

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
establishing the Creative Europe programme (2021 to 2027) and repealing Regulation (EU)
No 1295/2013**

(Text with EEA relevance)

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 procedure

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.

¹ OJ C [...], [...], p. [...].

² OJ C [...], [...], p. [...].

(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.

(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 Culture³ further sets out objectives 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 and funds, will support the New European Agenda for Culture. The intrinsic value of culture and of artistic expression should be preserved and promoted and artistic creation should be at the heart of the Programme. This 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 and its Member States are parties.

³ COM(2018) 0267 final.

(4a) In order to foster this shared area of cultural diversity for the people of Europe, it is important to promote the transnational circulation of artistic and cultural works, collections and products, encouraging dialogue and cultural exchanges, as well as the transnational mobility of artists and of cultural and creative professionals.

(4b) Safeguarding and enhancing cultural heritage facilitates free participation in cultural life in line with the UN Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights. Therefore, cultural heritage plays an important role in the construction of a peaceful and democratic society, and in the processes of sustainable development and the promotion of cultural diversity.

(5) The promotion of European cultural diversity 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 and their ability to create, innovate and produce their works and distribute them to a larger and more 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 and new knowledge contribute to boosting competitiveness and sparking innovation in the industrial value chains. The Union's rich cultural and linguistic diversity are key assets for the European project. At the same time the European cultural and creative market is characterised by geographical and/or linguistic specificities, which can cause market fragmentation. Continuing efforts are therefore required to ensure that the cultural and creative sectors will fully benefit from the European single market and the digital single market in particular.

(5a) The digital shift represents a paradigm change for cultural and creative sectors. It has reshaped habits, relations, and production and consumption models, which presents a number of challenges. At the same time, the digital shift offers new opportunities for cultural and creative sectors in terms of creation, distribution and access of European works, thereby benefitting European societies as a whole. The Programme should encourage cultural and creative sectors to take advantage of these opportunities.

(6) 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, as well as creativity and innovation. It should also take into account the positive impact of culture on intercultural dialogue, social cohesion and knowledge dissemination. This requires strong European cultural and creative sectors, in particular a vibrant European audiovisual industry, taking into account its capacity to reach diverse audiences and its economic importance, including for other creative sectors. However, competition in global audiovisual markets has been further intensified by the deepening digital shift, 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.

(6a) As exemplified by the European Capitals of Culture, cultural and creative sectors have an important role in enhancing and revitalising Union's territories. In this way, they are key drivers for boosting quality-based tourism as well as regional, local and urban development across the Union.

(7) 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.

(7a) The Programme should support actions and activities with a European added value, which complement regional, national, international and other Union programmes and policies, and positively impact the European citizens, as well as support the development and promotion of transnational cooperation and exchanges within the cultural and creative sectors.

Through these actions and activities, the programme contributes to the strengthening of European identity and values while promoting cultural and linguistic diversity.

(7b) Music, in all its forms and expressions, and in particular contemporary and live music, is an important component of the cultural, artistic and economic landscape of the Union and its heritage. It is an element of social cohesion and it serves as a key instrument to enhance economic and cultural development. The CULTURE strand should therefore pay attention to the music sector.

(7c) The CULTURE strand should promote networking of creative communities and foster cross-border and multi-disciplinary collaboration with the use of different skillsets (such as artistic, creative, digital and technological).

(8) The cross-sectoral strand aims at exploiting the potential of collaboration among different cultural and creative sectors as well as addressing the common challenges they face. There are benefits in terms of knowledge-transfer and administrative efficiencies to be gained from a joint transversal approach. In this context, the Creative Europe Desks contribute to the achievement of the objectives of the Programme and its implementation.

(9) Union intervention is needed in the audiovisual sector to accompany the Union's Digital Single Market policies. That concerns, in particular, the modernisation of the copyright framework by means of Directives (EU) 2019/790⁴ and (EU) 2019/789⁵ of the European Parliament and of the Council, as well as Directive 2010/13/EU of the European Parliament and of the Council⁶, as amended by Directive (EU) 2018/1808 of the European Parliament and of the Council⁷. Directives (EU) 2019/790 and (EU) 2019/789 seek to strengthen the capacity of European audiovisual players to create, finance, produce and disseminate works that can be sufficiently visible 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. They also aim at achieving a well-functioning market place for creators and right holders, especially for press publications and online platforms and ensuring fair remuneration of authors and performers, which are dimensions that should be taken into account across the Programme. Furthermore, 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. As the market conditions and players in this field continue to evolve, specific criteria to define independent production companies should be provided in the context of the implementation of the Programme.

⁴ Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC (OJ L 130, 17.5.2019, p. 92).

⁵ Directive (EU) 2019/789 of the European Parliament and of the Council of 17 April 2019 laying down rules on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes, and amending Council Directive 93/83/EEC (OJ L 130, 17.5.2019, p. 82).

⁶ Directive 2010/13/EU of the European Parliament and of the Council of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive) (OJ L 95, 15.4.2010, p. 1).

⁷ Directive (EU) 2018/1808 of the European Parliament and of the Council of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive) (OJ L 303, 28.11.2018, p. 69).

(9a) The Programme should allow for the broadest possible participation of cultural and creative organisations in it and for those organisations to access the Programme in the broadest way possible, regardless of their geographical origin, and should support them and the best talent, wherever located, to operate across borders and internationally.

