etc.
- running the cafeteria and the shop;
- Storage outside Eastman building etc;

### **IV. RESPONSE TO ITEMS ADDRESSED IN THE RESOLUTION OF 18 MAY 2010**

With regards to the content of the overview requested in the Resolution of 18 May 2010, specified information was requested on the costs of the:

1. Academic Advisory Board composed of experts and museum specialists;
2. Institutional independence of the HEH;
3. Extensive museum-pedagogic offers;
4. Meeting place for young academics;

5. Permanent evaluation;
6. Temporary exhibit and travelling exhibition;
7. Relevant events with a European reference;
8. Own publications;
9. Extensive on-line offers;
10. Creation of an own museums collection;
11. Continuous development of exhibitions and the infrastructure of the museum.

#### Ad 1:

€190.000/year are estimated to be needed for meetings of the bodies of the HEH (currently the Board of Trustees, Academic Committee, Building Committee) and ad hoc meetings. The costs mainly concern the invitation of Members of the various bodies, most of them travelling from abroad.

Based on the recommendations of the report of the experts (the "Conceptual Basis") - approved by the Committee on culture and Education and the Bureau on 15 December 2008 -, a high-level Academic Committee was set up by the Bureau on 18 February 2009, comprising historians and specialists, that provides guidance to the work of the academic project team in order to guarantee the quality from an academic point of view.

In the future an Academic Advisory Board is to be set up, ensuring the museological and academic quality of the HEH.

#### Ad 2

The HEH will be part of an integrated Parliament's information, communication and visitors strategy which also comprises the Visitors Centre "Parlementarium", the meeting rooms in PHS and guided visits to the Chambers of the Parliament in Brussels.

The HEH will be complementary in this picture and its academic quality needs to be ensured through a future Academic Advisory Board (see under 1)

#### Ad 3

A comprehensive range of educational services tailored to a varied public should be developed and provided. These costs are included in the HEH specific activities (see table).

#### Ad 4

The Committee of Experts urged that the House of European History should also incorporate a meeting place for young academics involved in researching aspects of European history. However, this is not the first priority and the subject could be treated after the opening of the HEH.

#### Ad 5

The deliberate tailoring of the exhibition to visitors' needs and regular reviews of this fundamental decision in the form of ongoing assessments will also be fundamental to the work of the House of European History but does not necessarily lead to additional costs as it can be carried out by the HEH staff in co-operation e.g. with universities.

#### Ad 6

The space dedicated to temporary exhibition counts 800 m<sup>2</sup>. The average duration of temporary exhibitions is estimated at 1 year requiring a budget of €1,8m/year. For travelling exhibitions various options exist such as offering the ready-made exhibition on the internet. Travelling exhibitions will always be developed in joint co-operation with other museums or comparable entities. The cost for travelling exhibitions is estimated at €0,2m/year.

With regards to travelling exhibitions, the HEH will occasionally display travelling exhibitions. These costs are part of the abovementioned budget.

#### Ad 7-8-9

Alongside the exhibitions themselves, the organisation of events, like conferences and workshops, focusing on issues relevant to Europe and the issuing of its own publications will also help to make the House of European History more attractive.

The committee of experts stresses that in the 21st century a modern museum must have an Internet site offering a comprehensive range of services. For this purpose a website will be developed making use of the existing tools available in the EP, not necessarily leading to substantial additional costs for the project as a whole.

From 2014, €1,5m/year are estimated for museum activities that include the abovementioned elements.

#### Ad 10

It is also vital that the HEH should build up its own collection, since the availability of items from that collection is fundamental to creating visually attractive permanent, temporary and travelling exhibitions. For the build-up phase of the HEH (2011-2014) €3m would be required while the recurring costs would be €0,75m/year from 2015 onwards.

These costs include acquisition costs, lending fees, and insurance premiums, acquisition of rights, transportation costs, conservation and repairs.

#### Ad 11

Once the HEH is open, upkeep of the facilities which make it attractive to visitors will also generate costs. The constant development of the exhibitions and the HEH infrastructure is fundamental to its long-term acceptance.

