



COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**amending Decision No 508/2000/EC of 14 February 2000 establishing
the "Culture 2000" programme**

(presented by the Commission)

EXPLANATORY MEMORANDUM

The "Culture 2000" programme, adopted by the European Parliament and the Council in February 2000¹ with an overall budget of EUR 167 million over five years, will expire on 31 December 2004.

The programme stemmed from a proposal (COM(98)266) presented by the European Commission to the European Parliament and the Council in May 1998, on the basis of Article 151 of the EC Treaty, establishing the "Culture 2000" programme as a single financing and programming instrument for cultural cooperation. The purpose of the proposal was to implement responsibilities conferred on the European Community by the Treaty, viz.:

- promoting a cultural area common to the European people by highlighting their common cultural characteristics;
- respecting and promoting cultural diversity;
- creativity as a source of sustainable development within the common cultural area;
- the contribution of culture to social cohesion;
- promoting European cultures in non-member countries, and dialogue with other cultures.

The principle aim of the "Culture 2000" programme is to promote the development of a cultural area common to the European people and to encourage cooperation between cultural operators with a view to developing intercultural dialogue, knowledge of history and culture, transnational dissemination of culture, cultural diversity, creativity, promotion of cultural heritage and socio-economic and social integration.

In the three years of its existence, the programme has enabled over 700 cooperation projects to be supported in performing arts, visual arts, literature and cultural heritage. It has also financed the translation of 250 works and supported events organised as part of "European Capitals of Culture", "European Heritage Days", etc. Overall, this represents thousands of cultural operators involved in events reaching hundreds of thousands of citizens a year.

The programme will come to an end at a time of changes of major significance for the future of the European Union. The accession of ten new Member States, the results of the Intergovernmental Conference based on the work of the Convention on the Future of Europe, the election of the European Parliament and the appointment of a new Commission are bound to change the shape of the Union's future action.

Obviously, these changes will be felt in the cultural sector as well, and programmes will have to be adapted. We are not yet in a position, however, to see exactly what those changes will be.

Nevertheless, continued Community support is absolutely essential to avoid any disruption of the Community's cultural activities as provided for by the Treaty, which involve very many cultural operators in Europe.

¹ Decision No 508/2000/EC of the European Parliament and of the Council of 14 February 2000 (OJ L 63, 10.3.2000).

The European Commission therefore proposes to extend the "Culture 2000" programme *unchanged* for 2005 and 2006.

In order to extend the programme, a legal basis for financing the 2005 projects will have to be adopted in early 2004 and a call for proposals published by the end of the first half of 2004.

At the same time, through preparatory actions, the Commission will explore future avenues for Community action in the cultural sphere: new ways of supporting cooperation projects between operators, increased cooperation between Member States and vis-à-vis third countries, support for cultural industries, linking culture/education/training.

The experience gained, along with the conclusions drawn from the mid-term evaluation of the "Culture 2000" programme (required by Article 8 of Decision No 508/2000/EC) will be used to develop a new approach for a future programme of cultural action and cooperation.

On this basis, the European Commission intends to put forward proposals for a new European Community framework programme for culture by the end of 2003, to commence in 2007. It has emerged from discussions with the other European institutions and with operators that, while experience of Community action on culture under the "Culture 2000" programme has been positive, there is still considerable room for improvement. In this regard, the recent work by the Council and European Parliament will be very useful².

The Commission therefore proposes:

- to extend the "Culture 2000" programme for the years 2005 and 2006;
- to set the overall budget for the extended "Culture 2000" programme at EUR 236,5 million.

² In particular: Council Resolution of 25 June 2002: OJ C 162, 6.7.2002, p. 5, European Parliament Resolutions of 5 September 2001, 28 February 2002 and 21 October 2002.

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**amending Decision No 508/2000/EC of 14 February 2000 establishing
the "Culture 2000" programme**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 151 thereof,

Having regard to the proposal from the Commission³,

Having regard to the opinion of the Committee of the Regions⁴,

Acting in accordance with the procedure laid down in Article 251 of the Treaty⁵,

Whereas:

- (1) Decision No 508/2000/EC of the European Parliament and of the Council of 14 February 2000 establishing the "Culture 2000" programme⁶ set up a single financing and programming instrument for cultural cooperation for a period running from 1 January 2000 to 31 December 2004.
- (2) It is important to ensure the continuity of Community cultural action in implementation of the Union's responsibilities under Article 151 of the Treaty on European Union.
- (3) The Culture 2000 programme should therefore be extended for two years, to 2006,

³ OJ C ..., ..., p. ...

⁴ OJ C ..., ..., p. ...

⁵ OJ C ..., ..., p. ...

⁶ OJ L 63, 10.3.2000, p. 1.