The MEDIA strand should take into account the differences across countries regarding audiovisual content production, distribution, and access and consumption trends, and, in particular, their linguistic and geographical specificities, thereby providing a more level playing field, broadening the participation of, and increasing collaboration among, Member States with different audiovisual capacities and supporting European talent, wherever located, to operate across borders and internationally.

The specificities of the outermost regions as defined in article 349 of TFEU should also be taken into account.

(10) 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 CULTURE strand should support the networking activities of the European Heritage Label sites. Consideration should also be paid to the possibility of extending the European prizes to new fields and sectors, notably theatre.

(11) Culture is key to strengthening inclusive and cohesive communities. In the context of migration issues and integration challenges, culture plays a fundamental role in providing opportunities for intercultural dialogue and in integrating migrants and refugees, helping them to feel part of host societies, and in developing good relations between migrants and new communities.

(11a) The Programme should promote and increase cultural participation across the Union, in particular with regard to people with disabilities and people from disadvantaged backgrounds to contribute to an inclusive society.

(11b) In accordance with the Davos Declaration of 22 January 2018 entitled "Towards a high-quality Baukultur for Europe", steps should be taken to promote a new integrated approach to the shaping of a 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 only place an emphasis on urban areas, but also on the interconnectivity of peripheral 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.

(12) Freedom of expression and artistic freedom are at the core of vibrant cultural and creative sectors. In particular, the news media sector needs a free, diverse and pluralistic media environment. In conjunction with the [AVMSD], the Programme should thus promote a free, diverse and pluralistic media environment, encouraging cross-overs and cross-cutting activities supporting the news media sector. The Programme should provide support for new media professionals and enhance the development of critical thinking among citizens by means of promoting media literacy.

(12a) The Programme should also stimulate interest and improve access to European audiovisual works, in particular through audience development measures, including film literacy.

(12b) The mobility of artists and cultural workers beyond borders under the CULTURE strand can contribute to a better linked, stronger and more sustainable cultural and creative sectors in the Union as this is way to accelerate skills development and the learning curve within the sectors, intercultural awareness, transnational co-creation, co-production, circulation and dissemination of works.

(12c) The cooperation projects, in particular small-scale projects, given the specificities of the culture and creative sectors, should be at the core of the CULTURE strand. Therefore, the Commission should facilitate participation in the Programme by achieving substantial simplification of bureaucratic procedures, mostly in the application stage, and, for small-scale projects, by allowing higher co-financing rates.

(13) 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 criteria. Women are actively engaged in cultural and creative sectors as authors, professionals, teachers, artists and audience. However, it is less likely for women to occupy decision-making positions in cultural, artistic and creative institutions. Therefore, the Programme should promote female talents in order to support women's artistic and professional careers.

(14) Taking into account the Joint Communication "Towards an EU strategy for international cultural relations", endorsed by the European Parliament's resolution of 5 July 2017⁸, and Council conclusions on an EU strategic approach to international cultural relations on 24 May 2017⁹, 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.

⁸ JOIN/(2016)29 final.

⁹ OJ C 189, 15.6.2017, p. 38–39.

(15) In line with the Commission Communication "Towards an integrated approach to cultural heritage for Europe" of 22 July 2014¹⁰, relevant policies and instruments should ensure legacy to the European Year of Cultural Heritage 2018, which successfully and efficiently mainstreamed culture into other policy fields notably through a participatory governance approach, in drawing out the long term and sustainability value of Europe's cultural heritage and developing a more integrated approach to its preservation and valorisation and support to its sustainable safeguarding, regeneration and adaptive re-use and promotion of its values through awareness-raising and networking activities. In the culture sector, consideration should be given to supporting artists, creators and artistic craftspeople skilled in the traditional trades related to cultural heritage restoration. In the audiovisual sector, in particular, heritage works are a crucial source of memory and cultural diversity and represent potential market opportunities. In this context, audiovisual archives and libraries contribute to the preservation, re-use, and new market developments for heritage works.

(16) In line with the Commission Communication "A New Industrial Strategy for Europe" of 10 March 2020¹¹, the Union should rely on its strengths, notably its diversity, its talents, its values, its way of life and its innovators and creators.

¹⁰ COM(2014)77 final.

¹¹ COM(2020) 102 final.

(16a) The Creative Europe Programme success stands on the development of innovative and effective projects that generate good practices in terms of transnational European cooperation in the creative and cultural sectors. Wherever possible, such success stories should be promoted, encouraging the support of new business models and skills, fostering traditional savoir-faire as well as translating creative and interdisciplinary solutions into economic and social value.

(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.

(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 Agreement on the European Economic Area¹², which provides for the implementation of the programmes on the basis of a decision adopted under that Agreement. Third countries may also participate on the basis of other legal instruments. A specific provision should be introduced in this Regulation requiring third countries to grant the necessary rights and access required for the authorising officer responsible, OLAF and Court of Auditors to comprehensively exercise their respective competences.

(18a) Third countries should aim at participating in the CREATIVE EUROPE programme as a whole. However, as regards countries that do not fulfil the conditions for participating in the MEDIA and CROSS SECTORAL strands, but that participate in the CULTURE strand, they should have the possibility to set up and support programme desks to promote the Programme in their country and to stimulate cross-border cooperation within the cultural and creative sectors.