The life cycle of permanent exhibitions varies in general between 5 and 10 years depending on the nature of the exhibition. For the HEH a life cycle of 8 years is calculated whereas the renewal of the permanent exhibition is a continuous process, meaning that each year 1/8 of exhibition space of 4.000 m<sup>2</sup> (=500 m<sup>2</sup>) will be renewed at an estimated cost of €2.200/m<sup>2</sup> amounting to €1,1m/year, from 2015 onwards.

The space dedicated to temporary exhibition counts 800 m<sup>2</sup>. The average duration of temporary exhibitions is estimated at 1 year requiring a budget of €1,8m/year from 2015 onwards.

Generally, 10-15% of the procurement cost of installations must be foreseen for maintenance and updates following the usual guarantee period. Maintenance is only related to the installations of the permanent exhibition as the life cycle of the temporary exhibitions is limited to an average of one year and covered by guarantee conditions. The budget required would amount to €0,9m.

## OVERVIEW BUDGET REQUIREMENTS

Budget overview - House of European History (estimates - appropriations in €)							
	2011-2015	2010	2011	2012	2013	2014	2015
<b>Renovation/Extension Eastman Building</b>							
Renovation /extension	18,00			6,00	8,00	4,00	
Structural intervention	5,25			4,00	1,25		
Improvements requested on preliminary sketch	2,75			2,00	0,75		
<b>Subtotal Works</b>	<b>26,00</b>			<b>12,00</b>	<b>10,00</b>	<b>4,00</b>	
Architectural competition	0,17	0,40	0,17				
Architect's fees/studies (% on works)	3,38		2,03	0,68	0,33	0,17	0,17
Architectural fees/studies (lump sum)	1,45		0,29	0,35	0,35	0,23	0,23
<b>Subtotal Studies</b>	<b>5,00</b>		<b>2,49</b>	<b>1,03</b>	<b>0,68</b>	<b>0,40</b>	<b>0,40</b>
<b>Total Renovation</b>	<b>31,00</b>	<b>0,40</b>	<b>2,49</b>	<b>13,03</b>	<b>10,68</b>	<b>4,40</b>	<b>0,40</b>
<b>Fitting Out Building</b>							
Fitting-out exhibition space	10,60			0,3	5,00	5,30	
Fitting-out other areas	4,80				2,40	2,40	
IT equipment - multilingual set-up	6,00				3,00	3,00	
<b>Subtotal fitting-out building</b>	<b>21,40</b>				<b>10,40</b>	<b>10,70</b>	
<b>Total Renovation and Fitting-Out Eastman Building</b>	<b>52,40</b>	<b>0,40</b>	<b>2,49</b>	<b>13,33</b>	<b>21,08</b>	<b>15,10</b>	<b>0,40</b>
<b>Collection</b>							
Collection	3,75			1,0	1,0	1,0	0,75
<b>Staff</b>							
<b>Project team DG INLO</b>							
Civil servant		1AST	1AST	1AST	1AST	1AST	1AST
Temporary agent		1AD	1AD	2 AD 4 AST	2 AD + 4AST	2 AD + 4AST	2 AD + 4AST
Contractual agent		1AD + 5AST	FG IV + 2 FGII 3 FG III	2FGIII	2FGIII	2 FG III	2 FGIII
<b>Academic team DGOMM</b>							
Civil servant			5AD	5AD	5AD	5AD	5AD
Temporary agent			1 AD	1AD	8 AD 9 AST	13 AD 18 AST	13 AD 18 AST
Contractual agent			8 FG IV 2 FG III 2FGII	8 FG IV 2 FG III 2FGII	8 FG IV 2 FG III 2FGII	PM	PM
<b>Other</b>							
Reimbursement members of HEH bodies		0,19	0,19	0,19	0,19	0,19	0,19
Meetings external experts/workshops				0,07	0,1	0,1	0,1
Relocation of staff from Eastman building			0,80	0,80	0,80	0,80	0,80
<b>Exploitation Costs</b>							
<b>Building</b>							
Maintenance, energies and cleaning of building					0,40	0,7	0,7
<b>Exhibition</b>							
Renewal permanent exhibition							1,1
Setting-up temporary exhibition + travelling exhibitions							2,0
Maintenance installations permanent exhibition							0,9
HEH specific activities (events, workshops, publications, online offers and others)						1,5	1,5
General services, Insurance, Storage outside Eastman building, shop/Cafeteria						PM	PM

\* It is assumed that the HEH will be VAT exempted