HAVE DECIDED AS FOLLOWS:

Article 1

Decision No 508/2000/EC is hereby amended as follows:

- (1) In Article 1, first paragraph, the date of 31 December 2004 is replaced by 31 December 2006.
- (2) In Article 3, first paragraph, the amount of EUR 167 million is replaced by EUR 236,5 million.

Article 2

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

It shall apply from 1 January 2005.

Done at Brussels, [...]

For the European Parliament
The President

For the Council
The President

LEGISLATIVE FINANCIAL STATEMENT

Policy area(s): Education and Culture

Activity/activities: Cultural cooperation

Title of action: Proposal for a Decision of the European Parliament and of the Council amending Decision No 508/2000/EC of 14 February 2000 establishing the "Culture 2000" programme

1. BUDGET LINE(S) + HEADING(S)

B3-2008B (ABB : 15 04 02 01) – Framework programme in support of culture

B3-2008A (ABB : 15 01 04 07) – Framework programme in support of culture – Expenditure on administrative management

2. OVERALL FIGURES

2.1. Total allocation for action (Part B): commitment appropriations

EUR 69,500 million EUR25

This corresponds to the budgetary impact over the two years concerned, 2005 and 2006, of the proposed extension of the programme scheduled to end on 31 December 2004. An amount corresponding to the impact of enlargement in 2004 will be added to the programme's allocation as modified by this proposal for extension.

2.2. Period of application:

From 1 January 2005 to 31 December 2006

2.3. Overall multiannual estimate of expenditure:

a) Schedule of commitment appropriations/payment appropriations (financial intervention)

EUR million (*to 3 decimal places*)

	2005	2006	2007	2008	2009	Total
Commitments EU25	33,600	33,300				66,900
Payments EU25	16,645	30,760	14,235	2,630	2,630	66,900

- b) Technical and administrative assistance and support expenditure (cf. point 6.1.2)

EUR million (to 3 decimal places)

	2005	2006	2007	2008	2009	Total
Commitments EU25	1,300	1,300				2,600
Payments EU25	0,837	1,292	0,471			2,600

EUR million (to 3 decimal places)

Subtotal a+b	2005	2006	2007	2008	2009	Total
Commitments EU25	34,900	34,600				69,500
Payments EU25	17,482	32,052	14,706	2,630	2,630	69,500

- c) Overall financial impact of human resources and other administrative expenditure (cf. points 7.2 and 7.3)

EUR million (to 3 decimal places)

	2005	2006	2007	2008	2009	Total
Commitments	2,987	2,988				5,975
Payments	2,987	2,988				5,975

TOTAL a+b+c	2005	2006	2007	2008	2009	Total
Commitments	37,887	37,588				75,475
Payments	20,469	35,040	14,706	2,630	2,630	75,475

2.4 Compatibility with financial programming and financial perspective

[X] Proposal compatible with the existing financial programming.

[...] Proposal will entail reprogramming of the relevant heading in the financial perspective.

Proposal may require application of the provisions of the Interinstitutional Agreement.

2.5 Financial impact on revenue:

[X] Proposal has no financial implications (involves technical aspects regarding implementation of a measure)

3. BUDGET CHARACTERISTICS

Type of expenditure		New	EFTA participation	Participation applicant countries	Heading Financial Perspective
Non-Comp	Diff	NO	YES	YES	N° [3]

4. LEGAL BASIS

Article 151 of the EC Treaty.

5. DESCRIPTION AND GROUNDS

5.1 Need for Community intervention

5.1.1. Objectives pursued and Community intervention

The objective is to enable European Union action on cultural cooperation to be continued on the basis of the Culture 2000 framework programme, due to expire on 31 December 2004.

The programme will be coming to an end at a time of change of major significance for the future of the European Union. The accession of ten new Member States, the results of the Intergovernmental Conference based on the work of the Convention on the Future of Europe, the election of the European Parliament and appointment of a new Commission are bound to change the shape of the Union's future action.

Obviously, these changes will be felt in the cultural sector as well, and programmes will have to be adapted. We are not yet in a position, however, to see exactly what those changes will be, particularly as the financial perspective has only been defined up to 2006.

It is therefore proposed to extend Decision No 508/2000/EC establishing the framework programme by two years to avoid any disruption of the Community's cultural activities, the objectives of which – derived from Article 151 of the Treaty – are (Article 1 of the Decision):

- a) promoting cultural dialogue and mutual knowledge of the culture and history of the European peoples;
- b) promoting creativity and transnational dissemination of culture, and the movement of artists, creators and other cultural operators and professionals and their works, with a strong emphasis on young and socially disadvantaged people and on cultural diversity;
- c) highlighting cultural diversity and developing new forms of cultural expression;
- d) sharing and highlighting, at European level, the common cultural heritage of European significance; disseminating know-how and promoting good practice in conserving and safeguarding that heritage;
- e) recognising the role of culture in socio-economic development;
- f) fostering intercultural dialogue and mutual exchange between European and non-European cultures;

g) explicit recognition of culture as an economic factor and as a factor in social integration and citizenship;

h) improved access to and participation in culture in the European Union for as many citizens as possible.