¹² OJ L 1, 3.1.1994, p. 3.

(18b) Derogations from the obligation of fulfilment of the conditions set out in Directive 2010/13/EU [AVMSD] should be subject to scrutiny and granted to Neighbouring countries in duly justified cases, taking into account the specific situation of the audiovisual market in the country concerned and the level of integration in the European audiovisual policy framework. Progress towards the achievement of the objectives set in the Directive [AVMSD] should be monitored on a regular basis. Moreover, participation in actions funded by the MEDIA strand should be defined on a case by case basis in the relevant work programme(s).

(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 dimension¹³. As regards the audiovisual sector, the programme should ensure the Union's contribution to the work of the European Audiovisual Observatory.

(20) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and achieve the United Nations' Sustainable Development Goals, this Programme will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 30% of the Union budget expenditures supporting climate objectives. In line with the European Green Deal as a blueprint for sustainable growth, the actions under this regulation should respect the "do no significant harm" principle. Relevant actions will be identified and put in place during the Programme's implementation without changing its fundamental character and reassessed in the context of the relevant evaluations and review process.

¹³ 2030 Agenda for Sustainable Development, adopted by the United Nations in September 2015, A/RES/70/1.

(20a) For the purposes of simplification and efficiency, the Commission may divide budgetary commitments into annual instalments. In that case, it shall commit the annual instalments taking into account the progress of the actions receiving financial assistance, their estimated needs and the budget available. The Commission shall communicate to the beneficiaries of grant an indicative timetable covering the commitment of the individual annual instalments.

(21) Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the Treaty on the Functioning of the European Union apply to this Regulation. These rules are laid down in 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 include a general regime of conditionality for the protection of the Union budget.

(22) The "LUX Prize-the European Audience Film Award by the European Parliament and the European Film Academy" has established itself as a distinctive European prize, promoting and disseminating European films that reflect European identity and values beyond national borders, and building on collaborations with a community of renowned film creators and European film organisations and networks.

(23) Since its creation, the European Union Youth Orchestra has developed a unique expertise in promoting access to music, as well as intercultural dialogue, mutual respect and understanding through culture, whilst also favouring the international career development and training of young musicians. The particularity of the European Union Youth Orchestra lies in the fact that it is a European orchestra created by a resolution of the European Parliament that transcends cultural boundaries and is composed of young musicians selected across Europe in accordance with demanding artistic criteria through a rigorous and transparent annual audition process in all Member States. This special contribution to Europe's cultural diversity and identity should be acknowledged for example by providing for actions to which the Orchestra and similar European cultural entities can apply to participate. The possibility of a multi-annual funding for such entities should be foreseen to ensure stability of their functioning.

(24) 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.

(25) 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. Consistency, complementarity and synergies should be sought with funding programmes supporting policy areas with close links to each other, ensuring that potential beneficiaries are aware of the different funding opportunities, as well as with horizontal policies such as Union competition policy.

(26) 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.

(27) It is important that the Programme addresses the structural challenges of Europe's cultural and creative sectors, exacerbated by the COVID-19 pandemic. The programme encompasses the fundamental role of European culture and media for citizens' well-being and for empowering them to take informed decisions. The Programme, together with other relevant EU funding programmes, and Next Generation EU, should support the short-term recovery of the cultural and creative sectors, enhance their longer-term resilience and competitiveness in order to best tackle potential major crises in the future and accompany their digital and ecological transition.

(27a) In particular, the policy objectives of this programme are also addressed through financial instruments and budgetary guarantees under the policy window(s) of the Invest EU programme 2021-2027 which, inter alia, continue to facilitate access to finance for SMEs and organisations from cultural and creative sectors.

(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, evaluation committees may be composed of external experts. When selecting the experts, due consideration should be paid to their professional background and gender balance.

(29) The Programme should include a realistic and manageable system of qualitative and quantitative performance indicators to accompany its actions and monitor its performance on a continuous basis. 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.

(29a) Considering the importance and complexity of gathering and analysing data and of measuring the impact of cultural policies, the Commission should help to gather evidence and statistical data on the trends and developments of cultural and creative sectors by making use of its expertise and that of other relevant research institutions and regularly report to the Council and the European Parliament on the data gathered.

(29b) The Programme should be established for a period of seven years to align its duration with that of the multiannual financial framework laid down in Council Regulation (EU, Euratom) No [reference to the MFF Regulation to be inserted].

(30) 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 management¹⁴, for the European Parliament and the Council during the annual budgetary procedure.

¹⁴ OJ C 373, 20.12.2013, p. 1.

(31) Regulation (EU, Euratom) No 2018/1046¹⁵ (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 their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the need for administrative simplification, in particular in the application process, for the benefit of all parties involved, 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.

¹⁵ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1-222).

(33) In accordance with the Financial Regulation, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council¹⁶ and Council Regulations (EC, Euratom) No 2988/95¹⁷, (Euratom, EC) No 2185/96¹⁸ and (EU) 2017/1939¹⁹, the financial interests of the Union are to be protected by means of proportionate measures, including measures relating to the prevention, detection, correction and investigation of irregularities, including fraud, to the recovery of funds lost, wrongly paid or incorrectly used, and, where appropriate, to the imposition of administrative penalties. In particular, in accordance with Regulations (Euratom, EC) No 2185/96 and (EU, Euratom) No 883/2013, the European Anti-Fraud Office (OLAF) has the power to 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. The European Public Prosecutor's Office (EPPO) is empowered, in accordance with Regulation (EU) 2017/1939, to investigate and prosecute criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council²⁰. In accordance with the Financial Regulation, any person or entity receiving Union funds is to fully cooperate in the protection of the financial interests of the Union, to grant the necessary rights and access to the Commission, OLAF, Court of Auditors and, in respect of those Member States participating in enhanced cooperation pursuant to Regulation (EU) 2017/1939, the EPPO, and ensure that any third parties involved in the implementation of Union funds grant equivalent rights.

¹⁶ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

¹⁷ Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p.1).

¹⁸ 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 L 292, 15.11.1996, p. 2).

¹⁹ Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ("the EPPO") (OJ L 283, 31.10.2017, p. 1).

²⁰ Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29).

(33a) It should be possible to award quality proposals for actions that are eligible under the Programme but cannot be financed under it due to budgetary constraints with a Seal of Excellence certification, based on a specific set of criteria. The Seal of Excellence certification recognises the quality of the proposal and simplifies the search for alternative funding under the European Regional Development Fund or the European Social Fund+. For actions, in respect of which a Seal of Excellence certificate could be awarded, additional information should be provided in the relevant calls for proposals.

(34) Bearing in mind Article 349 of the Treaty on the Functioning of the European Union and taking into account the Commission's communication on 'A stronger and renewed strategic partnership with the Union's outermost regions'²¹, the specific contribution of these regions to the cultural diversity of the Union, as well as their role in promoting exchanges, including through mobility, and cooperation with people and organisations from third countries, in particular from their neighbouring countries, should be valued. Pursuant to Article 94 of Council Decision 2013/755/EU²² and taking into account the contribution of overseas countries and territories to the cultural international influence of the Union, 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.

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.

²¹ COM(2017) 623 final.

²² Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union (Overseas Association Decision) (OJ L 344, 19.12.2013, p. 1).

(35) In order to ensure effective assessment of progress of the Programme towards the achievement of its objectives, 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 developing a monitoring and evaluation framework and of reviewing the indicators. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations 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 receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

(36) In accordance with Article 193(2) of Regulation (EU, Euratom) No 2018/1046, a grant may be awarded for an action which has already begun, provided that the applicant can demonstrate the need for starting the action prior to signature of the grant agreement. However, the costs incurred prior to the date of submission of the grant application are not eligible, except in duly justified exceptional cases. In accordance with Article 193(4) of that Regulation, the costs incurred prior to the date of submission of the grant application are also not eligible in the case of operating grants and the grant agreement shall be signed within four months of the start of the beneficiary's financial year. In order to avoid any disruption in Union support which could be prejudicial to Union's interests, it should be possible to provide in the financing decision, during a limited period of time at the beginning of the multi-annual financial framework 2021-2027, and only in duly justified cases, for eligibility of activities and costs from the beginning of the 2021 financial year, even if they were implemented and incurred before the grant application was submitted.

(37) 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.

(38) 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 Council²³. In particular, as provided for by this Regulation, time limits should be proportionate and should afford committee members early and effective opportunities to examine the draft implementing act and express their views. It is also 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].

²³ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

(39) 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, as enshrined in 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 of 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 providing support in the relevant policy area and to allow the implementation of the Programme as of the beginning of the multi-annual financial framework 2021-2027, this Regulation should apply, with retroactive effect, from the beginning of the 2021 financial year and enter into force as a matter of urgency.

HAVE ADOPTED THIS REGULATION:

Chapter I

General Provisions

Article 1

Subject matter

This Regulation establishes the Creative Europe programme (the 'Programme') for the duration of the MFF 2021-2027.

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) 'cultural and creative sectors' means all sectors whose activities are based on cultural values and artistic and other individual or collective creative expressions, whether those activities are market- or non-market-oriented, whatever the type of structure that carries them out; and irrespective of how that structure is financed. The activities include the development, the creation, the production, the dissemination and the preservation of goods and services which embody cultural, artistic or other creative expressions, as well as related functions such as education or management. Many of those have a potential to generate innovation and jobs in particular from intellectual property. The sectors include inter alia 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, (including theatre and dance), books and publishing, radio, and visual arts;

(2) '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;

(3) '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;

Article 3

Programme objectives

(1) The general objectives of the Programme are:

- (a) to safeguard, develop and promote European cultural and linguistic diversity and heritage;
- (b) to increase the competitiveness and the economic potential of the cultural and creative sectors, in particular the audiovisual sector.

- (2) The programme has the following specific objectives:
- (a) enhancing artistic and cultural cooperation at the European level, in order to support the creation of European works and strengthen the economic, social and external dimension of and innovation and mobility in Europe's cultural and creative sectors;
 - (b) promoting the competitiveness, scalability, cooperation, innovation, and sustainability, including through mobility in the European audiovisual sector;
 - (c) promoting policy cooperation and innovative actions supporting all strands of the programme, promoting a diverse, independent and pluralistic media environment, and media literacy, thereby fostering freedom of artistic expression, intercultural dialogue and social inclusion.
- (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.