5.1.2 Measures taken in connection with ex ante evaluation

Evaluation work (monitoring, ongoing evaluation, initial conclusions of the mid-term evaluation of the Culture 2000 programme required under Article 8 of Decision No 508/2000/EC) has been taken into account in deciding to propose extending the programme.

In all, the programme has supported over 700 cooperation projects in performing arts, visual arts, literature and cultural heritage. It has also financed the translation of 250 works and supported events organised as part of "European Capitals of Culture", "European Heritage Days", etc.

It has contributed to promoting the development of a common cultural area, encouraging cooperation between cultural operators with a view to developing intercultural dialogue, knowledge of history and culture, transnational dissemination of culture, cultural diversity, creativity, promotion of cultural heritage, socio-economic and social integration and disseminating best practice.

This proposal is also based on a broad debate with the various parties concerned (in the course of the Forum on cultural cooperation in November 2001, dialogue with the other institutions, meetings with professionals and on-site visits). The conclusion was that implementation of Community action through the "Culture 2000" programme has been a positive experience.

The final results of the mid-term evaluation of the Culture 2000 programme will provide further guidance for the European Commission on the follow-up to the Community's action in support of culture and on the design and management of a future cultural programme in a greatly enlarged European area.

5.1.3 Measures following ex post evaluation

Lessons can be drawn from the experience in respect of:

- a) the programme design;
- b) the programme management.

On the question of design, the proposal is based on the proven value of the Community action on cultural cooperation and the need to ensure continued Community support and avoid any disruption of that action, provided for by the Treaty, pending the proposal for a decision on new Community intervention policy in the field of culture for the period beyond 2006, to be presented by the Commission by the end of 2003.

Concerning the programme management, the Commission will draw on its past experience and the comments made in evaluations and audits. Care will be taken in implementing the programme to ensure that it is as straightforward and easy to use as possible, as these qualities are essential to its effectiveness and large-scale use in Europe. The possibility of an executive agency is currently being considered which, as far as possible, and if justified by a cost-effectiveness analysis, will be put in charge of the programme's management and other responsibilities in connection with its implementation, such as monitoring and documentation of project results.

5.2 Action envisaged and budget intervention arrangements

The programme, to be extended unchanged, if accepted, will involve three types of action:

1. Annual cooperation projects (action 1)
2. Projects run under multiannual cooperation agreements (action 2)
3. Special cultural events with a European or international dimension (action 3).

The ultimate purpose of the three actions will be the same, i.e. to promote the creation of a common cultural area.

They are addressed directly to cultural operators (event organisers, theatre managers, etc), and, through them, artists and creators, and, more indirectly, to all European citizens, in particular disadvantaged groups and young people.

Co-financing grants are planned for the three types of action above.

The necessary support will also be provided for project evaluation and information and communication services.

Financing will be 100% for purchases of services (studies, publications, meetings of experts, evaluations, technical assistance contracts) and for any contribution to a future executive agency, the creation of which is currently being considered.

5.3 Implementation arrangements

The proposal follows the traditional Community approach on implementation in respect of grants and co-financing, based on detailed requests for funding.

The programme will be managed centrally by the Commission, possibly assisted by a future executive agency currently under consideration. Funds will be needed to cover administrative expenditure directly connected to the programme's objective (studies, meetings of experts, information and publications, contribution to the operating costs of an executive agency or other technical and administrative assistance).

Funding will be granted on the basis of calls for proposals and invitations to tender.

6. FINANCIAL IMPACT

6.1 Total financial impact on Part B (over the entire programming period)

6.1.1 Financial intervention

Commitments in EUR million (to three decimal places)

Breakdown	2005	2006	Total EU25
Action 1	14,824	14,624	29,448
Action 2	13,150	13,150	26,300
Action 3	5,626	5,626	11,152
TOTAL	33,600	33,300	66,900

6.1.2 Technical and administrative assistance, support expenditure and IT expenditure (Commitment appropriations)

	2005	2006	Total EU25
1. Technical and administrative assistance:			
a) Technical assistance offices	0,000	0,000	0,000
b) Other technical and administrative assistance:			
- intra-muros:	0,300	0,250	0,550
- extra-muros:	0,375	0,375	0,750
Subtotal 1	0,675	0,625	1,300

	2005	2006	Total EU25
2) Support expenditure:			
a) Studies	0,100	0,150	0,250
b) Meetings of experts	0,225	0,225	0,450
c) Information and publications	0,300	0,300	0,600
Subtotal 2	0,625	0,675	1,300

TOTAL	1,300	1,300	2,600
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The nature of this expenditure may vary if a cost-effectiveness study, to be launched in 2003, recommends using an executive agency for the programme management.