- (4) Recognising the intrinsic and economic value of culture, the objectives of the Programme shall be pursued through actions with a European added value. The European added value shall be ensured, inter alia, through:
- (a) the transnational character of actions and activities, which complement regional, national, international and other Union programmes and policies, thereby promoting European common roots and cultural diversity;
 - (b) the cross-border cooperation, including through mobility, among cultural and creative organisations and professionals, and the potential of such cooperation in addressing common challenges, including the digital shift, as well as in promoting access to culture, active engagement of citizens and intercultural dialogue.
 - (c) the economies of scale and growth and jobs which Union support fosters, creating a leverage effect for additional funds.
 - (d) providing a more level playing field through actions with European added value under the MEDIA strand that take into account the specificities of the different countries, in particular regarding the production and distribution of, and access to, content, the size and specificities of their markets and their cultural and linguistic diversity, in a way that broadens the participation of, and strengthens collaboration between, countries with different audio-visual capacities.

(5) The objectives of the Programme shall be pursued in a way that encourages inclusion, equality, diversity and participation. Where appropriate, these shall be achieved through specific incentives that:

- (a) ensure that people with disabilities, people belonging to minorities and socially marginalised groups can access the culture and creative sectors, and encourage their active participation in those sectors, including both the creative process and audience development; and
- (b) foster gender equality, in particular as a driver of creativity, economic growth and innovation.

Article 3a

Programme actions

The Programme shall support actions that are in accordance with the priorities set out in Articles 4, 5 and 6 and the descriptions set out in Annex I.

Article 4
Strand CULTURE

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

- (a) to strengthen transnational cooperation and the cross-border dimension of creation, circulation and visibility of European works as well as the mobility of cultural and creative operators;
- (b) to increase access to and participation in culture and audience engagement and development across Europe;
- (c) to promote societal resilience and to enhance social inclusion as well as intercultural dialogue through culture and cultural heritage;
- (d) to enhance the capacity of European cultural and creative sectors – including individuals working in those sectors – to nurture talents, to innovate, to prosper and to generate jobs and growth;
- (e) to strengthen European identity and values through cultural awareness, arts education and culture-based creativity in education;
- (f) to promote capacity building of European cultural and creative sectors, including grass-roots and micro-organisations, to be active at the international level;
- (g) to contribute to the Union's global strategy for international relations through culture.

The actions through which the priorities referred to in paragraph 1 of this Article are to be pursued are set out in Section 1 of Annex I.

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 to stimulate cross-border cooperation, mobility, and innovation in the creation and production of European audiovisual works encouraging collaboration across Member States with different audiovisual capacities;
- (b) to enhance the circulation, promotion, online and theatrical distribution of European audiovisual works, within the Union and internationally in the new digital environment, including through innovative business models;
- (c) to promote European audiovisual works, including heritage works, and support the engagement and development of audiences of all ages, in particular young audiences, across Europe and beyond.

These priorities shall be addressed through support to the development, production, promotion, access, and dissemination of European works with the objective of reaching diverse audiences within Europe and beyond, thereby adapting to new market developments and accompanying the implementation of the Audiovisual Media Services Directive.

The actions through which the priorities referred to in paragraph 1 of this Article are to be pursued are set out in Section 2 of 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 on artistic freedom and promote the visibility of the programme and support the transferability of results;
- (b) to encourage innovative approaches to content creation, access, distribution, and promotion across cultural and creative sectors and with other sectors, including by taking into account the digital shift, covering both market and non-market dimensions;
- (c) to promote cross-sectorial activities aiming at adjusting to the structural and technological changes faced by the media, including enhancing a free, diverse, and pluralistic media environment, quality journalism and media literacy, including in the digital environment;
- (d) to support the establishment and activities of programme desks in participating countries and to stimulate cross-border cooperation and the exchange of best practices within the cultural and creative sectors.

The actions through which the priorities referred to in paragraph 1 of this Article are to be pursued are set out in Section 3 of Annex I.

Article 7

Budget

1. The financial envelope for the implementation of the programme for the period 2021-2027 shall be EUR 1 842 000 000 in current prices.

2. As a result of the Programme specific adjustment provided for in Article 5 of Council Regulation (EU, Euratom) No XXXX/20XX (the MFF Regulation) the amount referred to in paragraph 1 shall be increased by an additional allocation [of EUR 600 000 000 (2018 prices)] as specified in Annex II to that Regulation.

Within the amount referred to in paragraph 1 the following indicative amount shall be allocated to the following objective:

- at least 33% for the objective referred to in Article 3 (2)(a) (strand CULTURE);
- at least 58% for the objective referred to in Article 3(2)(b) (strand MEDIA);
- up to 9% for the objective referred to in Article 3(2)(c) (CROSS SECTORAL strand).

Within the amount referred to in paragraph 2 the following indicative amount shall be allocated to the following objective:

- at least 33% for the objective referred to in Article 3 (2)(a) (strand CULTURE);
- at least 58% for the objective referred to in Article 3(2)(b) (strand MEDIA);
- up to 9% for the objective referred to in Article 3(2)(c) (CROSS SECTORAL strand).

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 Regulation .../...[Neighbourhood, Development and International Cooperation Instrument]²⁴ and from Regulation .../... [Instrument for Pre-accession Assistance (IPA III)]²⁵, to support actions implemented and managed in accordance with this Regulation. This contribution shall be financed in accordance with the Regulations establishing those instruments.
4. Resources allocated to Member States under shared management may, at their request, be transferred to the Programme, subject to the conditions set out in Article 21 of the [CPR Regulation]. 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. Those resources shall be used for the benefit of the Member State concerned.
5. Budgetary commitments for actions extending over more than one financial year may be broken down over several years into annual instalments. These commitments shall not exceed 40% of the amount provided in the first paragraph of point 1 of Article 7 of this Regulation.

²⁴ [Reference]

²⁵ [Reference]

Article 8

Third countries associated to the Programme

1. The Programme shall be open to the participation of the following third countries, provided that they contribute financially:
 - (a) Members of the European Free Trade Association, which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the European Economic Area 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 third countries, in accordance with the conditions laid down in a specific agreement covering the participation of the third country to any Union programme, provided that the agreement:

- (i) ensures a fair balance as regards the contributions and benefits of the third country participating in the Union programmes;
- (ii) 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 Financial Regulation;
- (iii) does not confer to the third country a decisional power in respect of the programme;
- (iv) guarantees the rights of the Union to ensure sound financial management and to protect its financial interests.

2. The participation to the MEDIA and CROSS SECTORAL strands by the countries referred to in paragraph 1 shall be subject to fulfilment of the conditions set out in Directive 2010/13/EU.

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.

4. Countries referred to in points (a) and (b) of paragraph 1 that fully participated in the former Creative Europe programme may provisionally fully participate in the current programme if they can show that they have taken tangible steps to align their legislation to the directive 2010/13 as amended by directive 2018/1808.

5. The participation of countries referred to in point (b) will be pursued beyond 31 December 2022 if in the meantime evidence has been brought that the conditions set-out by the AVMS Directive are fulfilled.

6. Access to the actions corresponding to the priority mentioned in Article 6 (d) shall be ensured for countries exceptionally participating in the CULTURE strand but not fulfilling the conditions for participating in the MEDIA and CROSS SECTORAL strands under paragraph 2.

Article 8 bis

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 in accordance with the Financial Regulation.

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 and data collection and analysis in the audiovisual sector.

Article 9a

Data gathering on culture and creative sectors

To strengthen the evidence base on the development of cultural and creative sectors and to measure and analyse their contribution to Europe's economy and society, the Commission shall gather appropriate data and information making use of its expertise as well as that of the Council of Europe, the OECD, UNESCO and relevant research institutions, as appropriate. The Commission shall report regularly to the European Parliament and the Council on the data gathered. The Commission shall share relevant findings on the data gathered with stakeholders.

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 61(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 Regulation .../... [*InvestEU*]²⁶ and Title X of the Financial Regulation.
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*] shall apply²⁷.

²⁶ [Reference]

²⁷ [Reference]

Entities active in cultural and creative sectors that have received over 50% of their annual revenue from public sources over the last two years shall be considered as having the necessary financial, professional and administrative capacity to carry out activities under the Programme. They shall not be required to present further documentation to demonstrate that capacity.

Article 11

Protection of Financial Interest of the Union

Where a third country participates in the Programme by means of a decision adopted pursuant to an international agreement or on the basis of any other legal instrument, the third country shall grant the necessary rights and access required for the authorising officer responsible, OLAF and the Court of Auditors to comprehensively exercise 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, as provided for in Regulation (EU, Euratom) No 883/2013.

Article 12

Work programmes

1. The Programme shall be implemented by annual work programmes as referred to in Article 110 of the Financial Regulation. Annual work programmes shall give an indication of the amount allocated to each action and set out, where applicable, the overall amount reserved for blending operations. Annual work programmes shall also contain an indicative implementation timetable.
2. Annual work programmes shall be adopted by the Commission by means of implementing act. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 20a(3).

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.
2. In order to ensure proper evaluation of proposals, the evaluation committee may be composed of external experts-, having a professional background related to the field assessed and, where relevant, knowledge of the geographical area concerned by the application.
3. In accordance with point (a) of the second subparagraph of Article 193(2) of Regulation (EU, Euratom) No 2018/1046, and by way of derogation from Article 193(4) of that Regulation, in duly justified cases specified in the financing decision, activities supported under this Regulation and the underlying costs incurred in 2021 may be considered eligible as of 1 January 2021 even if they were implemented and incurred before the grant application was submitted. The grant agreements for the operating grants of the 2021 financial year may exceptionally be signed within six months of the start of the beneficiary's financial year.
4. Where applicable, the actions of the Programme shall define appropriate criteria to achieve gender equality.

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 active in cultural and creative sectors, as defined in Article 2 (1), 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 active in cultural and creative sectors 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 active in cultural and creative sectors 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.

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 socially marginalised groups and minorities, research, technology 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.

Article 16

Cumulative and alternative 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 rules of each contributing Union programme shall apply to its respective contribution to the action. 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 certificate under this Programme by complying with the following cumulative conditions:

- (a) it has been assessed in a call for proposals under the Programme;
- (b) it complies with the minimum quality requirements of that call for proposals;
- (c) it may not be financed under that call for proposals due to budgetary constraints.

The action may receive support from [the European Regional Development Fund or the European Social Fund+] in accordance with paragraph 5 of Article [67] of Regulation (EU) XX [*Common Provisions Regulation*].