6.2 Calculation of costs by measure envisaged in Part B (over the entire programming period)

Commitments in EUR million (*to three decimal places*)

Breakdown	Type of outputs (projects, files, etc)	Number of outputs (total for years 1...n)	Average unit cost	Total cost (total for years 1...n)
	1	2	3	4=(2 x 3)
<u>Action 1</u>	<i>Specific projects:</i> <i>(Performing arts, visual arts, cultural heritage, books – reading and translation)</i>	350	0,084	29,448
<u>Action 2</u>	<i>Multiannual cooperation agreements:</i> <i>(Performing arts, visual arts, cultural heritage, books and literature)</i>	39	0,674	26,300
<u>Action 3</u>	<i>Major projects:</i> <i>(Capitals of Culture, Presidency seminars, European Heritage Days, heritage award, architecture award, heritage laboratories, cultural contact points (CCP), symposium, European Cultural Month, cultural statistics)</i>	77	0,145	11,152
<u>Management of the Programme</u>	<i>Expenditure on technical assistance and support:</i>			2,600
TOTAL COST				69,500

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

The current managers will continue to run the extended programme.

The human and administrative resources will be covered by the funds already granted for management purposes.

7.1 Impact on human resources

There are no plans to add further human resources to those already managing the Culture 2000 programme.

Type of job		Staff to be assigned to management of the measure, using existing and/or additional resources		Total	Description of tasks deriving from the measure
		Number of posts Permanent	Number of posts Temporary		
Officials	A	7	0	7	
Or	B	3	1	4	
Temporary agents	C	8	1	9	
Other human resources		0	3	3	3 nat. experts on detachment
Total		18	5	23	

7.2 Overall financial impact of human resources

Type of human resources	Amounts EUR	Method of calculation*
Officials	1 944 000	18x EUR108 000
Temporary agents	216 000	2x EUR108 000
Other human resources (indicate budget heading)	324 000	3x EUR108 000
Total	2 484 000	

*The amounts represent total expenditure for 12 months.

7.3 Other administrative expenditure deriving from the measure

Budget heading (number and title)	Amounts EUR	Method of calculation*
Overall allocation (Title A7)		
A0701 (ABB : 01 02 10) - Missions	50 000	
A07030 (ABB : 01 02 10) - Meetings	50 000	
A07031 (ABB : 01 02 10) - Compulsory committees (1)	53 625	25 Member State representatives x EUR 715 x 3 meetings per year
A07040 (ABB : 01 02 10) - Conferences	200 000	
A0705 (ABB : 01 02 10) - Studies and consultations	150 000	
... Other expenditure (please specify)		
Information systems (A-5001/A-4300)		
Other expenditure - Part A (please specify)		
Total	503 625	

*The amounts represent total expenditure for 12 months.

⁽¹⁾ Specify the type of committee and the group to which it belongs

I.	Annual total (7.2 + 7.3)	EUR 2 987 625
II.	Duration of the measure	2 years
III.	Total cost of the measure (I x II)	EUR 5 975 250

The human resource and administrative requirements will be covered by the budget allocated to the managing Directorate-General under the annual allocation procedure.

8. MONITORING AND EVALUATION

8.1 Monitoring arrangements

For the implementation of the programme, output indicators have been defined in respect of the number of projects to be supported: 350 under action 1, 39 under action 2 and 77 under action 3.

The data collection system for projects and measures co-financed by Culture 2000 operates on several levels:

- grant application forms

- mid-term and final reports submitted by the beneficiaries to the Commission for its approval;
- any audits and on-site visits by Commission staff.

8.2 Arrangements and schedule for the planned evaluation

On completion of the Culture 2000 programme, the Commission will present a report on its implementation to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

The Commission will also present a short annual progress report on the implementation of the Culture 2000 programme to the European Parliament, the Council and the Committee of the Regions.

These assessment reports will emphasise in particular the creation of added value, particularly of a cultural nature, and the socio-economic consequences of the Community's financial support.

9. FRAUD PREVENTION MEASURES

All contracts, agreements and legal undertakings entered into by the Commission and the beneficiaries provide for checks to be carried out by the Commission or the Court of Auditors on the premises of a direct beneficiary of a Community grant, and for evidence to be required of any expenditure under such contracts, agreements and legal undertakings, within five years of the end of the contract period. Beneficiaries are subject to reporting and financial accounting obligations, and these are analysed from the point of view of content and eligibility of expenditure, bearing in mind the purpose of Community funding and taking account of contractual obligations and of the principles of economy and sound financial management.