Chapter IV

Monitoring, Evaluation and Control

Article 17

Monitoring and reporting

1. Qualitative and quantitative indicators to report on progress of the Programme towards the achievement of the objectives laid down in Article 3 are set in Annex II.
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.
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, based on regular collection of data and consultation of stakeholders and beneficiaries shall be carried out in a timely manner to feed into the decision-making process.

2. The interim evaluation, based inter alia on external and independent analyses, 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. The evaluation report shall be submitted to the Parliament and the Council not later than 6 months after the evaluation has been conducted.
3. At the end of the implementation of the Programme, but not later than two years after the end of the period specified in Article 1, a final evaluation report of the Programme, based on external and independent expertise, shall be submitted by the Commission to the Parliament and the Council not later than 6 months after it has been conducted.
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 Article 17 shall be conferred on the Commission for a period of seven years from 1 January 2021.
3. The delegation of power referred to in Article 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 Article 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, as set out in Annex III.
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 20a

Committee procedure

1. The Commission shall be assisted by a committee (the ‘Creative Europe Committee’). That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. The Creative Europe Committee may meet in specific configurations to deal with concrete issues relating to the three programme Strands.
3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

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 day of its publication in the *Official Journal of the European Union*. It shall apply from 1 January 2021.

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

ANNEX I

Description of the Programme actions

1. CULTURE STRAND

The priorities of the CULTURE strand of the Programme referred to in Article 4 shall be pursued, including with the aim of strengthening the circulation of European works in a digital and multilingual environment, and where appropriate, by means of translation, whatever the types of medium used, through the following actions, the details of which, including possible higher co-financing rates for small-scale projects, shall be defined in the work programmes.

Horizontal actions:

Horizontal actions aim at supporting all the cultural and creative sectors (with the exception of the audio-visual sector) in addressing common challenges they are facing at European level. In particular, they shall co-finance transnational projects for collaboration, networking, mobility and internationalisation, including through residency programmes, touring, events, exhibitions and festivals.

- (a) Transnational cooperation projects bringing together cultural and creative organisations of all sizes – including micro and small-sized organizations – and from different countries to undertake sectoral or cross-sectoral activities.
- (b) European networks of cultural and creative organisations from different countries;
- (c) Cultural and creative pan-European platforms;

- (d) Transnational mobility of artists and cultural and creative operators, as well as the transnational circulation of artistic and cultural works;
- (e) Support to cultural and creative organisations to operate at international level including in terms of capacity building;
- (f) Policy development, cooperation and implementation in the field of culture, including inter alia through the provision of data and exchange of best practices or, pilot projects. and incentive measures to promote gender equality;

Sectorial actions:

To respond to shared needs within the European Union, sectorial actions shall be supported in those cultural and creative sectors, notably music, whose specificities or specific challenges require a more targeted approach complementing the horizontal actions.

- (a) Support to the music sector: promoting diversity, creativity and innovation in the field of music, including live performance, in particular, the distribution and promotion of all musical repertoires in Europe and beyond, training actions, participation in and access to, music, and audience development for all European repertoires, as well as support for data gathering and analysis.

The actions in the music sector will build on and continue to support the experiences and expertise gained within “Music moves Europe”.

- (b) Support to the book and publishing sector: targeted actions promoting diversity, creativity and innovation, promotion of European literature across borders in Europe and beyond, also in libraries, training and exchanges for sector professionals, authors and translators as well as transnational projects for collaboration, innovation and development in the sector; targeted actions promoting the translation of literature and – where possible – its adaptation into accessible formats for people with disabilities;
- (c) Support to architecture and cultural heritage for a quality built environment: targeted actions for the mobility, capacity-building and internationalisation of operators;; promotion of Baukultur²⁸, peer learning and audience engagement to disseminate high-quality principles in contemporary architecture and cultural heritage interventions;; support to the sustainable safeguarding, regeneration and adaptive re-use of cultural heritage and promotion of its values through awareness-raising, and networking activities;
- (d) Support to other sectors of artistic creation when specific needs are identified including targeted actions in favour of the development of the creative aspects of sustainable cultural tourism and the design and fashion sectors as well as to their promotion and representation outside the European Union.

²⁸ According to Davos Declaration 'Towards a high-quality Baukultur for Europe', 2018.

Special actions aiming at rendering visible and tangible European cultural diversity and heritage and nurturing intercultural dialogue:

- (a) European Capitals of Culture ensuring financial support to Decision No 445/2014/EU of the European Parliament and of the Council²⁹;
- (b) European Heritage Label, ensuring financial support to Decision No 1194/2011/EU of the European Parliament and of the Council³⁰ and networking activities between the European Heritage Label sites;
- (c) EU cultural prizes;
- (d) European Heritage Days;
- (e) Support to European cultural entities such as orchestras that aim at training and promoting young, high potential artists and have an inclusive approach with a large geographical coverage, or entities that are delivering direct cultural service to European citizens with a large geographical coverage.

²⁹ Decision No 445/2014/EU of the European Parliament and of the Council of 16 April 2014 establishing a Union action for the European Capitals of Culture for the years 2020 to 2033 and repealing Decision No 1622/2006/EC (OJ L 132, 3.5.2014, p. 1).

³⁰ Decision No 1194/2011/EU of the European Parliament and of the Council of 16 November 2011 establishing a European Union action for the European Heritage Label (OJ L 303, 22.11.2011, p. 1).

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 2018/1808/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 the linguistic diversity, and, shall be pursued through the following actions, the details of which shall be defined in the work programmes:

- (a) Development of audiovisual works by European independent production companies, covering a variety of formats (such as feature films, short films, series, documentaries, narrative video games) and genres, and targeting diverse audiences, including children and young people;
- (b) Production of innovative and quality TV content and serial storytelling, addressing diverse audiences, by European independent production companies;
- (c) Promotion 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;

- (d) Support to international sales and circulation of non-national European works on all platforms (e.g. cinema theatres, online) targeting both small and large-sized productions, including through coordinated distribution strategies covering several countries and encouraging the use of subtitling, dubbing and where applicable, audio description tools;
- (e) Support to the multilingual access to cultural TV programmes online through subtitling;
- (f) Support to networking activities for audiovisual professionals, including creators, and business-to-business exchanges to nurture and promote talents in the European audiovisual sector, and facilitate the development and distribution of European and international co-creations and co-productions;
- (g) Support the activities of European audiovisual players at industry events and fairs in Europe and beyond;
- (h) Support to the visibility and outreach of European films and audio-visual creations aimed at wide European audiences beyond national borders, especially young people and multipliers, including through the organisation of screenings, communication, dissemination and promotion activities in support of European Awards, in particular the "LUX Prize-the European Audience Film Award by the European Parliament and the European Film Academy".
- (i) Initiatives promoting audience development and engagement, including film education activities, addressing in particular young audiences;
- (j) Training and mentoring activities to enhance the capacity of audiovisual professionals to adapt to new creative processes, market developments and digital technologies that affect the whole value chain;
- (k) European Video on Demand (VOD) operators' network(s), screening a significant proportion of non-national European works;

- (l) European festivals and festivals' network(s) screening a significant proportion of non-national European works, while preserving their identity and unique profile;
- (m) A European cinema operators' network, with a broad geographic coverage, screening a significant proportion of non-national European films, fostering the role of European cinemas in the circulation of European works;
- (n) Specific measures to contribute to a more balanced gender participation in the audiovisual sector, including studies, mentoring, training and networking activities;
- (o) Support policy dialogue, innovative policy actions and exchange of best practices – including through analytical activities and the provision of reliable data;
- (p) Transnational exchange of experiences and know-how, peer learning activities and networking among the audiovisual sector and policy makers.

3. CROSS SECTORAL STRAND

The priorities of the CROSS SECTORAL strand of the Programme referred to in Article 6 shall be pursued through the following actions, the details of which shall be defined in the work programmes:

Policy Cooperation and outreach:

- (a) Policy development, transnational exchange of experiences and know-how, peer learning and awareness raising activities, networking, and regular cross-sectoral dialogue among cultural and creative organisations and policy makers;
- (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, for instance through experimental approaches and the use of innovative technologies;
- (b) Foster innovative cross sectoral approaches and tools which shall, where possible, encompass multilingual and social dimensions to facilitate access, distribution, promotion and monetisation of culture and creativity, including cultural heritage.

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 assist the cultural and creative actors in applying under the programme, including by informing them of the requirements and procedures related to the various calls and by sharing good practices;
- (b) Support potential beneficiaries in application processes and peer mentoring for newcomers to the Programme, 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;
- (c) Support the Commission in ensuring a proper communication and dissemination of the results of the programme to the citizens and to the operators.

Cross cutting activities supporting the news media sector:

- (a) Addressing the structural and technological changes faced by the media sector by promoting an independent and pluralistic media environment, including by supporting independent monitoring for assessing risks and challenges to media pluralism and freedom, and by supporting awareness-raising activities;
 - (b) Supporting high media production standards by fostering cooperation, digital skills, cross-border collaborative journalism, and quality content, contributing to professional ethics in journalism;
 - (c) Promoting media literacy to allow citizens to develop a critical understanding and use of the media and supporting knowledge sharing and exchanges on media literacy policies and practices.
 - (d) Specific measures to contribute to a more balanced gender participation in the news media sector.
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ANNEX II

**COMMON QUALITATIVE AND QUANTITATIVE IMPACT INDICATORS OF THE
PROGRAMME**

Number and scale of transnational partnerships created with the support of the Programme,
including the country of origin of the beneficiary organizations

Qualitative evidence of success stories in the field of artistic, business and technological innovation
due to the programme support

Indicators

CULTURE STRAND:

Number and scale of transnational partnerships created with the support of the Programme

Number of artists & cultural &/or creative players (geographically) mobile beyond national borders
due to Programme support, by country of origin (including the proportion of women)

Number of people accessing European cultural and creative works generated by the Programme,
including works from countries other than their own

The number of projects supported by the Programme addressed to socially marginalised groups

The number of projects supported by the Programme involving third countries organisations

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 (including the proportion of women)

Number, budget and geographical origins of co-productions developed, created and distributed with the support of the Programme as well as co-productions with partners from countries with different audiovisual capacities; and number of audiovisual works in lesser used languages developed, and produced and distributed 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 or activities promoting the Programme organised by the programme desks

Number of participants in the creative innovation labs and news media actions activities, including the proportion of women

ANNEX III

LOGO OF THE MEDIA STRAND

The MEDIA strand logo shall be as follows:



Creative
Europe
MEDIA